

REVISED
AGENDA
SPECIAL COUNCIL MEETING OF THE MAYOR AND CITY COUNCIL
IN THE COUNCIL CHAMBERS – 81 ELKHORN ROAD
CITY OF SUN VALLEY, IDAHO
JUNE 23, 2015 - 1:00 P.M.

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT - *The Mayor and Council welcome comments from the public on any subject. Please state your name and address for the record. Public comments may be limited to three (3) minutes. Please note this is the only time during this meeting that public comment time will be provided.*

MAYOR AND COUNCIL RESPONSE TO PUBLIC COMMENT (5 min.)

COUNCIL COMMENT (5 min.)

MAYOR COMMENT (5 min.)

QUESTIONS FROM THE PRESS (3 min.)

ACTION/DISCUSSION (10 min.)

1. Discussion and Action on Resolution 2015-14 Authorizing the Adoption of the Blaine County Multi-Jurisdictional All-Hazard Mitigation Plan (5 min.); 1, A-1
2. Discussion and Action on an Aircraft Landing and Takeoff Permit for Air St. Luke's as part of the Ketchum and Sun Valley Fire Department Fire Services Appreciation Day at the City of Sun Valley Festival Meadows on Saturday, June 27, 2015 (5 min.); 3

PRESENTATION - EXTERNAL CONTRACT (15 min.)

3. Trout Unlimited/USGS (15 min.); 11

EXPENDITURE, OTHER FUNDS, AND UNASSIGNED FUND BALANCE REVIEW (120 min.) 28

4. GENERAL GOVERNMENT EXPENDITURES (60 min.)
 - a. Police Department (30 min.);
 - b. Fire Department (30 min.);

BREAK

5. OTHER FUNDS AND UNASSIGNED FUND BALANCE (60 min.)
 - a. Fixed Asset Fund (10 min.)
 - b. Land Acquisition Fund (5 min.)
 - c. Workforce Housing Fund (10 min.)
 - d. Capital Improvement Fund (10 min.)
 - e. Street & Path Fund (15 min.)

f. Unassigned Fund Balance (10 min.)

GENERAL DISCUSSION REGARDING FISCAL YEAR 2016 BUDGET (30 min.); (no documents)

EXECUTIVE SESSION – Pursuant to Idaho Code 67-2345 sections (a), (b) and (f).

ADJOURNMENT

CITY OF SUN VALLEY

RESOLUTION 2015-14

A RESOLUTION OF THE CITY OF SUN VALLEY AUTHORIZING THE ADOPTION OF THE BLAINE COUNTY MULTI-JURISDICTIONAL ALL-HAZARD MITIGATION PLAN 2015

WHEREAS, all of Blaine County, Idaho has exposure to natural hazards that increase the risk to life, property, environment and the County's economy; and

WHEREAS; pro-active mitigation of known hazards before a disaster event can reduce or eliminate long-term risk to life and property; and

WHEREAS, The Disaster Mitigation Act of 2000 (Public Law 106-390) established requirements for pre and post disaster hazard mitigation programs; and

WHEREAS; the Local Emergency Planning Committee of Blaine County, with participation from local municipalities with like planning objectives has been formed to pool resources and create consistent mitigation strategies within Blaine County; and

WHEREAS, the Committee has completed a planning process that engages the public, assesses the risk and vulnerability to the impacts of natural hazards, develops a mitigation strategy consistent with a set of uniform goals and objectives, and creates a plan for implementing, evaluating and revising this strategy;

NOW, THEREFORE, BE IT RESOLVED that the City of Sun Valley:

- 1) Adopts in its entirety, the Blaine County Multi-Jurisdictional All-Hazard Mitigation Plan (the "Plan") as the jurisdiction's Natural Hazard Mitigation Plan, and resolves to execute the actions identified in the Plan that pertain to this jurisdiction.
- 2) Will use the adopted and approved portions of the Plan to guide pre- and post-disaster mitigation of the hazards identified.
- 3) Will coordinate the strategies identified in the Plan with other planning programs and mechanisms under its jurisdictional authority.
- 4) Will continue its support of the Local Emergency Planning Committee as described within the Plan.
- 5) Will help to promote and support the mitigation successes of all participants in this Plan.
- 6) Will incorporate mitigation planning as an integral component of government and partner operations.
- 7) Will provide an update of the Plan in conjunction with the County no less than every five years.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR THIS ____ DAY OF June, 2015.

Dewayne Briscoe, Mayor

Attest:

Alissa Weber, City Clerk

City of Sun Valley

Reliable Power Supply

<i>Goal</i>	<i>Objective</i>	<i>Project</i>	<i>Responsible Entity</i>	<i>Order of Magnitude Cost & Planning Horizon</i>
Provide for a secondary power line from the substation to the south, to assure we can provide for our guests and residents alike in the event of a long term power outage	Improve Power Supply	Install the Secondary Power Supply to the City of Sun Valley	Idaho Power	ROM – \$200,000/Mile
		Develop a Policy Statement in Supporting the Project	Mayor and City Council	Identify Underground Cost for Comparison
Severe Weather				
<i>Goal</i>	<i>Objective</i>	<i>Project</i>	<i>Responsible Entity</i>	<i>Order of Magnitude Cost & Planning Horizon</i>
Reduce impacts from large winter storms.	Avalanche Protection	Perform an Avalanche Identification Study	Community Development	
		Develop a Public Awareness campaign and Signage	Fire/Street	
		Develop an Emergency Snow Removal Plan to keep roads clear and critical fire hydrants open during winter storms.	Street Department Fire Department	ROM - \$50,000 2011 – Seek Funding in City Budget 2012 – Develop Plan
Reduce the impact of long periods of extended cold, due to power outages, or interruption of any other heating sources.	Emergency Sheltering	Develop public information on how to survive and stay safe with winter storms.	Fire Department Law Enforcement	ROM \$50,000 2010 – Seek Funding 2011 – Implement Program
		Identify a community shelter and develop an MOU with the owner for use during an emergency.	Mayor & City Council Fire/Law Enforcement Building Official	ROM \$25,000 2010 – Develop Agreements 2011 – Finalize Agreements
	City Operations	Maintain City Operations/Infrastructure Capabilities, Power Generation	Street	

Flooding

<i>Goal</i>	<i>Objective</i>	<i>Project</i>	<i>Responsible Entity</i>	<i>Order of Magnitude Cost & Planning Horizon</i>
Reduce impact from flooding in the City of Sun Valley	Protect City From Flooding	Develop Evacuation and Mitigation Plan	Emergency Services	ROM - \$80,000 2011 – Seek FMA Funding 2012 – Perform Study
		Monitoring Existing Dam Certification	Community Development And Street	

Geological

<i>Goal</i>	<i>Objective</i>	<i>Project</i>	<i>Responsible Entity</i>	<i>Order of Magnitude Cost & Planning Horizon</i>
Reduce the potential damage to city infrastructure and buildings in the event of an earthquake.	Protect Infrastructure	Perform a Structural Engineering Survey to identify City Infrastructure that need to be seismically retrofitted.	City Engineer	ROM - \$50,000 2010 – Seek HMA Funding 2011 – Perform Surveys
		Seismically retrofit City infrastructure.	Building Official	ROM – Depends on Survey 2011 – Seek HMA Funding 2012 – Implement Projects

Wildfire

<i>Goal</i>	<i>Objective</i>	<i>Project</i>	<i>Responsible Entity</i>	<i>Order of Magnitude Cost & Planning Horizon</i>
Reduce losses of life and property caused by wildfires.	Perform Fuel Reduction Projects	Reduce the Fuels that border the City	Fire Department P@Z	ROM - \$200,000 2010 – Seek HMA Funding 2011 – Implement Project
	Improve Wild land Urban Interface Planning	Maintain an up to date WUI Mitigation Plan	Fire Department	ROM - \$75,000 2010 – Seek BLM Funding 2011 – Implement Project ROM - \$50,000 2010 – Seek BLM Funding 2011 – Update Plan
		Develop a GIS Based Fuel Model that can be used in Fire Response	Fire Department	ROM - \$20,000 2011 – Seek BLM Funding 2012 – Develop Model

Handling the Unexpected, Man-Made Disasters

<i>Goal</i>	<i>Objective</i>	<i>Project</i>	<i>Responsible Entity</i>	<i>Order of Magnitude Cost & Planning Horizon</i>
Planning for Sun Valley events where the unexpected happens	Rapid Intervention	Ensure personnel are trained and prepared	Law Enforcement	ROM 2014 – Seek funding to develop plan
	Ensure Necessary Systems in Place for coordinated inter-agency response	Develop an evacuation plan for Sun Valley Company and City	Law Enforcement/Fire/EMS	
		Develop a Community Strategy and media strategy to protect the image and brand of Sun Valley	Law Enforcement/Fire/ Mayor and Council	

***Hazardous
Materials***

<i>Goal</i>	<i>Objective</i>	<i>Project</i>	<i>Responsible Entity</i>	<i>Order of Magnitude Cost & Planning Horizon</i>
Be able to deal with and contain a leak or spill from the Ice Rink Anhydrous Ammonia plant, and to warn all occupants of the resort and the cities of Ketchum and Sun Valley.		Develop a Tier I and Tier II Evacuation Plan	Emergency Services	ROM – \$35,000 2011 – Seek HMA Funding 2013 – Develop Plan
		Provide proper hazardous materials education, training, and equipment for all responders	Fire Department	ROM - \$200,000 2010- Include in District Budget 2011 – Purchase Equipment and Conduct Training

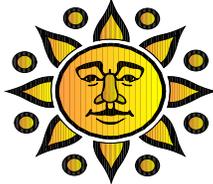
Terrorism

<i>Goal</i>	<i>Objective</i>	<i>Project</i>	<i>Responsible Entity</i>	<i>Order of Magnitude Cost & Planning Horizon</i>
Reduce the impact of terrorism or vandalism	Protect Community Infrastructure	Develop methods to secure critical infrastructure.	Street/L.E	ROM – Insufficient Data to Estimate Cost 2011 – Identify Critical Infrastructure 2012 – Develop Mitigation Measures 2013 – Seek Funding 2014 – Implement Protection
		Formulate a comprehensive planning and security program for large events.	L.E/Events Cord.	ROM - \$5000 2010 – Fund as a SHSP Planning Project
		Develop a Community Strategy and Media Strategy to Protect the Image and Brand of Sun Valley	L.E/ Fire, Mayor, City Council	

<i>Goal</i>	<i>Objective</i>	<i>Project</i>	<i>Responsible Entity</i>	<i>Order of Magnitude Cost & Planning Horizon</i>
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Other

<i>Goal</i>	<i>Objective</i>	<i>Project</i>	<i>Responsible Entity</i>	<i>Order of Magnitude Cost & Planning Horizon</i>
Develop a viable Continuity of Government Plan	Improve Disaster Response	Develop a comprehensive Continuity of Government plan	Mayor / City Council	ROM - \$5000 2009 – Include as a SHSP Planning Activity
		Subscribe to the WEB-EOC's crisis management system.	Emergency Services	ROM - \$5,000 2010 – Seek BHS Funding 2011 – Install System



**CITY OF SUN VALLEY
CITY COUNCIL
AGENDA REPORT**

To: Honorable Mayor and City Council
From: Jae Hill, Community Development Director
Meeting Date: June 23, 2015
Agenda Item: **Aircraft Landing and Takeoff Permit**

SUBJECT: Request from Air St. Luke's for an aircraft landing and takeoff permit from the City of Sun Valley to land a helicopter at the Festival Meadows site as part of the Blaine County Fire Expo.

BACKGROUND: On Saturday, June 27, 2015 the Fire Departments of the Cities of Sun Valley and Ketchum are holding their annual Fire Expo at the City of Sun Valley's Festival Meadows on Sun Valley Road. The event's activities include an air rescue helicopter landing at the site. Consistent with City Code Section 4-5, Air St. Luke's is requesting City approval of an aircraft landing and takeoff permit to participate in a public relations event.

ANALYSIS: The requested permit only covers the date of June 27, 2015 and it is understood that one (1) landing and one (1) take-off will occur at the landing site, unless an emergency response call occurs that requires the helicopter to respond. In that instance, an alternate helicopter may land and take of one additional time as a replacement if needed. A landing zone officer will be designated and trained personnel from the Sun Valley and Ketchum Fire Departments will provide site safety during all flight operations in accordance with standard operating procedures for air rescue landing and takeoff operations. Upon landing, the helicopter will be completely shut down, the pilot and crew will exit, and the aircraft will be made available for the public relations event as applicable. The draft permit (**Exhibit "CC-A"**) requires the helicopter's operator, Air St. Luke's, and owner, Idaho Helicopter, Inc., to enter into a hold harmless and indemnification agreement (draft attached as **Exhibit "CC-B"**) and provide the City with a certificate of insurance.

<p><u>RECOMMENDATION:</u> The Community Development Director recommends the City Council review and approve the draft Aircraft Landing and Takeoff Permit and consider a motion authorizing the Mayor to sign the approved Permit.</p>

LIST OF ATTACHED EXHIBITS:

Exhibit "CC-1" Draft City of Sun Valley Aircraft Landing and Takeoff Permit.
Exhibit "CC-2" Draft Hold Harmless and Indemnification Agreement.

**The entire administrative record for the aircraft landing and takeoff permit request is available for review in the Community Development Department at City Hall.

CITY OF SUN VALLEY AIRCRAFT LANDING AND TAKEOFF PERMIT

Pursuant to the application of Air St. Luke's (hereinafter referred to as "Permittee") and consistent with Municipal Code Section 4-5 of the City of Sun Valley, the City of Sun Valley (hereinafter referred to as "City") as permitting agency and property owner does hereby permit the Permittee to land and take off a helicopter at the Festival Meadows site owned by the City on Sun Valley Road. The landing and takeoff site is identified in the City of Sun Valley Aircraft Landing and Takeoff Permit ("Permit") and this Permit is specifically conditioned upon the following terms and provisions:

1. The Permittee shall be entitled to use the following site as a takeoff and landing site: an open park area commonly known as the City of Sun Valley Festival Meadows ("Landing Site"), adjacent to the west of the Sun Valley Road right-of-way and specifically identified on the attached map exhibit. The purpose of the helicopter use is to participate in a public relations event as part of the 10th Annual Fire Services Appreciation Day organized by the Fire Departments of the City of Sun Valley and the City of Ketchum. The Permittee agrees that the point of origin takeoff will be existing Air St. Luke's facilities and that no landing for this event shall be within 300 feet of any buildings, which are used for residential, commercial, governmental or other purposes.

2. The Permittee agrees that the permit only covers the date of June 27, 2015. It is understood that one (1) landing and one (1) take-off will occur at the landing site, unless after landing the helicopter has to respond to an emergency assist call and another helicopter may take its place for one (1) additional landing and takeoff. Trained personnel from the Sun Valley and Ketchum Fire Departments will provide site safety during all flight operations in accordance with standard operating procedures for air rescue landing and takeoff operations. A landing zone officer will be designated by the Departments. Upon landing, the helicopter will be completely shut down, the pilot(s) and crew will exit, and the aircraft will be made available for the public relations event as applicable.

The Permittee shall meet the following conditions:

- a. The Landing Site is located a safe distance away from other Fire Services Appreciation Day activities;
- b. The Permittee will have communication with personnel on the ground and the Departments shall post personnel to control landing and takeoff in order to ensure safety at all times;
- c. The Permittee shall not fuel the helicopter at the Landing Site.

3. This Permit shall not be effective until such time as the Permit is authorized and signed by the City, specifically consenting to the use of the Landing Site by the Permittee.

4. The Permittee shall at all times comply with the ordinances of the City; and without limiting the foregoing requirements, the Permittee shall comply with the legal parameters of any State or Federal regulations and/or laws.

5. The Permittee shall use a helicopter leased from and owned by Idaho Helicopter, Inc. ("Helicopter Owner") of Boise, Idaho.

6. The Permittee and Helicopter Owner hereby agree to enter into a Hold Harmless and Indemnification Agreement with the City that holds the City and its agents, employees, representatives, insurers, and attorneys harmless from and indemnifies the City and its agents, employees, representatives, officials, insurers, and attorneys for any and all costs or expenses and any and all claims, demands, obligations, liabilities, damages, costs, lawsuits and judgments, including attorneys'

fees (collectively "Claims"), connected in any way with the planning, staging, or operations of the helicopter.

7. The Permittee and Helicopter Owner shall furnish the City with a current certificate of insurance bearing evidence of liability insurance with limits of liability of at least five million dollars (\$5,000,000.00) naming the City of Sun Valley and the City of Ketchum as additional insured. Such insurance shall provide for thirty (30) day notice of cancellation to City. Disapproval of the policy by City or cancellation shall result in immediate cessation of the Permittee operations if similar insurance is not obtained within 24 hours from such disapproval or cancellation.

8. This Permit is specifically issued on condition that the pilot of the helicopter shall be a FAA certified helicopter pilot.

9. The Permittee agrees that it shall bear the full cost of any retrieval of its property in connection with activities carried out pursuant to this Permit.

10. This Permit shall not be transferable and does not result in the establishment of any proprietary rights by the Permittee.

DATED this 23rd day of June, 2015

Dewayne Briscoe, Mayor
City of Sun Valley

The Permittee and Owner have has considered the language of the foregoing Permit and agree with the terms and conditions provided.

DATED this 23rd day of June, 2015

Blaine Patterson, Director of EMS
Air St. Luke's

HOLD HARMLESS AND INDEMNIFICATION AGREEMENT

THIS HOLD HARMLESS AND INDEMNIFICATION AGREEMENT ("AGREEMENT") IS MADE THIS 23rd DAY OF JUNE, 2015 BY AND AMONG THE CITY OF SUN VALLEY, AN IDAHO MUNICIPAL CORPORATION AND THE PROPERTY OWNER (HEREINAFTER "CITY"), AIR ST. LUKES (HEREINAFTER "PERMITTEE") AND IDAHO HELICOPTER, INC. (HEREINAFTER "HELICOPTER OWNER") IN CONTEMPLATION OF THE FOLLOWING RECITALS.

A. The City is a municipal corporation and political subdivision of the State of Idaho and has authority to enter into this Agreement. With the review and consent of the City Council at a noticed public meeting held at City Hall at 4pm, June 23, 2015 the Mayor of the City, Dewayne Briscoe, has the authority to sign and execute this Agreement.

B. The Permittee and Helicopter Owner are private corporations currently wishing to land a helicopter on an area commonly known as the Festival Meadows located adjacent to the west of the Sun Valley Road right-of-way and owned by the City. The purpose of the helicopter use is to participate in a public relations event as part of the 10th Annual Fire Services Appreciation Day. The landing and takeoff site and operational requirements are identified in the Aircraft Landing and Takeoff Permit ("Permit") issued by the City on June 23, 2015.

C. The Permit is specifically conditioned to require the Permittee and Helicopter Owner to enter into a hold harmless and indemnification agreement with the City that holds the City and its agents, employees, representatives, insurers, and attorneys harmless from and indemnifies the City and its agents, employees, representatives, insurers, and attorneys for any and all costs or expenses and any and all claims, demands, obligations, liabilities, damages, costs, lawsuits and judgments, including attorneys' fees (collectively "Claims"), connected in any way with the planning, staging, or operations of the helicopter.

D. The Permittee has represented to the City that it leases a helicopter from the Helicopter Owner for its current operations in the Sun Valley region and the Permittee intends to operate the helicopter for the event on June 27, 2015 to land and take off one time at the site, or one additional landing and takeoff if required to respond to an emergency event during the event.

E. Therefore, on the basis of the foregoing Recitals which are incorporated in this Agreement as though set forth in full, and in consideration of the mutual promises and undertakings hereinafter set forth, and for valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

1. Cooperation. The Permittee and Helicopter Owner and all its employees and representatives shall cooperate with City authorities and personnel and do all things reasonably required by the City to ensure all rules and regulations of the City and applicable agencies are complied with.

2. Festival Meadows Permittee Operations. The City, Permittee and Helicopter Owner agree that the Permittee is authorized by the City to use the landing and takeoff site on June 27, 2015.

3. City Monitoring. The Permittee and Helicopter Owner agree that the City, through the Mayor, Police Department and Fire Department shall have the authority to monitor the Permittee operations to ensure conditions of this Agreement are fully met. The Permittee and

Helicopter Owner agree that the City may revoke this Agreement or close down the operation at any time it is determined in the City's subjective judgment that the public health, safety or welfare is in jeopardy.

4. Hold Harmless and Indemnification. The Permittee and Helicopter Owner hereby indemnify and hold harmless the City and its agents, employees, representatives and insurers from any and all costs, expenses, claims, demands, obligations, liabilities, damages, lawsuits and judgments, without limitation, including attorney's fees (collectively "Claims"), connected in any way or arising in any way from or related to the planning, staging, or operations of the Permittee over the Festival Meadows related in any way whatsoever to this landing Permit.

5. Liability Insurance. The Permittee and Helicopter Owner shall furnish the City with a certificate of insurance bearing evidence of liability insurance for the Permittee with limits of liability of at least five million dollars (\$5,000,000.00) naming the City of Sun Valley and the City of Ketchum as additional insured. Such insurance shall provide for thirty (30) day notice of cancellation to the City. Disapproval of the policy by the City or cancellation shall result in immediate cessation of the Permittee operations for this event if similar insurance is not obtained within 24 hours from such disapproval or cancellation.

6. Miscellaneous Provisions.

a. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective heirs, personal representatives, successors and assigns.

b. This Agreement is the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements between them with respect hereto.

c. This Agreement shall be construed in accordance with the laws of the State of Idaho.

d. In the event that any party hereto has to retain counsel for the purpose of enforcing any of the rights, duties or obligations arising out of or relating to this Agreement, the non-prevailing party shall pay to the prevailing party the latter's reasonable attorney's fees and costs, whether or not litigation is actually instituted, and including attorney's fees and costs on appeal and in any bankruptcy proceeding.

e. Each signatory agrees that s/he has full authority and consent to sign this Agreement.

f. This Agreement may be executed in several counterparts and all so executed shall constitute one Agreement, binding on all parties hereto even though all the parties are not signatories to the original or the same counterpart.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

CITY OF SUN VALLEY

By: _____
Dewayne Briscoe, Mayor

PERMITTEE

By: _____
Blaine Patterson, Director of EMS
Air St. Luke's

HELICOPTER OWNER

By: _____
Steve Sandmeyer, Director of Operations
Idaho Helicopter, Inc



To: Sun Valley Community Development Director

This is an application for Air St Luke's to land a helicopter at Festival Field on Sun Valley Rd. on June 27, between the hours of 1100 & 1400, for the event Blaine County Fire Expo. There will be an Air St Luke's landing zone officer on the ground at all times during the event & they will be in radio contact with the flight crew. A landing zone along with the GPS coordinates has already been designated.

Aircraft is owned and operated by Idaho Helicopters based in Boise, ID. We will be landing either a Bell 429 medium duty twin engine helicopter or a MD900 also a twin engine helicopter.

They are licensed both part 91 and part 135 with the FAA and the programs is CAMTS accredited.

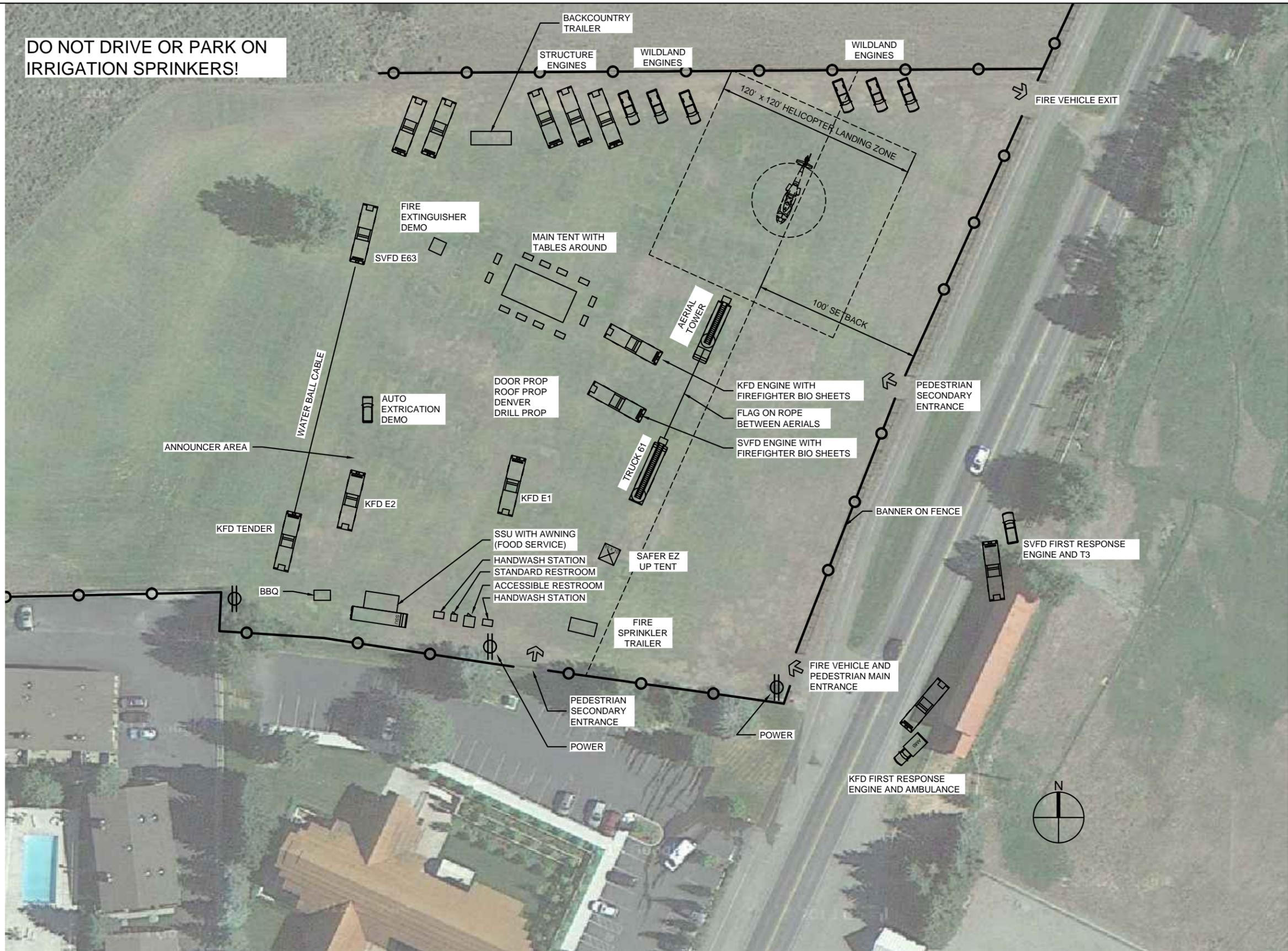
Thank you,

Blaine Patteron

Director of EMS

Saint Luke's Health system

FILENAME Z:\Dropbox\Lister 2015\SVFD 2015\Fire Expo 2015-06-10 Fire Expo Site Layout rev B.dwg
6/10/2015 11:10 AM
SAVED



SITE LAYOUT
1" = 60'

Blaine County Fire Expo Site Layout

FESTIVAL MEADOW, SUN VALLEY ROAD

May 6, 2015

City of Sun Valley
Attn: Susan Robertson, City Administrator
Sun Valley City Hall
81 Elkhorn Road
P.O. Box 416
Sun Valley, ID 83353

Dear Susan,

During 2014, The US Geological Survey (USGS) initiated a biological, habitat, and water quality assessment to provide a baseline snapshot of current conditions on the Big Wood River and select tributaries. The initial data collection is complete, and data analysis, interpretation, and reporting are underway. The long-term goal of the study is to develop and implement a long-term monitoring framework and collect data that can be utilized by all stakeholders within the Big Wood River watershed, ensuring and preserving the integrity of the Wood River Valley's most precious resource.

The total cost of the study is \$106,000. The USGS has contributed half the cost. Trout Unlimited, The Wood River Land Trust, and The Nature Conservancy have contributed \$36,000 collectively, and the Idaho Department of Environmental Quality is contributing \$6000. A remaining funding gap exists. Study collaborators (USGS, TU, WRLT, and TNC) are seeking additional partners to bridge the remaining funding gap, and respectfully request that the City of Sun Valley consider funding participation.

Included with this letter is the USGS proposal. Please let me know if you have any additional questions. Thank you for your time and consideration.

Sincerely,



R. Chad Chorney

Proposal

Evaluating the Status of Aquatic Biological Resources and Associated Habitats in the Wood River Valley, Idaho, 2014-15

Introduction

Blaine County's population has nearly quadrupled from about 5,700 to 22,000 people between 1970 and 2010 (Hopkins and Bartolino, 2013). Residents and resource managers of the Wood River Valley of south-central Idaho (Figure 1) are concerned about the potential effects that population growth and the expected increased demand for water might have on the quantity and quality of the valley's ground and surface waters. Increased water use has the potential to negatively impact streamflow, water quality, and the biological integrity in the Wood River and its tributaries. In the face of current and future stresses on the water resources in the Wood River Valley, a comprehensive assessment of the current condition of the quantity, quality, and aquatic biology of the Wood River and its major tributaries is needed as a means for the establishment of a robust, objective baseline. Furthermore, this baseline assessment should be utilized in the design and implementation of a long-term monitoring program to be utilized as a means to continually assess the status and trends in water quantity and quality.

Primary sources of pollutants in the valley include agriculture, grazing, forestry, and three wastewater treatment point sources. Habitat loss due to flow alterations, floodplain encroachment, stream channelization, diversions, dams, and invasive species are additional threats to surface waters in the valley (Zaroban, 2010). Pollutants of concern identified by Idaho Department of Environmental Quality (IDEQ) include suspended sediment, substrate fine sediments, total phosphorus, bacteria, and temperature (Buhidar, 2002). In addition, the recent Castle Rock and Beaver Creek wildfires have left Wood River Valley waterways more vulnerable to damaging sediment and debris flows (Skinner, 2013). All of these natural and man-made actions and stressors can detrimentally affect the biological communities and associated habitats found in the Big Wood River and its tributaries.

Previous Investigations

Surface water-quality and (or) biological investigations in the Wood River Valley have primarily focused on specific issues such as nutrients or metals, and they have generally been short-term and localized in scope. The one exception was the statewide surface water-quality trend network, a

cooperative program between the USGS Idaho Water Science Center (IDWSC) and IDEQ. This network included the Big Wood River at Stanton Crossing (13140800), to determine ambient water-quality trends (fig. 1). The Stanton Crossing site was sampled by USGS from 1997 to 2008 for water-quality and biological parameters. Maret and others (2001) summarized the macroinvertebrate communities at this site. Water-quality changes for selected sites in this network also were evaluated from 1989 to 2002 by Hardy and others (2005). Unfortunately the entire network was discontinued in 2009 due to IDEQ budget constraints.

Within the Wood River Valley, only two sites on Silver Creek are regularly sampled for trends on a 3-year rotation by USGS and Idaho Department of Fish and Game (IDFG) on behalf of The Nature Conservancy. Hopkins and Bartolino (2013) completed synoptic sampling to determine baseline water-quality conditions that included five surface-water sites, but did not include biological samples (i.e., macroinvertebrates or fish). The USGS also collected synoptic samples consisting of water quality, macroinvertebrates, and algae in 2007-08 for a national nutrient enrichment study under the USGS National Water-Quality Assessment Program. Maret and others (1997) evaluated fish communities in the headwaters of the Big Wood River to characterize reference conditions. IDEQ has collected biological samples for their Beneficial Use Reconnaissance Program. King and others (2004) provided sediment load estimates for the upper Big Wood River near Ketchum streamgage.

Notable fishery assessments include trout population estimates by IDFG every three years at three sites on the Big Wood near Boulder Creek, Gimlet, and Hailey (Doug Megargle, IDFG, personal commun., 2014). Occurrences and status of the Wood River sculpin, a sensitive endemic fish only found in the Wood River Valley, were evaluated by Meyer and others (2008) and by Zaroban (2010). Thurow (1987) studied the effects of riparian and floodplain development on rainbow trout in the Big Wood River.

USGS is currently (2014) operating six streamgages on the Big Wood River and tributaries in cooperation with the Idaho Department of Water Resources (IDWR) Comprehensive Aquifer Management Planning (CAMP) program (additional information on CAMP can be found at URL: <https://www.idwr.idaho.gov/waterboard/WaterPlanning/CAMP/CAMP.htm>).

Problem

Monitoring and evaluation of surface-water resources is needed to address concerns that ongoing growth and development in the Wood River Valley may further stress the condition of the river and its

tributaries. According to Hopkins and Bartolino, (2013) long-term statistical trends in water-quality constituents could not be analyzed due to the limited amount of historical data at individual sites and the seasonal variations in constituent concentrations. Future efforts to identify trends in specific water-quality constituents will require regular monitoring at consistent locations and at specific times of the year. In addition, a monitoring program should be integrated with multiple measures of ecosystem health to effectively identify stressors and to assess cumulative effects (Lapointe and others, 2014).

Monitoring the status and trends in river conditions is paramount to resource managers faced with decisions related to water allocations and watershed development. This often involves the monitoring of chemical and physical properties at a site. However, biological communities (i.e., algae, macroinvertebrates, and fish) integrate the effects of river quality over time and can determine changes in river conditions that might not be shown by instantaneous water-quality samples. Most importantly, measures of biological communities are direct measures of stream health or condition—an indicator of the ability of a stream to support aquatic life and the associated beneficial uses recognized in Idaho's Water Quality Standards. These include coldwater biota, salmonid spawning, and full-body contact recreation for the Big Wood River (Buhidar, 2002). Thus, the condition of the biological communities, integrated with key chemical and physical properties, provides a comprehensive assessment of stream health that is desirable when evaluating multiple watershed stressors (Karr, 1991).

A comprehensive assessment of river conditions and long-term trends in biological resources is lacking for the Big Wood River. A Total Maximum Daily Load (TMDL) implementation plan for the Big Wood River has listed three segments of the Big Wood River from Trail Creek to Magic Reservoir that are not supporting one or more beneficial uses due to flow alteration or excessive sediment and nutrient concentrations (Pentzer, 2006). In addition, IDEQ (2013) identified specific tributaries to the Big Wood River as impaired because they exceed temperature criteria. The lack of consistently collected, long-term data makes it impossible to determine any statistically significant trends in water quality or biological integrity to help evaluate the effectiveness of best management practices implemented through the TMDL process.

A network of trend sites measuring continuous streamflow, water quality, and biological communities will enable resource managers to make sound decisions required to address population growth, water resource demands, and land-use issues. A baseline of river conditions is needed to evaluate the current status and to provide information for future trend assessments. A consistent, integrated assessment of hydrology, water quality, and aquatic life will provide water managers, policy

makers, and the public with an improved scientific basis for effective evaluation of overall-river and watershed health.

Objectives and Scope

The primary objectives of this study are to provide a baseline of biological conditions and associated habitats and to determine which site locations and parameters are critical for identifying temporal trends in biological integrity for the Big Wood River and major tributaries in the Wood River Valley. This information can be used to design a long-term monitoring network for the valley and can provide a baseline for resource trend assessments. This study will involve a summer synoptic survey in 2014 of surface-water sites throughout the Wood River Valley that are co-located with active USGS streamgages (fig. 1). Algae, macroinvertebrate, and fish and associated habitats will be sampled from seven representative reaches at active streamgage sites (Table 1) on the Big Wood River and major tributary locations during summer baseflow conditions in 2014. Because biological resources are being evaluated at the streamgage site on Silver Creek, the assessment at this site will be limited to new parameters listed in Table 2. A USGS report will be written in 2015 and will include a retrospective assessment of available water-quality and aquatic biology data, an assessment of the 2014 monitoring results, and recommendations for the design of a long-term monitoring network.

Relevance and Benefits

This study is consistent with the national USGS mission and goals and to water-resource issues identified in the USGS Science Strategy (2007a). The study informs the public and decision-makers about the status of freshwater resources for meeting future human, environmental, and wildlife needs, which is a priority issue under the Water Census of the United States (USGS, 2007a). This study will provide local water resource managers in the Wood River Valley with information to assist in the development of a long-term watershed management plan to meet the needs of current and future water uses while also working to protect and improve its natural resources. Results from this synoptic study and establishment of a long-term monitoring network can also provide information to evaluate habitat improvement projects such as the recent Home Rivers Initiative sponsored by Trout Unlimited and the Wood River Land Trust.

Approach

Task 1: Data collection

Eight water-quality and seven biological sampling reaches will be located near USGS streamgages throughout the Wood River Valley (Figure 1). Locating sampling sites where hydrologic conditions (stage and flow) are known will help determine the impact of modified flow on biological communities. Streamflow has been found to be one of the most important factors in determining biological condition in streams and rivers across the country (Carlisle and others, 2013). Sampling at the eight gaged sites (7 in the Big Wood Basin and one on Silver Creek) will help to characterize interannual hydrologic variability and temporal trends in surface water flow.

Data collection will include chemical, physical, and biological measures that are effective in evaluating surface water beneficial uses and ecological condition (Table 2). A single water-quality sample and a one-time biological sampling will be conducted during summer low-flow conditions in 2014. Sampling at the Silver Creek streamgage (13150430) will only include chemical sampling because biological communities (i.e., fish and macroinvertebrates) and water temperature are regularly monitored there for trends (see <http://id.water.usgs.gov/projects/SilverCreekEcologicalMonitoring/index.html>). Field sampling will be consistent for each site in representative reaches and will follow standard USGS protocols developed for the National Water Quality Assessment Program to assess status and trends in surface waters (Fishman 1993; Myers and Wilde, 1997; Fitzpatrick and others, 1998; Moulton and others, 2002). Algae and macroinvertebrate samples will be collected from riffle habitats within each reach. Fish will be collected from all habitats within each reach using standard electrofishing methods, identified, enumerated, and measured for total length and weight. Habitat parameters will be evaluated at equidistant cross-sections throughout each reach. Percent substrate fines would be evaluated in riffle habitats where biological samples are collected.

Task 2: Data analysis

Streamflow, water quality and habitat parameters will be summarized and metrics calculated to identify sampling reach condition. Reach condition metrics will be used as independent variables to determine if physical parameters influence the composition of the biological communities.

Macroinvertebrate data will be combined from all sample sites and edited to address ambiguous taxa (results with multiple related levels of taxonomic hierarchy), which will provide more comparability among sites. The condition of the macroinvertebrate communities will be evaluated using multimetric indices such as the Invertebrate River Index developed by IDEQ (Grafe, 2002) and by comparing

observed community data with the expected regional reference condition (Carlisle and others, 2013). The condition of the fish communities at each site will also be assessed using an IDEQ regional Index of Biotic Integrity developed for rivers in this region (Mebane and others, 2003). Macroinvertebrate community metrics will be calculated using the Invertebrate Data Analysis System (Cuffney and Brightbill, 2011). Summaries of taxa richness, diversity, density, and functional feeding groups will be completed. Macroinvertebrate metrics indicative of sediment, nutrient, and temperature pollution will be evaluated to characterize the communities. Multidimensional scaling methods on the community composition will be used to visually display similarities or dissimilarities in macroinvertebrate communities for all sites and years. The statistical program PRIMER will be used to analyze the data and generate ordination plots to identify significant trends (Clarke and Gorley, 2006). The micro-habitat variables, collected from each macroinvertebrate sampling site, velocity, depth, and substrate will also be summarized in the report and potentially used in multivariate analysis.

Task 3: Interpretive Report and Outreach

A peer-reviewed USGS report will be written in FY2015 that summarizes the synoptic sampling findings. A retrospective analysis of existing biological data will also be included. Recommendations on a trend monitoring network will be offered using past and current information about the condition of the surface-water and ecological resources. An initial draft report will be reviewed and revised in accordance with USGS Fundamental Science Practices as described at URL: <http://www.usgs.gov/fsp/>. The final report will be published electronically and made available through the USGS Publications Warehouse at URL: <http://pubs.er.usgs.gov/>. The USGS Publishing Service Center in Tacoma, WA will provide illustration, editorial, and publishing services. Data will be stored in USGS databases and made available through the USGS study website. A presentation summarizing the key findings will be prepared for public and (or) scientific meetings. A checklist of macroinvertebrates and fish found in the Wood River Valley will be created.

Quality Assurance and Quality Control

All water-quality samples will be collected and processed following standard USGS protocols (USGS, variously dated). One environmental blank sample will be collected to assess the potential bias associated with any contamination of water samples introduced in the field or laboratory. One replicate of nutrients, suspended sediment and bacteria will be taken to assess sampling and laboratory precision. All water-quality samples will be analyzed by the USGS National Water Quality Laboratory (NWQL) in

Budget

The proposed budget would be funded in 2014-15 by local agencies and organizations (thru Blaine County) contributing 60 percent of the total cost and the USGS Cooperative Water Program contributing the remaining 40 percent. All current USGS streamgages are funded by other programs and would not be an additional cost. The Idaho Department of Fish and Game supports the proposed monitoring network and has offered in-kind services in field sampling of fish populations.

Expenses:	Category/Funding Source	Estimated Gross Costs
Year 2014	Labor - data collection	\$40,000
Task 1 Complete	Travel/Vehicle/Supplies	\$5,000
	Laboratory Analysis	\$15,000
		\$60,000
Funding		
	Blaine county	\$30,000
	USGS	\$30,000
	Total	\$60,000
Year 2015-2016	Labor - Report Preparation	\$46,000
Task 2 and 3		
Funding		
	Blaine county	\$23,000
	USGS	\$23,000
	Total	\$46,000

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Table 1. Active USGS gages on the Big Wood River and tributaries, Idaho Water Science Center. See Figure 1 for site locations.

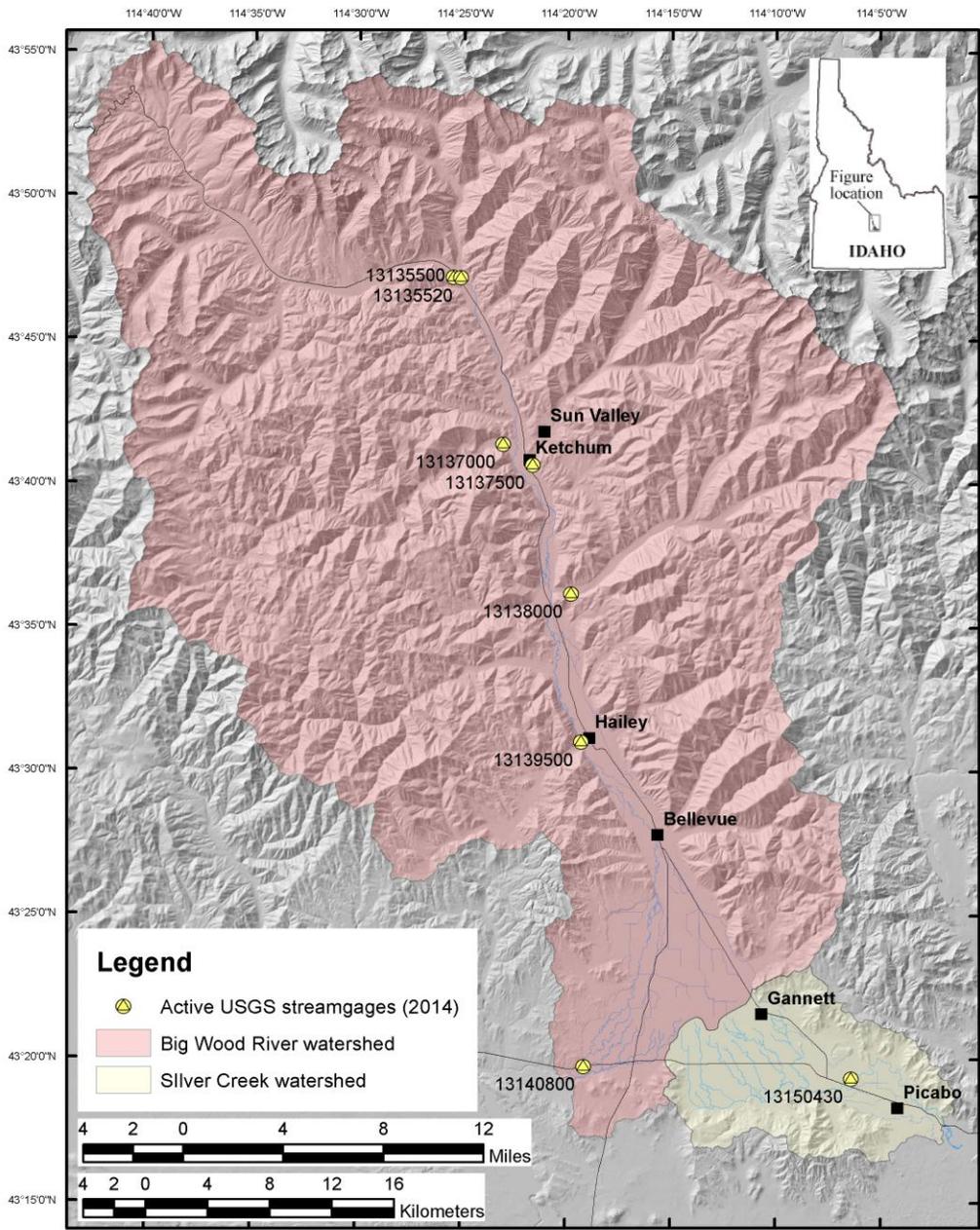
Site Name	Station ID	River Mile ¹	Drainage Area (sq mi)	Elevation	Long-term Median Flow (cfs)
Big Wood River nr Ketchum, ID	13135500	105.5	137	6,240	46
North Fork Big Wood River nr Sawtooth NRA Headquarters, ID	13135520	105.0	40	6,260	14
Warm Springs Creek nr Ketchum, ID	13137000	97.0	94	5,830	33
Trail Creek at Ketchum, ID	13137500	95.5	64	5,790	6
East Fork Big Wood River at Gimlet, ID	13138000	91.0	86	5,580	11
Big Wood River at Hailey, ID	13139500	84.5	614	5,295	151
Big Wood River at Stanton Crossing nr Bellevue, ID	13140800	76.0	748	4,830	30
Silver Creek at Sportsman Access nr Picabo, ID	13150430	--	70	4,843	141

¹ from confluence of Malad and Snake Rivers, from 1:24,000 topographic map

Table 2. List of parameters to be measured at USGS gages on the Big Wood River and Silver Creek, 2014.

Parameter	USGS site IDs (see Table 1)							
	BW	T	T	T	T	BW	BW	SC ¹
	<i>I3135500</i>	<i>I3135520</i>	<i>I3137000</i>	<i>I3137500</i>	<i>I3138000</i>	<i>I3139500</i>	<i>I3140800</i>	<i>I3150430</i>
Chemical and Physical								
Field parameters (Dissolved oxygen, pH, conductivity)	X	X	X	X	X	X	X	X
Temperature (continuous, June to October, 1 hr interval)	X	X	X	X	X	X	X	
Nutrients (TP, TN, nitrite-nitrate, ammonia)	X	X	X	X	X	X	X	X
Total suspended sediment	X	X	X	X	X	X	X	X
Bacteria (<i>Escherichia coli</i> and total coliform)	X	X	X	X	X	X	X	X
Percent substrate fines (Wolman pebble count)	X	X	X	X	X	X	X	X
Channel features (multiple transects - width, depth, velocity, canopy, cover)	X	X	X	X	X	X	X	
Biological (all samples from representative reach)								
Algae (riffle habitat, chlorophyll-a and biomass)	X	X	X	X	X	X	X	
Macroinvertebrates (riffle habitat)	X	X	X	X	X	X	X	
Fish (all species including sportfish measured)	X	X	X	X	X	X	X	

¹ BW, Big Wood River; T, tributary; SC, Silver Creek



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Figure 1. Big Wood River and Silver Creek watersheds with active USGS streamgaging sites, 2014. See Table 1 for site names and descriptions.

Box no.	For each numbered box checked on the previous page, briefly: A. Describe the safety concern as it relates to this project. B. Describe how this safety concern will be addressed. Include training, safety equipment and other actions that will be required. C. Estimate costs.
1	A. Employees will be making wading, bridge, boat, or cableway measurements or sampling B. Employees will follow pre-established JHA's for specific measurements or sampling activities. All employees will wear PFD's and other necessary PPE. C. No additional cost unless an employee does not already have their own PPE.
7	A. Employees will be working in remote areas and will need to maintain communication and good office call in procedures B. Employees will carry cell phones or SPOT's for communication and will follow office call-in procedures. C. No additional cost unless the office does not have sufficient SPOT's for the project.
9	A. Field Vehicles appropriate for task?- Safety screens or equipment restraints will be needed to transport cargo. B. Only field vehicles equipped for transporting cargo will be used for this project. C. No additional cost, the Center has sufficient vehicles.
16	A. Immunizations may be needed for certain pathogens. B. Immunizations will be offered to any employees who could be exposed to contaminated water. C. Costs for immunizations are expected to be minimal.
17	A. Mobile lab trucks will be used for processing samples. B. Mobile laboratory safety will be described in the Chemical Hygiene Plan (CHP). Protocols and emergency procedures will be described in the CHP. Material Data sheets will be present for all chemicals in the mobile lab. Chemicals will be transported in approved containers and spill kits be available. C. No additional cost.
24	A. Employees will be Electrofishing B. Employees will follow task specific JHA's for either backpack electrofishing equipment or for Boat based electrofishing. All electrofishing crews will receive training, including first aid and CPR. C. There could be some cost associated with training if some employees are not current.
Discussed job hazard analysis (JHA) with Center	
Collateral Duty Safety Officer	Yes: No:
and/or copy of JHA given to Collateral Duty Safety Officer	Yes: No:
Center Director _____	Date:
Regional Program Officer _____ F. William Simonds _____	Date: 4/21/2014

not yet replaced. Each officer is issued a less than lethal Taser, which were purchased in 2005.

Fire Department

- The 2015 Budget provided funding to add a new full-time firefighter/EMT and convert a temporary full-time firefighter/EMT to a permanent full-time firefighter/EMT position. Having these two positions has helped the Sun Valley Fire Department more reliably cover the work hours needed to provide Sun Valley citizens with EMT coverage on a 24/7 basis, but there are still times when the coverage is stretched too thin due to training, vacations, sick leave, response to calls, and EMT standby at events such as the symphony, concerts, conferences, and wine auction. The paid on-call firefighters do help, but it is a challenge at times to find ones that are EMTs and available to work the necessary days, evenings, and/or weekends. At times, the two firefighter/EMT's need to work on their days off to cover shifts resulting in overtime and more tired personnel. A minimum of three full-time and one part-time firefighter/EMT positions are needed to dependably provide 24/7 EMT coverage and keep overtime at a minimum.

The 2016 Budget proposes adding an additional full-time Firefighter/EMT position and a 14 hour/week part-time Firefighter/EMT position to provide the necessary personnel to provide coverage on a 24/7 basis. Funding is increased accordingly in the Salary and Wages and Fringe Benefits sections of the Fire Department budget. Paid on-call personnel that are EMTs will continue to be used to supplement the shifts by filling in as needed and when available.

- A new line item, Equipment Purchase – Non-Capital (10-423-575), has been included for 2016. Funding in the amount of \$15,000 for equipment items such as nozzles, which have previously been charged to other line items that are not really relevant in title such as Repair & Maintenance – Equipment (10-423-595) and Repair/Maintenance - Automotive Equipment (10-423-600), is now in this line item. The other line items have been decreased.
- An increase of \$6,600 is proposed in the Turnouts - Replacement & Maintenance line item (10-423-576) to enable the Department to purchase 5 sets of turnouts rather than 2 sets of turnouts. The Department's inventory of extra turnouts has been depleted due to their age (20 years old) and needs to be replenished.

STREET & PATH FUND

- During the 2014 budget process, the Sun Valley City Council determined that 10% of the City's property tax revenue be directed to the Street & Path Fund for future road repair. The 2016 Street & Path Fund budget includes that 10% – \$272,650. That amount coupled with \$59,694 from State of Idaho highway user charges will provide \$332,344 for street and path repair. In 2016, it is proposed that the City utilize \$290,000 of that amount to chip seal Saddle Lane, Baldy View, Bitterroot, Snow Brush, Silverweed, Diamond Back, Monarch, Sun Peak, Old Dollar Road, and Dollar Road and that the remainder go into the Fund's fund balance to be used for future road and path improvements. The City's new Transportation Plan is almost ready for City Council consideration and it may be that once the City Council has reviewed and adopted the Plan that the recommendation regarding which roads to chip seal may change.

FIXED ASSET FUND

- A transfer of \$238,936 from the General Fund unassigned fund balance is the sole revenue source proposed for the Fixed Asset Fund in 2016. It is proposed that these funds be used to fund three items in the Fire Department, two items in the Street Department, and one item at City Hall. These items are:
 - The Police Department's oldest patrol car, a 2009 Expedition, is proposed for replacement in 2016. Its replacement is part of moving the Department to a 5 year replacement cycle where one squad is replaced each of the first 4 years with one year of no replacement. This schedule is expected to save thousands of dollars in maintenance and repair costs. The replacement cost of \$35,000 will cover the cost of the vehicle and purchase and installation of necessary equipment for the vehicle.
 - The Fire Chief's vehicle has over 100,000 miles on it and is in need of replacement given its regular use and increasing number of needed repairs. Acquisition of a replacement for this vehicle was proposed in the 2015 Budget with the vehicle being replaced to be used as supplemental transportation for Fire Department staff members. The new vehicle was not funded, however, and the former Police Department canine vehicle was transferred to the Fire Department for transportation. It is expected that the former canine vehicle's engine will soon need replacement as metal shavings have recently shown up in the oil when changed and the exhaust is showing dark gray at times.
 - A new deck gun for Engine 63 is proposed in the 2016 Budget at a cost of \$10,000. It will replace the existing deck gun which is 26 years old and is used to fight structure and wild land fires. The deck gun also enables the Fire Department to pre-treat for fires alongside roads.
 - The third lease-purchase payment of \$112,426 for the aerial ladder truck is provided for this Fund.
 - The Street Department's 2001 pickup truck and plow needs to be replaced as the truck's age has made it unreliable at times and the repairs are costly. The truck has 3,000 hours of daily driving, which equates to approximately 180,000 miles. As an integral part of the City's snow plowing operation, the truck sustains a lot of forwards and backwards motion when plowing snow.
 - Replacement of the Street Department's 15-year-old magnesium chloride tank is proposed at a cost of \$5,000. The age of the tank has the potential to compromise its integrity. Magnesium chloride is a critical component of the City's snow/ice control program. It is a liquid salt that is applied to the City's sand/road salt mixture to improve the tackiness and melting ability of the road salt. It also it is used to pre-treat shady areas and major intersections before storms so that the ice and snow don't bond to the asphalt.
 - The microphone/speaker system in the Council Chambers needs to be updated as the existing system has become unreliable. The system was professionally examined last year but it was decided to hold off on including funding in the budget until a decision was made regarding the Granicus recording system. With that decision made, it is now proposed that the microphone/speaker system issue be addressed and \$17,000 has been included in the Fixed Asset Fund budget for that purpose.

CAPITAL IMPROVEMENT FUND

- A transfer of \$105,000 from the General Fund unassigned fund balance is proposed to cover the cost of two facility projects that need to be undertaken in 2016. These projects are:
 - The 2015 Budget has provided \$20,000 of funding for improvements to the Street Department ventilation system to expand it to cover the workshop area. It is anticipated that there will only be time to get the design work accomplished in 2015. It is proposed that the remaining \$15,000 for construction be returned to the fund balance at the end of 2015 and re-budgeted for 2016.
 - The current City Hall generator, which is approximately 30 years old, is at the end of its useful life. The existing generator also only covers limited areas of the City Hall/Police Department building and this has been a problem when there were power interruptions. A new generator that will be reliable and also cover all of the City Hall/Police Department and Street Department buildings is proposed at a cost of \$90,000.

WORKFORCE HOUSING FUND

- The City owns two townhouses and rents them to paid on-call firefighters, which is expected to generate \$7,000 in revenue in 2016. A \$241,966 transfer from the Land Acquisition Fund and \$59,234 transfer from the Workforce Housing Fund unassigned fund balance provides the remaining revenue in 2016.
- On the expenditure side, \$10,000 has been budgeted to cover the Sun Valley Elkhorn Association dues and maintenance for the townhouses. Funding of \$17,200 has been budgeted to cover housing allowances for two Department Heads required to live in or near the City of Sun Valley. The \$18,000 request from the Blaine County Housing Authority is also included in the expenditures. Finally, \$263,000 has been budgeted to provide for the construction of sleeping quarters at the Elkhorn Fire Station.

LAND ACQUISITION FUND

- In 2016, it is proposed that the entire unassigned fund balance of \$241,966 in the Land Acquisition Fund be used to fund the majority of the construction of sleeping quarters at the Elkhorn Fire Station.

City of Sun Valley
 FY 16 DRAFT BUDGET

FUND SUMMARY	FY 2013 Prior Year 2		FY 2014 Prior Year 1		FY 2015 ADOPTED	FY 2015 Estimated	FY 2016 PROPOSED	FY 2017 ANTICIPATED
	Audited	Actuals	Audited	Actuals	BUDGET	Actuals	BUDGET	BUDGET
REVENUES								
GENERAL FUND	4,875,968		5,412,663		5,065,052	4,976,303	5,235,477	5,235,477
FIXED ASSET FUND	-		-		175,426	-	273,926	112,426
DEBT SERVICE FUND	5,259		-		-	-	-	-
CAPITAL IMPROVEMENT FUND	50,000		-		51,000	105,000	105,000	-
WORKFORCE HOUSING FUND	9,192		7,339		47,759	308,200	308,200	45,200
STREET & PATH FUND	302,946		311,139		311,937	14,630	332,344	332,344
REVENUE Total:	5,243,365		5,731,140		5,651,174	5,404,134	6,254,947	5,725,447
EXPENDITURES								
GENERAL FUND	4,602,122		4,462,461		5,065,053	4,976,305	5,235,477	5,300,633
FIXED ASSET FUND	341,229		203,085		175,426	35,622	273,926	147,426
DEBT SERVICE FUND	29,996		-		-	-	-	-
CAPITAL IMPROVEMENT FUND	22,283		69,163		51,000	105,000	105,000	-
WORKFORCE HOUSING FUND	(8,466)		42,190		45,200	308,200	308,200	45,200
STREET & PATH FUND	192,246		422,914		311,937	332,344	332,344	332,344
EXPENDITURE Total:	5,179,411		5,199,813		5,648,616	5,757,471	6,254,947	5,825,603

FISCAL YEAR 2016 TOTAL FUND BALANCES	Estimated Beginning Fund Balance	Assigned or Committed Fund Balances	Beginning Unassigned Fund Balance	Fund Balance Applied or Earned	Ending Unassigned Fund Balance	FY 2016 Estimated Ending Fund Balance
GENERAL FUND	2,828,964	1,610,916 *	1,218,048	(378,926)	839,122	2,450,038
STREET & PATH FUND	-	-	-	42,344	42,344	42,344
FIXED ASSET FUND	-	-	-	-	-	-
LAND ACQUISITION FUND	241,966	-	241,966	(241,966)	-	-
CAPITAL IMPROVEMENT FUND	-	-	-	-	-	-
WORKFORCE HOUSING FUND	148,488	40,000	108,488	(59,234)	49,254	89,254

* 16 week reserve

City of Sun Valley
FY 16 DRAFT BUDGET

Acct No	Account Description	FY 2013	FY 2014	FY 2015	FY 2015	FY 2016	FY 2017	Notes and Descriptions ANTICIPATED
		Prior Year 2	Prior Year 1	ADOPTED	Estimated	PROPOSED	ANTICIPATED	
		Audited Actuals	Audited Actuals	Budget	Actuals	BUDGET	BUDGET	FY 2016
GENERAL FUND								
EXPENDITURES								
<u>POLICE DEPARTMENT</u>								
SALARIES AND WAGES								
10-421-110	SALARIES AND WAGES	671,693	624,209	660,310	660,310	681,183	681,183	11 FTEs
10-421-122	OVERTIME SALARIES	27,143	21,393	30,000	30,000	30,000	30,000	See footnote #1
10-421-130	WAGES - TEMPORARY PART TIME	-	-	-	-	-	-	Part time officers for events
	TOTAL SALARIES AND WAGES:	698,836	645,602	690,310	690,310	711,183	711,183	
FRINGE BENEFITS								
10-421-200	PHYSICAL INCENTIVE PROGRAM	-	-	-	-	4,400	4,400	
10-421-210	FICA CONTRIBUTION	53,230	41,800	52,809	52,809	54,405	54,405	7.65%
10-421-220	RETIREMENT CONTRIBUTION	67,642	59,371	80,490	80,490	82,924	82,924	11.66%
10-421-250	HEALTH INSURANCE	145,925	106,543	122,315	122,315	135,707	135,707	No increase on April 1st
	TOTAL FRINGE BENEFITS:	266,797	207,715	255,614	255,614	277,436	277,436	
OPERATIONAL EXPENDITURES								
10-421-240	WORKERS COMPENSATION	21,388	20,040	21,000	21,000	21,000	21,000	
10-421-310	OFFICE SUPPLIES	1,464	1,029	1,500	2,400	1,800	1,800	
10-421-315	JANITORIAL SUPPLIES	620	654	800	750	800	800	
10-421-320	OPERATING SUPPLIES	1,816	3,196	4,000	2,500	4,000	4,000	
10-421-321	POLICE TRUST ACCOUNT	911	29,673	5,000	5,000	5,000	5,000	
10-421-340	MINOR EQUIPMENT	10,176	7,007	8,000	8,000	10,000	10,000	Bullets, upgrade firearms, specialty equipment, kevlar vests
10-421-345	SAFETY EQUIPMENT	222	150	500	150	500	500	Medical equipment and fire extinguishers
10-421-347	RECORDS MGT SYSTEM - POLICE/FIRE	20,443	20,443	20,443	20,443	20,443	20,443	See footnote #2
10-421-350	MOTOR FUELS & LUBRICANTS	14,001	13,050	17,500	12,000	14,500	14,500	
10-421-370	POSTAGE	139	39	100	300	200	200	Shipping evidence or equipment
10-421-424	MEDICAL SERVICES	-	-	500	250	500	500	Unexpected hospital costs for arrestees
10-421-426	INVESTIGATIVE EXPERT SVCS	77	291	2,500	500	2,500	2,500	Unexpected investigative expenses
10-421-470	TRAVEL, TRAINING & MEETINGS	5,955	4,463	10,000	9,000	10,000	10,000	Travel/Training for 11 employees
10-421-480	DUES/SUBSCRIPTIONS/MEMBERSHIPS	1,685	3,006	3,155	4,100	4,000	4,000	See footnote #3
10-421-493	PHYSICAL EXAMINATIONS	136	50	500	303	500	500	Physical exam on new hires
10-421-510	TELEPHONE & COMMUNICATIONS	4,669	5,641	4,200	5,600	5,500	5,500	See footnote #4
10-421-575	EQUIPMENT PURCHASE - NON CAPITAL	-	-	-	-	-	-	
10-421-595	REPAIR & MAINT - EQUIPMENT	739	290	1,000	1,000	1,000	1,000	See footnote #5
10-421-600	REPAIR/MAINT - AUTOMOTIVE EQUIPMENT	4,426	2,834	5,500	5,500	5,500	5,500	LOF service on four vehicles
10-421-610	REPAIR/MAINT - OTHER	1,733	1,582	2,000	1,700	3,000	3,000	Lease and service on Police copy machine
10-421-615	REPAIR/MAINT - RADIO SERVICE	1,451	-	3,000	3,215	3,000	3,000	Repair/Service on Patrol Car electronics
10-421-630	LAUNDRY	1,955	2,495	2,250	2,250	2,250	2,250	Dry Cleaning Uniforms
10-421-665	UNIFORMS - POLICE	2,936	4,794	4,500	4,500	4,500	4,500	Purchasing uniforms 9 officers
10-421-695	VEHICLE TOWING	-	-	250	-	250	250	Impound vehicles for investigation

City of Sun Valley
 FY 16 DRAFT BUDGET

Acct No	Account Description	FY 2013	FY 2014	FY 2015	FY 2015	FY 2016	FY 2017	Notes and Descriptions ANTICIPATED
		Prior Year 2	Prior Year 1	ADOPTED	Estimated	PROPOSED	ANTICIPATED	
		Audited Actuals	Audited Actuals	Budget	Actuals	BUDGET	BUDGET	FY 2016
10-421-740	OFFICE FURNITURE & EQUIPMENT	-	11,500	11,500	14,113	5,000	5,000	New work station for Asst Police Chief (\$900); Office Equipment
10-421-745	EQUIPMENT - SHARED EXPENSE	-	-	-	-	-	-	
10-421-753	RADIOS-HANDHELD	2,621	3,840	5,400	5,400	5,400	5,400	
10-421-770	ANIMAL CONTROL	1,000	2,662	2,000	2,000	2,500	2,500	
10-421-780	DRUG DOG PROGRAM	2,003	1,128	-	-	-	-	
	TOTAL OPERATIONAL EXPENDITURES:	102,565	146,148	137,098	131,974	133,643	133,643	
	EXTERNAL CONTRACTS							
10-421-348	COMMUNICATIONS-POLICE/FIRE DISPATCH	117,211	91,522	95,728	95,728	96,656	96,656	See footnote #7
10-421-428	PROSECUTION OF MISDEMEANORS	23,204	35,155	23,901	23,901	23,901	23,901	
	TOTAL EXTERNAL CONTRACTS:	140,415	118,685	119,629	119,629	120,557	120,557	
	POLICE DEPARTMENT Total:	<u>1,208,614</u>	<u>1,121,469</u>	<u>1,202,651</u>	<u>1,197,527</u>	<u>1,242,819</u>	<u>1,242,819</u>	

COMMUNICATIONS-POLICE/FIRE DISPATCH

Blaine County E-911 Dispatch	93,656
Qwest lines - t-1 & E-911	3,000
Total:	<u>96,656</u>

FOOTNOTES POLICE DEPARTMENT

- Footnote 1 Pavilion and SV Resort Event Venue: Traffic Control: 30 events X 2 officers X \$55/hr X 4 hrs. = \$13,200, SERT Team Training 13X10hrs.X\$55=\$7,150, NET Investigations 26X10X\$55=\$14,300
- Footnote 2 Contract for City of Sun Valley's share of valley wide law enforcement records management system
- Footnote 3 Pistol Range Ohio Gulch, Idaho Chief of Police, ICRMP Lexipol fees, Rocky Mountain Information Network
- Footnote 4 Six Verizon cell phones; 4 voice only phones for police cars, 2 smartphones for police administration
- Footnote 5 Repair & maintenance of police equipment ie: garage doors, radar certification, mobile data computers
- Footnote 6 Blaine County for 700MHz fees, \$306/yr/unit, 16units = \$4,836/yr., \$522 for power on Baldy
- Footnote 7 Dispatch Contract: \$93,656; Century Link Frame Relay \$3,000

City of Sun Valley
 FY 16 DRAFT BUDGET

Acct No	Account Description	FY 2013	FY 2014	FY 2015	FY 2015	FY 2016	FY 2017	Notes and Descriptions ANTICIPATED
		Prior Year 2	Prior Year 1	ADOPTED	Estimated	PROPOSED	ANTICIPATED	
		Actuals	Actuals	BUDGET	Actuals	BUDGET	BUDGET	FY 2016
GENERAL FUND								
EXPENDITURES								
<u>FIRE DEPARTMENT</u>								
SALARIES AND WAGES								
10-423-110	SALARIES AND WAGES	155,703	262,160	344,512	344,512	411,051	411,051	7 FTEs
10-423-120	SALARIES & WAGES - ON CALL FF	68,200	75,996	87,050	87,050	87,050	87,050	
10-423-122	OVERTIME SALARIES	-	-	-	-	10,000	10,000	
10-423-130	SALARIES & WAGES-WILDLAND	38,064	26,289	10,000	10,000	10,000	10,000	
10-423-140	SALARIES & WAGES-TEMP EMPLOYEE	78,569	27,166	6,000	6,000	-	-	
10-423-145	SALARIES & WAGES - PART TIME	-	-	-	-	16,373	16,373	0.13 FTE (Admin Asst 5 hours a week)
	TOTAL SALARIES AND WAGES:	340,536	391,611	447,562	447,562	534,474	534,474	
FRINGE BENEFITS								
10-423-200	PHYSICAL INCENTIVE PROGRAM	-	-	-	-	3,000	-	
10-423-210	FICA CONTRIBUTION	25,296	27,042	34,896	34,896	41,545	41,545	7.65%
10-423-220	RETIREMENT CONTRIBUTION	28,651	34,472	41,173	41,173	52,006	52,006	11.66%
10-423-250	HEALTH INSURANCE	41,639	58,055	83,388	83,388	104,681	-	
10-423-290	HOUSING ALLOWANCE	2,167	-	-	-	-	-	Fire Chief: \$716.67/month; required to live in town or nearby. - MOVED TO WFH FUND
	TOTAL FRINGE BENEFITS:	97,753	119,569	159,457	159,457	201,233	93,552	
OPERATIONAL EXPENDITURES								
10-423-240	WORKERS COMP & SUPPLMTL ACCDT	16,779	18,330	16,000	16,000	16,000	16,000	
10-423-310	OFFICE SUPPLIES	2,574	2,484	2,200	2,200	3,200	3,200	Paper, pens, ink cartridges, copy machine rental + copes
10-423-315	JANITORIAL SUPPLIES	1,649	1,214	1,500	1,500	1,500	1,500	Carpet cleaning once a year & gym cleaning supplies
10-423-320	OPERATING SUPPLIES	7,912	10,542	10,000	10,000	10,000	10,000	Coffee, linens, station smoke & fire system, cleaning of rugs.
10-423-321	FIRE TRUST ACCOUNT	-	-	-	-	-	-	
10-423-325	MEDICAL SAFETY SUPPLIES	18,770	5,096	10,000	10,000	10,000	10,000	EMT medical safety supplies
10-423-340	MINOR TOOLS	112	52	3,200	3,200	3,200	3,200	Shop tools, wrenches, screw drivers etc. & \$1,200 for floor jack
10-423-350	MOTOR FUELS & LUBRICANTS	12,314	13,574	12,000	12,000	12,000	12,000	Station fuel & oil changes
10-423-360	MOTOR FUELS & LUBRICANTS - WLF	-	859	5,000	5,000	5,000	5,000	
10-423-470	TRAVEL, TRAINING & MEETINGS	9,391	18,512	31,600	31,600	31,600	31,600	All volunteers EMS Transitional Class; EMT Renewal (5 persons); wildland training; professional conferences
10-423-480	DUES/SUBSCRIPTIONS/MEMBERSHIPS	5,450	3,962	5,200	5,200	5,200	5,200	Professional fire organizations
10-423-510	TELEPHONE & COMMUNICATIONS	3,332	8,836	9,300	9,300	9,300	9,300	Verizon (6 smart phones) Cox Comm. Dollar Mtn Antennae lease & wifi for 5 iPads
10-423-555	RENTAL- EQUIPMENT	191	-	2,500	2,500	2,500	2,500	Loader to clear snow from fire hydrants
10-423-570	RENTAL - OTHER	1,180	450	1,500	1,500	1,500	1,500	Equipment not in FD inventory
10-423-575	EQUIPMENT PURCHASE - NON CAPITAL	-	-	-	-	15,000	15,000	
10-423-576	TURNOUTS- REPLACEMENT & MAINT.	2,706	18,706	5,400	5,400	12,000	12,000	5 sets
10-423-580	REPAIR/MAINT - OFFICE FURN/EQ	-	-	-	-	-	-	No furniture needed
10-423-585	REPAIR/MAINT - BUILDINGS	3,225	11,348	5,000	5,000	5,000	5,000	
10-423-590	REPAIR/MAINT - GROUNDS	2,814	6,800	7,000	7,000	7,000	7,000	New plants, Tile, & Landscape
10-423-591	WILDLAND EQUIP REIMB -WILDLAND ENG	-	-	-	-	-	-	
10-423-595	REPAIR & MAINT - EQUIPMENT	25,554	46,665	23,500	23,500	16,000	16,000	Firefighting equip, chain saws, smoke ejector fan, foam, parts & masks
10-423-600	REPAIR/MAINT - AUTOMOTIVE EQ	14,923	13,429	24,900	24,900	21,100	17,400	Vehicle equipment: tires, windshield wipers, etc.
10-423-615	REPAIR/MAINT - RADIO SERVICE	7,146	4,794	5,000	5,000	5,000	5,000	
10-423-620	RADIO AND ANTENNA LEASES	-	-	-	-	3,400	3,400	
10-423-630	LAUNDRY	-	228	1,500	1,500	1,500	1,500	
10-423-631	UNIFORMS	6,031	7,059	10,000	10,000	12,000	12,000	Summer/Winter uniforms
10-423-635	UNIFORMS - WILDLAND FIRE	385	1,364	5,000	5,000	5,000	5,000	
10-423-740	OFFICE FURNITURE & EQUIPMENT	2,032	2,339	5,900	5,900	5,900	5,900	2 New office chairs (\$1,000); work station for PPC (\$900); small contingency
	TOTAL OPERATIONAL EXPENDITURES:	144,467	196,642	203,200	203,200	219,900	216,200	

City of Sun Valley
 FY 16 DRAFT BUDGET

Acct No	Account Description	FY 2013	FY 2014	FY 2015	FY 2015	FY 2016	FY 2017	Notes and Descriptions ANTICIPATED
		Prior Year 2	Prior Year 1	ADOPTED	Estimated	PROPOSED	ANTICIPATED	
		Actuals	Actuals	BUDGET	Actuals	BUDGET	BUDGET	<i>FY 2016</i>
	CODE ENFORCEMENT							
10-423-910	TRAINING/TRAVEL - CE	-	1,610	4,000	4,000	5,000	5,000	NFPA, FBIC, or Fire Cause & Determination Class
10-423-920	OFFICE/OPERATING SUPPLIES - CE	-	548	1,165	1,165	1,165	1,165	
10-423-930	TOOLS & SUPPLIES - CE	-	-	250	250	250	250	
10-423-940	OFFICE FURNITURE & EQUIP. - CE	-	1,277	-	-	-	-	
	<i>TOTAL CODE ENFORCEMENT EXPENDITURES:</i>	-	3,435	5,415	6,415	6,415	6,415	
	FIRE DEPARTMENT Total:	582,756	711,257	815,634	816,634	962,022	850,641	

City of Sun Valley
 FY 16 DRAFT BUDGET

Acct No	Account Description	FY 2013	FY 2014	FY 2015	FY 2015	FY 2016	FY 2017	Notes and Descriptions of line item purchases
		Prior Year 2 Audited Actuals	Prior Year 1 Audited Actuals	ADOPTED Budget	Estimated Actuals	PROPOSED BUDGET	ANTICIPATED BUDGET	
STREET & PATH FUND								
<u>GENERAL PROPERTY TAXES</u>								
52-311-100	PROPERTY TAX - 3% INCREASE			-	-			
52-311-XXXX	PROPERTY TAX - GENERAL	256,970	265,555	265,555	215,549	272,650	272,650	10% of total property taxes
	GENERAL PROPERTY TAXES Totals:	256,970	265,555	265,555	215,549	272,650	272,650	
<u>STATE OF IDAHO SHARED REVENUES</u>								
52-335-200	STATE HIGHWAY USER	45,975	45,584	46,381	23,982	59,694	59,694	Provided by AIC
	STATE OF IDAHO SHARED REVENUES Totals:	45,975	45,584	46,381	23,982	59,694	59,694	
<u>MISCELLANEOUS</u>								
52-380-100	TRANSFER FROM S&P FUND BALANCE	-	-	-	-	-	-	
52-380-110	TRANSFER FROM LAF FUND BALANCE	-	-	-	-	-	-	
52-380-000	TRANSFER FROM GF UNASSIGNED FUND BALANCE	-	-	-	-	-	-	
	STREET & PATH FUND REVENUE Totals:	302,946	311,139	311,937	239,532	332,344	332,344	
<u>STREETS & PATHS</u>								
52-431-780	STREETS & PATHS - 5 YEAR ROTATION - CHIP & SEAL	192,246	-	187,000	-	290,000	130,000	See Footnotes 1 & 2
52-431-784	SINCLAIR PATH WALL	-	250,763	-	-	-	-	
52-431-786	TRAIL CREEK PATH	-	172,151	-	14,630	-	-	
	CAPITAL PROJECTS Totals:	192,246	422,914	187,000	14,630	290,000	130,000	
<u>MISCELLANEOUS</u>								
52-431-960	TRANSFER TO S&P FUND BALANCE	-	-	124,937	-	42,344	202,344	
	MISCELLANEOUS Totals	-	-	124,937	-	42,344	202,344	
	STREET & PATH FUND EXPENDITURE Totals:	192,246	422,914	311,937	14,630	332,344	332,344	
	STREET & PATH FUND Total:	110,700	(111,775)	(0)	224,901	(0)	-	

Footnote 1 FY 16 Chip seal project is Saddle Lane, Baldy View, Bitterroot, Snow Brush, Silverweed, Diamondback, Monarch, Sun Peak, Old Dollar, Dollar Estimated Cost: \$290,0000

Footnote 2 FY 17 chip seal project is Juniper, Sage, Mayleaf, Bluebell, Lupine, Thistle, and Sunrise.

City of Sun Valley
Fiscal Year 13 Tentative Budget Amendment

Acct No	Account Description	FY 2013	FY 2014	FY 2015	FY 2015	FY 2016	FY 2017	Notes and Descriptions of line item purchases
		Prior Year 2 Audited Actuals	Prior Year 1 Audited Actuals	ADOPTED Budget	PROPOSED Actuals	PROPOSED BUDGET	ANTICIPATED BUDGET	
FIXED ASSET FUND								
REVENUE								
29-311-500	PROPERTY TAXES	-	-	-	-	-	-	
29-311-510	VEHICLE SALES	-	-	-	-	-	-	
	GENERAL REVENUE Totals:	-	-	-	-	-	-	
OPERATING TRANSFERS IN								
29-399-500	TRANS. FROM GENERAL FUND	-	-	-	-	-	-	
29-399-501	TRANS. FROM FA FUND BALANCE	-	-	21,546	-	-	-	
29-399-502	TRANS. FROM DEBT SERVICE FUND BAL	-	-	-	-	-	-	
29-399-503	TRANS FROM LA FUND BALANCE	-	-	78,797	-	-	-	
29-399-504	TRANS. FROM GF UNASSIGNED FUND BALANCE	-	-	75,083	-	273,926	112,426	
	TOTAL OPERATING TRANSFERS IN:	-	-	175,426	-	273,926	112,426	
	FIXED ASSET REVENUE Totals:	-	-	175,426	-	273,926	112,426	
EXPENDITURES								
POLICE DEPARTMENT								
29-490-761	POLICE- PATROL VEHICLE	73,885	-	35,000	26,257	35,000	35,000	
	POLICE DEPARTMENT Total:	73,885	-	35,000	26,257	35,000	35,000	
FIRE DEPARTMENT								
29-490-780	Wildland Engine 63	130,000	-	-	-	-	-	
29-490-781	Fire Engine - Pumper	21,550	1,341	-	-	-	-	
29-490-784	Wildland Engine 64	111,025	1,086	-	-	-	-	
29-490-750	Municipal Engine 62	-	-	-	-	-	-	
29-490-751	Chief 1	-	-	-	-	45,000	-	
29-490-752	Chief 2	-	44,921	-	-	-	-	
29-490-753	Radios	-	13,936	-	9,365	-	-	
29-490-754	Airpacks	-	-	28,000	-	-	-	
29-490-756	Aerial Tower	-	112,426	112,426	-	112,426	112,426	10 year lease purchase
29-490-779	New Engine Support Equipment	-	-	-	-	10,000	-	New deck gun for Eng 63
	FIRE DEPARTMENT Total:	262,575	173,709	140,426	9,365	167,426	112,426	
STREET DEPARTMENT								
29-490-785	Oshkosh Plow Blade Replacements (2)	-	28,658	-	-	-	-	
29-490-786	Bobcat Toolcat	27,386	-	-	-	-	-	
29-490-788	Street Vehicle with Snow Plow	-	-	-	-	49,500	-	
29-490-789	Washer & Dryer	-	-	-	-	-	-	
29-490-XXX	Mag Chloride Tank	-	-	-	-	5,000	-	Replace existing tank - 15 + years old
	STREET DEPARTMENT Total:	-	28,658	-	-	54,500	-	
OTHER								
29-490-XXX	Council Chamber Microphones	-	-	-	-	17,000	-	
29-490-802	Network Server	4,769	719	-	-	-	-	
	OTHER Totals:	4,769	719	-	-	17,000	-	
	FIXED ASSET EXPENDITURE Totals:	341,229	203,085	175,426	35,622	273,926	147,426	
	FIXED ASSET Totals:	(341,229)	(203,085)	-	(35,622)	-	(35,000)	

City of Sun Valley
 FY 16 DRAFT BUDGET

	FY 2013 Prior Year 2	FY 2014 Prior Year 1	FY 2015 ADOPTED	FY 2015 Estimated	FY 2016 PROPOSED	FY 2017 ANTICIPATED	Notes and Descriptions of line item purchases
Acct No Account Description	Audited Actuals	Audited Actuals	Budget	Actuals	BUDGET	BUDGET	FY 2016
CAPITAL IMPROVEMENT FUND							
<u>REVENUES - PROPERTY TAXES</u>							
50-311-500 PROPERTY TAXES	-	-	-	-	-	-	
REVENUES - PROPERTY TAXES Totals:	-	-	-	-	-	-	
<u>GRANTS</u>							
50-399-900 LHTAC Transportation Grant	50,000	-	-	-	-	-	
GRANTS Totals:	50,000	-	-	-	-	-	
<u>OPERATING TRANSFERS IN</u>							
50-399-100 TRANSFER FROM CIF FUND BALANCE	-	-	-	-	-	-	
50-399-200 TRANSFER FROM GF UNASSIGNED BALANCE	-	-	-	-	105,000	-	
50-399-300 TRANSFER FROM LAF UNASSIGNED BALANCE	-	-	51,000	5,735	-	-	
50-399-500 TRANSFER FROM GENERAL FUND	-	-	-	-	-	-	
OTHER TRANSFERS IN Totals:	-	-	51,000	5,735	105,000	-	
CAPITAL IMPROVEMENT FUND REVENUE Total:	50,000	-	51,000	5,735	105,000	-	
EXPENDITURES							
CAPITAL PROJECTS							
<u>BUILDINGS</u>							
50-480-440 City Hall Exterior Paint	9,813	-	-	-	-	-	
50-480-441 Street Facility Repair and Paint	-	-	9,000	9,000	-	-	
50-480-442 Street Department Ventilation System	-	-	20,000	5,000	15,000	-	
50-480-450 City Hall Generator	-	-	-	-	90,000	-	Generator capable of powering all of City Hall
50-480-460 City Hall exterior repairs	-	-	22,000	22,000	-	-	
50-470-801 Capital Improvement Plan	-	-	-	-	-	-	
50-470-837 Heating & Cooling System - City Hall	-	-	-	-	-	-	
<u>OTHER</u>							
50-470-820 Transportation Plan Update	12,470	69,163	-	5,735	-	-	
CAPITAL PROJECTS Totals:	22,283	69,163	51,000	41,735	105,000	-	
CAPITAL IMPROVEMENT FUND EXPENDITURE Totals:	22,283	69,163	51,000	41,735	105,000	-	
CAPITAL IMPROVEMENT FUND Total:	27,717	(69,163)	-	(36,000)	-	-	

City of Sun Valley
 FY 16 DRAFT BUDGET

Acct No	Account Description	FY 2013	FY 2014	FY 2015	FY 2015	FY 2016	FY 2017	Notes and Descriptions of line item purchases
		Prior Year 2 Audited Actuals	Prior Year 1 Audited Actuals	ADOPTED Budget	Estimated Actuals	PROPOSED BUDGET	ANTICIPATED BUDGET	
WORKFORCE HOUSING FUND								
<u>FEES AND RENTS</u>								
42-311-510	PAYMENT OF FEES IN LIEU							
42-311-515	RENTS	9,192	7,339	7,000	4,055	7,000	7,000	
	<i>FEES AND RENTS Totals:</i>	9,192	7,339	15,600	4,055	7,000	7,000	
<u>OPERATING TRANSFERS IN</u>								
42-399-300	TRANS. FROM GF UNASSIGNED FUND BALANCE					-	-	
42-399-400	TRANS. FROM LAF FUND BALANCE					241,966		
42-399-500	TRANS. FROM WFHF FUND BAL.	-	-	32,159	50,491	59,234	38,200	
	<i>OPERATING TRANSFERS IN Totals:</i>	-	-	32,159	50,491	301,200	38,200	
	WORKFORCE HOUSING FUND REVENUE Total:	9,192	7,339	47,759	54,546	308,200	45,200	
<u>EXPENDITURES</u>								
42-470-701	TRANSFER TO WFH FUND BALANCE	-	-	-	-	-	-	
42-470-702	EMPLOYEE HOUSING ALLOWANCE	-	17,317	17,200	17,200	17,200	17,200	
42-470-703	COMMUNITY HOUSING SERVICES	-	10,000	18,000	18,000	18,000	18,000	
42-470-705	CITY OWNED UNITS/ UTILITIES & MAINT.	6,534	9,914	10,000	19,346	10,000	10,000	
<u>CAPITAL PROJECTS</u>								
42-470-710	FUTURE HOUSING PROJECTS	(15,000)	4,959	-	-	-	-	
42-470-732	FIRE DEPARTMENT SLEEPING QUARTERS	-	-	-	-	263,000	-	
	<i>CAPITAL PROJECTS Totals:</i>	(8,466)	42,190	45,200	54,546	308,200	45,200	
	WORKFORCE HOUSING FUND EXPENDITURE Totals:	(8,466)	42,190	45,200	54,546	308,200	45,200	
	WORKFORCE HOUSING FUND Total:	17,658	(34,851)	2,559	-	-	-	

City of Sun Valley
 FY 16 DRAFT BUDGET

	FY 2013 Prior Year 2	FY 2014 Prior Year 1	FY 2015 ADOPTED	FY 2015 Estimated	FY 2016 PROPOSED	FY 2017 ANTICIPATED	Notes and Descriptions of line item purchases
Acct No Account Description	Audited Actuals	Audited Actuals	Budget	Actuals	BUDGET	BUDGET	<i>FY 2016</i>
LAND ACQUISITION FUND							
<u>GENERAL PROPERTY TAXES</u>							
40-311-500 PROPERTY TAXES	-	-	-	-	-	-	
<i>GENERAL PROPERTY TAXES Totals:</i>	-	-	-	-	-	-	
<u>OPERATING TRANSFERS IN</u>							
40-399-500 TRANSFER FROM GENERAL FUND	-	-	-	-	-	-	
40-399-550 TRANSFER IN FROM LA FUND BALANCE	-	-	129,797	-	241,966	-	
<i>OPERATING TRANSFERS IN Totals:</i>	-	-	129,797	-	241,966	-	
LAND ACQUISITION FUND REVENUE Total:	-	-	129,797	-	241,966	-	
<u>EXPENDITURES</u>							
<u>OPERATING TRANSFERS OUT</u>							
40-470-800 TRANSFER OUT TO FA FUND	-	-	78,797	-	-	-	
40-470-850 TRANSFER OUT TO WFH FUND	-	-	-	-	241,966	-	
40-470-950 TRANSFER OUT TO CIP	-	-	51,000	-	-	-	
<i>TRANSFERS OUT TO OTHER FUNDS</i>	-	-	129,797	-	241,966	-	
LAND ACQUISITION FUND EXPENDITURE Total:	-	-	129,797	-	241,966	-	
LAND ACQUISITION FUND Total:	-	-	-	-	-	-	

After considering the City's General Fund audited fund balance at the end of fiscal year 2014 and expected revenues and expenditures for the remaining portion of fiscal year 2015, it is estimated that the beginning fiscal year 2016 fund balance will be \$2,828,964, which is 54% of the General Fund Budget. Of that amount, \$1,610,916 represents the 16 weeks assigned to stay in the fund balance. This leaves \$1,218,048 available for appropriation. The proposed fiscal year 2016 Budget utilizes \$378,926 of that amount for capital items. This leaves the estimated year-end fiscal year 2016 fund balance at \$2,450,038, which is 46% of the General Fund Budget.



GFOA Best Practice

Determining the Appropriate Level of Unrestricted Fund Balance in the General Fund

Background. Accountants employ the term *fund balance* to describe the net assets of governmental funds calculated in accordance with generally accepted accounting principles (GAAP). Budget professionals commonly use this same term to describe the net assets of governmental funds calculated on a government's budgetary basis.¹ In both cases, fund balance is intended to serve as a measure of the financial resources available in a governmental fund.

Accountants distinguish up to five separate categories of fund balance, based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts can be spent: *nonspendable fund balance*, *restricted fund balance*, *committed fund balance*, *assigned fund balance*, and *unassigned fund balance*.² The total of the last three categories, which include only resources without a constraint on spending or for which the constraint on spending is imposed by the government itself, is termed *unrestricted fund balance*.

It is essential that governments maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates. Fund balance levels are a crucial consideration, too, in long-term financial planning.

In most cases, discussions of fund balance will properly focus on a government's general fund. Nonetheless, financial resources available in other funds should also be considered in assessing the adequacy of unrestricted fund balance (i.e., the total of the amounts reported as committed, assigned, and unassigned fund balance) in the general fund.

Credit rating agencies monitor levels of fund balance and unrestricted fund balance in a government's general fund to evaluate a government's continued creditworthiness. Likewise, laws and regulations often govern appropriate levels of fund balance and unrestricted fund balance for state and local governments.

Those interested primarily in a government's creditworthiness or economic condition (e.g., rating agencies) are likely to favor increased levels of fund balance. Opposing pressures often come from unions, taxpayers and citizens' groups, which may view high levels of fund balance as "excessive."

Recommendation. GFOA recommends that governments establish a formal policy on the level of unrestricted fund balance that should be maintained in the general fund.³ Such a guideline should be set by the appropriate policy body and should provide both a temporal framework and specific plans for increasing or decreasing the level of unrestricted fund balance, if it is inconsistent with that policy.⁴

The adequacy of unrestricted fund balance in the general fund should be assessed based upon a government's own specific circumstances. Nevertheless, GFOA recommends, at a minimum, that general-purpose governments, regardless of size, maintain unrestricted fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures.⁵ The choice of revenues or expenditures as a basis of comparison may be dictated by what is more predictable in a government's particular circumstances.⁶ Furthermore, a government's particular situation often may require a level of unrestricted fund balance in the general fund significantly in excess of this recommended minimum level. In any case, such measures should be applied within the context of long-term forecasting, thereby avoiding the risk of placing too much emphasis upon the level of unrestricted fund balance in the general fund at any one time.

In establishing a policy governing the level of unrestricted fund balance in the general fund, a government should consider a variety of factors, including:

- The predictability of its revenues and the volatility of its expenditures (i.e., higher levels of unrestricted fund balance may be needed if significant revenue sources are subject to unpredictable fluctuations or if operating expenditures are highly volatile);
- Its perceived exposure to significant one-time outlays (e.g., disasters, immediate capital needs, state budget cuts);
- The potential drain upon general fund resources from other funds as well as the availability of resources in other funds (i.e., deficits in other funds may require that a higher level of unrestricted fund balance be maintained in the general fund, just as, the availability of resources in other funds may reduce the amount of unrestricted fund balance needed in the general fund);⁷
- Liquidity (i.e., a disparity between when financial resources actually become available to make payments and the average maturity of related liabilities may require that a higher level of resources be maintained); and
- Commitments and assignments (i.e., governments may wish to maintain higher levels of unrestricted fund balance to compensate for any portion of unrestricted fund balance already committed or assigned by the government for a specific purpose).

Furthermore, governments may deem it appropriate to exclude from consideration resources that have been committed or assigned to some other purpose and focus on unassigned fund balance rather than on unrestricted fund balance.

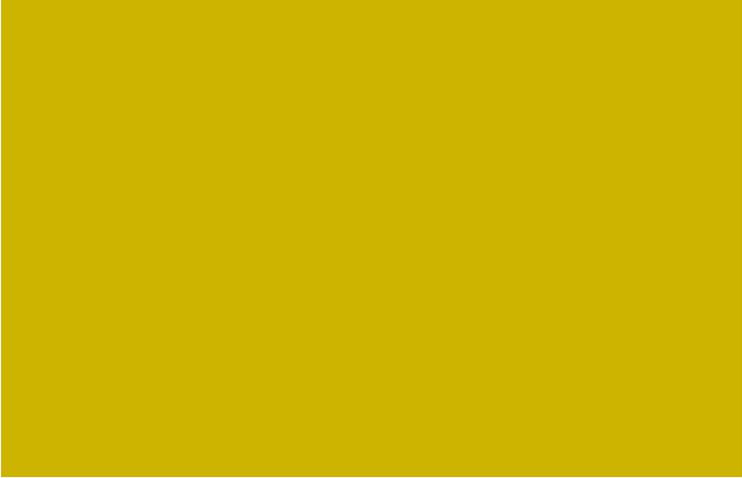
Naturally, any policy addressing desirable levels of unrestricted fund balance in the general fund should be in conformity with all applicable legal and regulatory

constraints. In this case in particular, it is essential that differences between GAAP fund balance and budgetary fund balance be fully appreciated by all interested parties.

Notes:

- 1 For the sake of clarity, this recommended practice uses the terms GAAP fund balance and budgetary fund balance to distinguish these two different uses of the same term.
- 2 These categories are set forth in Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which must be implemented for financial statements for periods ended June 30, 2011 and later.
- 3 Sometimes restricted fund balance includes resources available to finance items that typically would require the use of unrestricted fund balance (e.g., a contingency reserve). In that case, such amounts should be included as part of unrestricted fund balance for purposes of analysis.
- 4 See Recommended Practice 4.1 of the National Advisory Council on State and Local Budgeting governments on the need to "maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures" (Recommended Practice 4.1).
- 5 In practice, a level of unrestricted fund balance significantly lower than the recommended minimum may be appropriate for states and America's largest governments (e.g., cities, counties, and school districts) because they often are in a better position to predict contingencies (for the same reason that an insurance company can more readily predict the number of accidents for a pool of 500,000 drivers than for a pool of fifty), and because their revenues and expenditures often are more diversified and thus potentially less subject to volatility.
- 6 In either case, unusual items that would distort trends (e.g., one-time revenues and expenditures) should be excluded, whereas recurring transfers should be included. Once the decision has been made to compare unrestricted fund balance to either revenues or expenditures, that decision should be followed consistently from period to period.
- 7 However, except as discussed in footnote 4, not to a level below the recommended minimum.

Approved by the GFOA's Executive Board, October, 2009.



URBAN RENEWAL

IdCMA

January 27, 2015

Presented By Ryan Armbruster
and Meghan Conrad

Elam & Burke, P.A.



Why Try Urban Renewal?

- Urban renewal is the only tool available to local government in Idaho to encourage economic development in order to retain existing development, attract new development, and remediate deteriorating areas.
- Projects often require substantial infrastructure that cities are not able to provide on their own—increment financing is key to setting up an environment which could persuade existing development to remain or new development to locate.

Examples of Urban Or Municipal Infrastructure?

Hard infrastructure (acceptable to most)

- Streets
- Water distribution
- Sewers, waste water treatment facilities
- Power, gas, communication

Soft infrastructure (unacceptable to some)

- Parks
- Recreation facilities
- Libraries
- Public buildings (fire stations, law enforcement facilities, city halls, courthouses)

Urban Renewal Projects

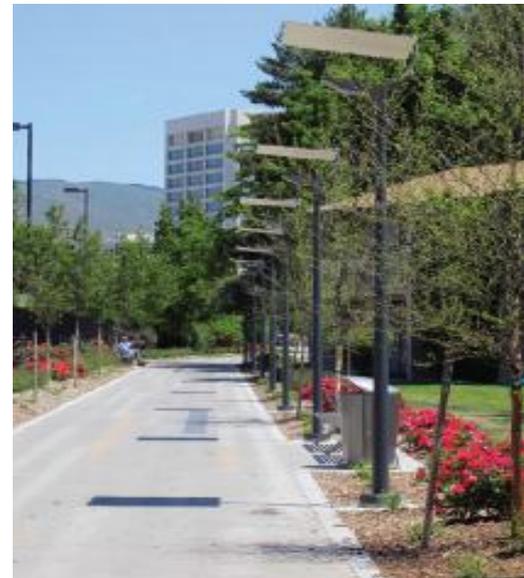
Garden City:
City Well
Rehab



Garden City:
River Front Park



Boise: Pioneer
Corridor



Urban Renewal Projects

Meridian:
Street Scape



Eagle: Parking,
Sidewalks, Etc.



Boise: Transit
Station



Urban Renewal Projects

Chobani invested \$450 million into constructing and equipping their plant in Twin Falls, which opened December 2012. Twin Falls URA sold a \$34.5 million bond in 2013 to cover the majority of the \$40 million needed to construct infrastructure to operate Chobani's Twin Falls plant. Their investment, employment, and reliance on local milk sources for their yogurt adds over \$1 billion annually to our local economy which has a positive impact on the state as well.



THE BASICS

- Authority
- Board Of Commissioners
- Plan
- Financing

Urban Renewal Agency Authority

- Local Economic Development Act, Title 50, Chapter 29, Idaho Code
- Idaho Constitution—Article VIII, § 4, Art. XII, § 4
- Separate and distinct legal entity with independent authority—*Yick Kong v. BRA (entirely lay person board)*, *Hart v. Rexburg URA (mix of lay persons and council members)*
- Idaho Urban Renewal Law of 1965, Title 50, Chapter 20, Idaho Code
- Models throughout the state vary widely

How Are Urban Renewal Areas Formed?

- Idaho Urban Renewal Law first adopted in 1965 states there exists in municipalities deteriorating areas which justify the powers conferred by the Act and use of public funds for that purpose.
- City Council or County Commission must make preliminary finding there are one or more deteriorating areas within city or county (or competitively disadvantaged border community) in order to activate an urban renewal agency (post-2011 action requires a vote).
- Mayor and City Council or County Commission appoint urban renewal agency board members— Except for vacancies within board member terms.

Steps to Create a RAA

- Designate a study area for potential creation of an urban renewal district
- Determine whether conditions within the study area meet the criteria established in State Law and make the requisite findings in an eligibility report

Steps, Continued

- Agency Board concurs with the conclusions of the eligibility report and forwards it to the City Council
- If the City Council concurs with Agency Board, then the City Council directs the preparation of an urban renewal plan for the area
- Agency prepares and approves the plan and forwards it to the City Council
- City Council receives the plan and refers it to the Planning and Zoning Commission for a determination that the plan is consistent with the City's Comprehensive Plan

Steps, Continued

- City Council refers the plan to the affected taxing entities and provides notice of the public hearing
- Planning and Zoning Commission determines that the plan is consistent with the City's Comprehensive Plan.
- City Council holds public hearing; determines whether to adopt plan and form urban renewal area.
- City Council adopts the plan, including a revenue allocation financing provision, by ordinance
- Those cities/counties that did not already have an urban renewal agency established prior to July 1, 2011, must seek voter approval to establish the agency
- Generally, the plan approval process takes about 6 months

Additional Considerations

- Must demonstrate that the proposed area and plan of work is financially feasible
- Must determine that the combined base assessment value of all existing urban renewal districts and any proposed urban renewal districts does not exceed 10% of the total city assessed value
- Owners of “agricultural lands” must provide written consent

Urban Renewal Plan-Generally

- A revenue allocation area exists for 20 years (pre-2011 plans grandfathered for longer term of 24 years)
- The urban renewal plan provides the Agency with a process and a basic framework within which to consider and proceed with specific projects
- Due to the length of time a plan is in existence, the plan maintains some flexibility to allow the Agency to respond to changing market and economic conditions.

What Powers Do Urban Renewal Agencies Have?

Consistent with the urban renewal plan, to:

- Construct/reconstruct streets, utilities, parks, recreation facilities, off-street parking and public facilities, public buildings and other improvements.
- Acquire and dispose of property or buildings.
- Improve, renovate, clear and prepare for redevelopment properties or buildings.
- Acquire property to eliminate unsanitary or unsafe conditions, lessen density, eliminate obsolete or other uses detrimental to public welfare.
- Invest and borrow money, issue bonds, and accept loans and grants.
- Work cooperatively with other public entities.
- Facilitate Local Improvement Districts (LIDs) and Business Improvement Districts (BIDs).

Project Financing Options

- Pay-as-you-go
- Developer reimbursement agreements
- Owner participation agreements
- Conventional bank loans
- Bonds
- Note: Often no tax increment available to fund projects on a pay-as-you-go method until at least two years after plan creation. Many projects require infrastructure immediately in order for a project to go – requiring financing of improvements.

Project Financing Options (con't)

- Agency decisions regarding project financing are: properly noticed on agendas, decisions are made in open, public meetings, and by agency resolution.
- Before financing occurs, there must be a showing the project is economically feasible and a determination that an agency is credit worthy.

Compliance Requirements

- Public entity compliance with open meetings, public records, audited financial statements, budgets, and annual reports.
- Public bidding and contract compliance.
- New reporting requirements (House Bill 560, codified at I.C. § 67-450E).

Board Composition And Limitations

- The agency's Board of Commissioners may have 3 to 9 members, who are appointed by the Mayor and confirmed by the City Council or by the County Commission.
- Currently more than 40 Idaho cities have urban renewal agencies. Most of these agencies have one or more City Council members on the Board of Commissioners.
- Many of the agencies are staffed by city employees.

Financial Reporting Requirements: Audit, Annual Report, And Budget

- Idaho Code § 50-2006(c) and (d)
 - Audit
 - Annual Report
 - Budget

Conflict Of Interest Laws

- Urban Renewal Law – Interested Public Officials, Commissioners or Employees, Idaho Code § 50-2017
- Ethics in Government Act – Chapter 7, Title 59
 - Gifts/gratuities/events
- Prohibitions against Contracts with Officers – Chapter 2, Title 59

Operating In The Public Eye

- Public Record Law – Idaho Code §§ 9-337 to 9-437
- Open Meeting Law – Idaho Code §§ 67-2340 to 67-2347
 - Notice of Meetings – Agendas, Idaho Code § 67-2343
 - Executive Sessions – When Authorized, Idaho Code § 67-2345

How Does Revenue Allocation Financing Work?

(Local Economic Development Act)

- When a revenue allocation area is formed, property valuation is calculated. This is **base line value** or the base assessment roll of the revenue allocation area. Base assessment roll for the geographic area under consideration cannot exceed 10% of the assessed value for the entire city. Due to redevelopment, it is anticipated the property values will rise. If property values increase above this base line, the added value is called the **increment**.

Revenue Allocation Financing, Continued

- Budget for City, County, and other non-school taxing districts limited to previous year's budget plus 3% and credit for value of new construction. By virtue of amendments in 2007, value of new construction within a revenue allocation area is not included in that credit amount.
- County Assessor sets property values.
- County determines tax rate needed to produce budget submitted by City, County, School District, and other taxing districts.
- Tax rates applied to full value of property outside revenue allocation areas; to **base line** value of property inside revenue allocation areas.
- Taxes from base line value go to City, County, School District, and other taxing districts.
- Property tax revenue from the incremental value, if any, goes to the urban renewal agency for a limited period of time (20 year max, except for "grandfathered" projects primarily 24 years).

Revenue Allocation Financing, Continued

- The increment or revenue allocation that goes to the urban renewal agency is used to pay for improvements within the urban renewal area.
- An urban renewal agency does not determine property valuation or tax rates.
- Funds received by an urban renewal agency for a given revenue allocation area must be spent in that revenue allocation area with limited exception.
- Funds are invested in activities that are intended to increase prosperity of the revenue allocation area.
- Result is often an increase in property values which would not have otherwise occurred but for redevelopment.
- For project areas established after 2008 and voter approvals after 2008, the urban renewal agency will not receive taxes generated by voter approved levies, such as general obligation bonds, school district plant facilities levies, and supplemental levies.

What Are The Public Benefits Of Urban Renewal And Revenue Allocation Financing?

- Job creation from the initial project as well as potential for “spill over” developments.
- Underutilized and deteriorated or deteriorating property is returned to productive use.
- Infrastructure upgrades enhance capacity for surrounding area and community at large.
- Improvements to local transportation systems benefit the community at large.

Additional Benefits

- New capital investments create jobs and economic gains in local economy.
- Increasing local tax base may mean property owners enjoy lower levy rates in the future.
- An urban renewal plan with revenue allocation is meant to concentrate effort and resources over a period of time to make significant change and improvement to an area which requires focused attention. This involves tax increment financing but also includes many other strategies from annual grants, cash funded public improvements, federal grant matching, and the like, some through state Department of Commerce.

Why Are Urban Renewal & Revenue Allocation Financing Important Tools For Economic Development?

- Limited options for cities to finance site preparation, infrastructure, and other incentives needed to attract and retain businesses.
- Revenue allocation financing allows communities to make a site “ready” for development, including extending water, sewer, streets and other improvements that reduce the cost to businesses of relocating or expanding.

Important Tools, Continued

- Agencies have been effective in preventing or arresting the decay of urban areas and facilitating the long-term growth of the tax base. These projects range from rehabilitation, reconstruction or replacement of aging public buildings, to construction of new roads, water and sewer main lines, and electrical and telecommunications lines into formerly deteriorating areas. Agencies have also constructed parks, installed biking and walking paths, and enhanced urban streetscapes which have improved the quality of life in Idaho's communities.
- Agency projects have increased property values in the communities where they have been completed. A positive "increment value" has occurred representing an increase in property values within the urban renewal district. In many cases, the increase in property values has been dramatic; Idaho's larger cities have seen increases on the order of hundreds of millions of dollars.
- In Idaho, urban renewal projects supported by revenue allocation financing have been responsible for mitigating deteriorating conditions and creating the conditions necessary to foster economic development.

Limitations On Urban Renewal Agencies

- An urban renewal agency is constitutionally prohibited from funding real property improvements to privately owned property (which includes non-profit entities) and granting funds to private entities (again, including non-profit entities). An urban renewal agency can fund real property improvements to real property owned by another public entity (either local, state, or federal) and may grant funds to another public entity.
- Urban renewal agencies may only expend public funds for the benefit of the public. The agency should be very cautious in considering funding improvements to private property. Funding could be ultimately deemed a loan or grant or gift of public funds to the private property owner and thus a violation of the Idaho Constitution [Art. VIII, § 4, Art. XII, § 4, Idaho Constitution]

Limitations, Continued

- Idaho does not permit its urban renewal agencies to grant tax money to private interests for development or to lend its credit to back loans to private interests. The Idaho Constitution reads that:

No county, city, town, township, board of education, or school district, or other subdivision, shall lend, or pledge the credit or faith thereof directly or indirectly, in any manner, to, or in aid of any individual, association or corporation, for any amount or **for any purpose whatever**, or become responsible for any debt, contract or liability of any individual, association or corporation in or out of this state.

Art. VIII, § 4 (emphasis added).

- The Idaho Supreme Court has held the purpose behind Art. VIII, § 4 of the Idaho Constitution is to prevent private enterprises from gaining any competitive advantage at the expense of the taxpayers.
- An urban renewal agency must demonstrate that such improvements were primarily beneficial to the public. If an urban renewal agency's actions are challenged as unconstitutional, the agency would face a substantial risk of costly litigation and potentially an award of costs and attorney fees to anyone challenging the program.

Limitations, Continued

- The Idaho Supreme Court has not considered whether or not Art. VIII, § 4 prohibits political subdivisions from donating money to charitable organizations. There appears to be a split of authority in other jurisdictions that have considered the issue. However, when courts in other jurisdictions have held donations to non-profit charitable organizations did not violate constitutional prohibitions, courts have usually considered whether the charitable organization was (1) primarily aiding the public as opposed to private interests and (2) whether the charitable organization was performing work the political subdivision could itself perform.
- Idaho does not permit municipal corporations to loan its credit or to donate to any corporation or association. The Idaho Constitution reads that:

No county, town, city, or other municipal corporation, by vote of its citizens or otherwise, shall ever become a stockholder in any joint stock company, corporation or association whatever, or raise money for, or make donation or loan its credit to, or in aid of, any such company or association...

Art. XII, § 4.

- Essentially, Agencies are prohibited from gifting public assets to private entities.

LIST OF ISSUES IDENTIFIED OVER THE PAST SEVERAL YEARS

By The Idaho Legislature And
Urban Renewal Critics

Issues

- Definition of blight/ deteriorating conditions
- The development of open land/Greenfield development
- Board composition/qualifications/conflict of interest/election
- Enforcement of the 10% rule/compliance/punish-ment if the limit is exceeded
- Perceived lack of accountability/ transparency to the general public
- Distinguish TIF use for “blight” from economic development/ mixed use projects
- Provide taxing entities with meaningful input/ comment/consultation
- Rebates to taxing districts
- Long term debt without vote
- Property tax impact
- “Giveaways”
- Penalties for non-compliance
- Limitations on types of projects that can be funded (no public buildings)
- Need for oversight committee
- Rebate or perhaps base assessment bump when percent of assessed value in an RAA reaches threshold

URBAN RENEWAL LEGISLATION

2000 To 2014

1988-2000 Legislative Sessions

- After passage of the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, there was a period of little legislative activity.

2000 Legislative Session

- Clarified the time frame for the filing of the necessary information with the State Tax Commission and county offices to create or amend an urban renewal /revenue allocation area.
- Limited the term of revenue allocation authority, with minor exceptions, to 24 years.
- Required an urban renewal agency and a city to enter into an intergovernmental agreement with the county for any revenue allocation area extending outside city limits.
- Extended to counties the authority to use revenue allocation financing.

2002 Legislative Session

- Clarified that urban renewal agencies are subject to statutes on open meetings, public records, ethics, auditing and financial reporting, and competitive bidding.
- Adopted procedures to be used by an agency in closing out an urban renewal project and the termination of revenue allocation financing authority. An urban renewal plan must now include a specific termination date and an “exit strategy” for termination. A specific termination year budget must be submitted to the other taxing entities describing the termination and closeout of the project.
- Clarified the term of revenue allocation financing for urban renewal plans which were adopted prior to 7/1/2000, allowing revenue allocation to extend through the term of the plan.
- Allowed urban renewal agencies to retain assets beyond the term of revenue allocation authority if an agency has other resources.

2003 Legislative Session

- Prohibited extension of urban renewal areas outside of city limits into another city or county without a resolution of necessity from the other city or county.

2005 Legislative Session

- Provided that urban renewal agencies follow the uniform local government competitive bidding law in Chapter 28, Title 67, Idaho Code.

2006 Legislative Session

- Adopted IC § 7-701A, Limitation on Eminent Domain, which restricts an agency's use of eminent domain for economic development purposes. Eminent domain may not be used to transfer property from one private owner to another, or for promoting or effectuating economic development. The bill provided exceptions for blighted properties that pose health or safety risks (Response to *Kelo v. City of New London* (2005)).
- Revised definition of deteriorated or deteriorating area to prevent inclusion of property used for agriculture within previous three (3) years without the owner's consent.

2006 Legislative Special Session

- Repealed school district 3 mill operation and maintenance levy and limited the 4 mill rebate by urban renewal agencies to school districts as school district operation and maintenance is now funded through state resources.

2007 Legislative Session

- Ended the practice of including the value of new construction within a revenue allocation area in the new construction roll for the purpose of levying by taxing districts.

2008 Legislative Session

- HB 470 provided that the levy rate for allocation purposes excludes:
 - Levies for refunds and credits pursuant to IC § 63-1305, and judgments pursuant to IC § 33-802(1), certified after 12/31/2007.
 - Temporary override levies as provided by IC § 63-802(3), certified after 12/31/2007.
 - Levies for voter approved general obligation bonds of any taxing district and school plant facility reserve fund levies passed after 12/31/2007.
 - Any of the levies mentioned above first certified prior to 12/31/2007 when the property affected by the levies is included within a revenue allocation area by a change in boundaries of either the revenue allocation area or any taxing district.
 - School supplemental levies pursuant to IC § 33-802(3), approved after 12/31/2007, or charter school supplemental levies not exceeding two years in duration.

2009 Legislative Session

- HB 244 provided that no addition of land area to an existing revenue allocation area will cause the lifespan to extend beyond the 24-year limit, with exceptions for bonds issued, refinancing existing indebtedness, and for urban renewal plans adopted prior to 7/1/2000 and having a duration exceeding 24 years.
- SB 1091 provided that levies for charter school districts exceeding two years in duration would not be used in calculation of the levy rate for revenue allocation to urban renewal districts.

2010 Legislative Session

- Proposed reform and modernization bill.
- HB 567 – Proposed reform and modernization bill as revised by Rep. Lake.
- HB 672 – Reform bill proposed by House Revenue and Taxation Subcommittee, chaired by Rep. Smith of Twin Falls (no modernization).
- Partly due to volume and complexity HB 672 did not pass out of committee.

2011 Legislative Session

(partly in response to 2010 efforts)

- HB 95 requires approval at a city-wide election by a simple majority of voters prior to the formation of new urban renewal agencies after 7/1/2011. Agencies already in existence as of 7/1/2011 will not have to comply with the vote requirement.
- The bill provides for removal of urban renewal commissioners for inefficiency, neglect of duty, or misconduct in office by majority vote of the urban renewal board or the city council after notice to the commissioner and an opportunity to be heard. The bill also permits the board to fill vacancies by majority vote (upon term expiration, appointment authority rests with mayor and council).
- The chairman, co-chairmen, or vice chairman must be selected by the board of commissioners to serve for one year.
- The urban renewal agency must hold a public hearing to present its annual report of activities and finances for the preceding calendar year and take comments from the public.
- The bill extends the period for the planning and zoning commission to submit its written recommendations on a proposed urban renewal plan to the city council from 30 to 60 days.

2011, HB 95 Continued

- Forest land is excluded from the definition of deteriorated and deteriorating areas unless consent is obtained from the property owner, with the exception of forest lands not used for three consecutive years.
- The bill restricts extension of revenue allocation area boundaries to a single extension comprising not more than 10% of the existing revenue allocation area and the area to be added must be contiguous without shoe stringing (must be contiguous; no use of right-of-way connections). **[significant impact]**
- An increase in value caused by the removal of the agricultural property tax exemption from undeveloped ag land in a revenue allocation area will be added to the base assessment roll.
- The lifespan of newly-created urban renewal districts and revenue allocation areas, and term of bonds will be shortened from 24 to 20 years (with the exception of districts already created or where bonds have already been issued). **[significant impact]**
- The revenue allocation plan must include a statement describing the total assessed value of the base assessment roll of the revenue allocation area and the total assessed value of all taxable property within the city.

2012 Legislative Session

- No significant legislation impacting urban renewal or revenue allocation passed during 2012 session.
- The passage of the reforms in HB 95 in 2011 was key in holding off additional reforms in 2012.
- 8 bills printed in 2012 directly impacting the Urban Renewal Law of 1965 (“the Law”) and the Local Economic Development Act (“the Act”).
- 1 of 8 bills passed (Site Improvement Bill).
- 7 of the 8 bills failed:
 - 4 bills held in the House Local Government Committee.
 - 3 bills passed the House but were held by the Senate Taxation and Local Government Committee.

Other 2012 Bills

- **HB506** – sought to eliminate the use of eminent domain by urban renewal agencies. **Passed House did not go before the Senate.**
- **HB507**- required specific, detailed project information for new urban renewal districts. **Passed the House did not go before the Senate.**
- **HB560** – sought to completely eliminate urban renewal. **Held in House Committee.**
- **HB562**- attempted to eliminate revenue from the community college levies from flowing to urban renewal agencies. **Passed the House, did not go before the Senate.**

Other 2012 Bills (con't)

- **HB580**-required a county-wide vote with 2/3 majority for any indebtedness of an URA. **Held in Committee.**
- **HB592**-bill impacted how budgets for municipalities and counties are impacted by property when it becomes exempt. Bill included a five-year claw-back for new construction that becomes exempts. **Was not heard in Committee.**
- **HB597**-required the board of directors for urban renewal agencies to be elected. **Held in Committee.**

2013 Legislative Session

- In 2013, the legislature eliminated the authority of an urban renewal agency to enter onto private property without the consent of the property owner for the purpose of conducting inspections, tests, surveys, etc.
- Personal property tax exemption for all items under \$3,000 in value and a \$100,000 per taxpayer exemption for all reported personal property. The overall amount generated from the \$100,000 personal property exemption will be “back filled” by the state of Idaho from state funds. However, the amount remains static and will not increase over time. No back fill is available for “new” personal property value after January 1, 2013.

2014 Legislative Session

- There were several bills printed during the 2014 Session directly impacting Urban Renewal. Due to the concerted efforts of many, none of those bills made it through both houses to become law. Those bills included:
 - Limiting funding for city halls and libraries
 - Administrative expenses of other entities
 - Disallowing use of community college district levy
- Several bills were enacted to clean up 2013 personal property tax legislation.
- HB 560 (Rep. Trujillo of Idaho Falls) creates a central registry and reporting portal, establishes reporting requirements for taxing districts (including urban renewal agencies), and identifies penalties for non-compliance. First reporting deadline is March 1, 2015.

LOOKING FORWARD

2015 And Beyond

Working Group to Develop Comprehensive Urban Renewal Legislation

- Group of legislators, lobbyists, and representatives of Idaho urban renewal agencies travelled to Utah to learn how urban renewal works in that state.
- Creation of a working group to generate comprehensive urban renewal legislation. Working group includes legislators (House and Senate), lobbyists, representatives of urban renewal agencies, representatives from the banking industry, and urban renewal critics. Rep. Youngblood (Nampa) is the ad hoc working group chairman.

Working Group (con't)

- Working group meets weekly. Goal to have a bill by the first week of March.
- Discussion focusing more on reform than modernization.

Working Group (con't)

Assessor Concerns

- Urban renewal board should be elected and reside in the county
- Borrowing between RAAs
- TIF should not fund public buildings
- State oversight
- Once obligation paid, parcels should be de-annexed from RAA and/or dissolve RAA upon project completion
- Better definitions of urban renewal vs. economic development
- Clear ability to rebate and/or increase the base value

TAC Concerns

- Urban renewal board should be elected and reside in the county
- Long term debt should be voter approved
- TIF should not fund public buildings
- Urban renewal plan should specifically identify projects
- Increase statute of limitations from 30 to 60 days
- Need for “but for “ test

SUCCESS

An Example Of A Successful Urban Renewal Project
And Suggested Strategies For Success

River Commons District (Snake River Landing) In Idaho Falls

- Created in 2004
- Will close in 2028
- Before urban renewal
 - A gravel pit
- After urban renewal
 - \$29,182,836 increment value
 - 200 plus jobs created
 - 10 properties developed

Was River Commons A Successful Project?

**Before Urban
Renewal**



After Urban Renewal



Was River Commons A Successful Project?

- Eliminated blight
- Strengthened the tax base
- Provided public infrastructure
- Leveled the playing field for development

Strategies For Success

- Accept criticism and learn from it
- Educate the public on urban renewal
- Understand tax increment financing
- Know your strengths
- Define your objective
- Foster cooperation
- Pursue the right project
- Be aware of other resources like tax incentives and seek support from Idaho Department of Commerce
- Energize development community and others benefited from urban renewal
- Remain diligent in protecting the only economic development tool
- Meet regularly with taxing districts
- Meet regularly with county government
- Understand assessment process and issues faced by the county assessor
- Listen and attempt to respond to concerns identified by those that may not fully understand the process
- Maintain best practices and consult with other agencies
- Meet and educate candidates and returning legislators