



Special Meeting

~ Minutes ~

Monday, August 18, 2014

3:00 PM

Ketchum City Hall

Present: Mark Eshman - Chairman
Trish Wilson – Vice Chairman
Anne Corrock – Commissioner
Tim Eagan – Commissioner
Gary Lipton – Commissioner
Baird Gourlay - Commissioner
Jim Slanetz - Commissioner

Also Present: Suzanne Frick – Executive Director
Stephanie Bonney - Attorney
Sandra Cady – Secretary/Treasurer
Lisa Enourato – Assistant to the Executive Director
Katie Carnduff – Administrative Clerk

1. CALL TO ORDER

Vice Chairman Trish Wilson called the meeting to order at 3:07 p.m.

2. COMMUNICATIONS FROM THE BOARD OF COMMISSIONERS.

Commissioner Anne Corrock welcomed Suzanne Frick as the new Executive Director of the Ketchum Urban Renewal Agency.

3. AGREEMENTS AND CONTRACTS.

a. Transit Hub Project – Easement and Use Agreement between Mountain Rides and Ketchum Urban Renewal Agency – Joyce Allgaier, Director of Planning and Building.

Joyce Allgaier, Director of Planning and Building gave the board a brief history of the Transit Hub project, presented the Easement and Use Agreement and explained the reason for the agreement.

Vice Chairman Trish Wilson expressed concerned about timely graffiti removal. Jason Miller, Mountain Rides Executive Director responded that their policy is to remove graffiti as it appears.

Commissioner Gary Lipton suggested Mountain Rides pay to have a new electrical meter installed. Jason said their electrical engineer suggested the cost of a new meter would be quite expensive and it would be more cost effective to pay the City for the power used.

Commissioner Gary Lipton asked if Mountain Rides would be supplying money to pay for the possible repair of the disintegration of the curb in the future. Jason said the curb is in the right of way and is covered in an agreement with the City of Ketchum. Commissioner Gary Lipton requested a copy of the agreement. Commissioner Baird Gourlay commented that they cannot obligate a future Council.

Chairman Mark Eshman asked what effect the granting of an easement had to liability insurance. Stephanie Bonney, KURA Attorney said the coverage does not change.

Commissioner Gary Lipton asked if they could include a clause that would require Mountain Rides to pay legal costs. Stephanie said they could add an indemnification that holds Mountain Rides responsible for acts that Mountain Rides commits, and explained the reasons that proof of insurance is generally not required for easement agreements, but said it could be included in this agreement. Jason and Stephanie

clarified that the KURA and Mountain Rides both have the same insurance company, ICRMP. The board and Jason agreed to include indemnification and maintaining an insurance amount consistent with the Tort Act.

Commissioner Tim Eagan asked who was involved in negotiating the business terms of the agreement, and why they had settled on a 15 year term. Jason Miller said it was done with city staff, and the 15 year term was based on the usable life of the asset they are delivering.

Commissioner Tim Eagan commented that the cleaning schedule presented was not sufficient. He asked if Mountain Rides pays rent for any of their shelters and if there was any discussion of a rental fee for this; Jason responded no to both questions. Commissioner Gary Lipton commented on the increased use of the bathrooms at Starbucks. The board discussed the issues regarding the increased use of the bathrooms at Starbucks.

Chairman Eshman asked for clarification on the calculation for utility expense for the shelters. Jason said they would be based on the increase from historical billings. Chairman Eshman suggested they do some research to find the best method to determine the cost. Chairman Eshman suggested the agreement be redrafted and visited again at the next KURA board meeting.

Commissioner Eagan suggested the subcommittee for the building work on the easement agreement in regards to the term of the easement. Commissioner Gourlay suggested three five year terms. Stephanie and Jason clarified they need to have at least a ten year term.

Stephanie listed the changes requested by the board: add an indemnification clause, add insurance requirement, add something that states they will pay for bathroom maintenance in amount agreed upon by both parties, change to the term as recommended by the subcommittee, change the removal of graffiti.

Commissioner Lipton brought up the issue of rent. Commissioner Corrock thought Mountain Rides should contribute to the cost of the common area maintenance, but is okay with not charging rent. Commissioner Slanetz agreed that they should contribute to CAM's but shouldn't pay rent. Vice-Chairman Wilson noted that they are a public entity and the KURA is a public entity and they should cover costs that they create, but that the KURA should not be trying to make any money. Commissioner Gourlay stated that it is helpful to the business to have the bus shelter on the property.

Jason handed out a breakdown of the \$100,000 that Mountain Rides received from the KURA.

4. COMMUNICATIONS FROM THE PUBLIC.

a. Presentation regarding the Tax Reimbursement Incentive Program for Hotel Ketchum – Jack Bariteau

Jack Bariteau updated the board on Hotel Ketchum and the new affiliation with Auberge Resorts. Jack said the new state tax incentive program really helps with financing. As part of the approval they agreed to underground the power lines. Jack is requesting the KURA work with them to reimburse them for that expense, which is kind of what the state is looking for from the local community as a match.

Commissioner Lipton asked what the cost of undergrounding would be. Jack said it is estimated at about 1 million, and they would be looking for about \$300,000 in reimbursement. Chairman Eshman said it was a perfect example of a public private partnership that the KURA should be doing. Commissioner Corrock said this seemed to be an example of a DDA. Commissioner Lipton asked if there would be any affordable housing. Jack said they are required to provide 18 beds, and they are planning on doing so. Commissioner Gourlay requested more definition of the undergrounding of the power lines section by section.

5. CONSENT CALENDAR

a. Approval of minutes: July 14, 2014 and July 21, 2014.

b. Approval of current bills.

Motion to approve the consent calendar.

RESULT:	APPROVED
MOVER:	Baird Gourlay, Commissioner
SECONDER:	Jim Slanetz, Commissioner
AYES:	Anne Corrock, Mark Eshman, Baird Gourlay, Jim Slanetz, Trish Wilson, Gary Lipton.
ABSTAINED:	Tim Eagan

6. **EXECUTIVE SESSION to discuss Personnel pursuant to Idaho Code §§67-2345 1(b).**

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

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Baird Gourlay, Commissioner
SECONDER:	Trish Wilson, Vice Chairman
AYES:	Anne Corrock, Tim Eagan, Mark Eshman, Baird Gourlay, Jim Slanetz, Trish Wilson, Gary Lipton.

Chairman Eshman left the meeting.

The board came out of Executive Session at 4:41 p.m.

The board requested staff draft an RFP regarding hiring a new attorney for the Ketchum Urban Renewal Agency.

The Board continued to discuss the easement agreement with Mountain Rides, and the possibility of including rent in the agreement.

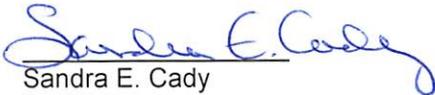
7. **ADJOURNMENT.**

Commissioner Corrock motioned to adjourn at 4:58 p.m., Commissioner Gourlay seconded, the motion passed unanimously.



 Trish Wilson
 Vice Chairman

ATTEST:


 Sandra E. Cady
 Secretary/Treasurer