

## STAFF REPORT

**TO:** Hailey Planning and Zoning Commission  
**FROM:** Beth Robrahn, Community Development Director  
**RE:** Quigley Canyon Ranch Annexation, supplement to staff report  
**HEARING:** October 17, 2011

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The issues of water rights and water quantity have been a main topic of discussion between the city and the applicant for the past two years.

The city has been consulting with SPF Water Engineering since the original annexation application to provide professional analysis of the applicant's information pertaining to water. The applicant has retained ERO Resources Company to provide their water analysis. Wendy Pabich has also provided comments about Quigley's water rights.

Although the Council does not expect the Commission to tackle the water issue, some Commissioners have asked for the information in the city records. The following information is attached and can be discussed in more detail on Monday October 17.

SPF Memo December 31, 2008  
SPF Memo May 28, 2009 – response to Pabich's May 18, 2009 letter to the city  
SPF Memo November 12, 2009  
SPF comments on City Engineer memo August 10, 2011  
SPF Memo June 23, 2011  
ERO Memo September 30, 2011

Copies of the comments received from Wendy Pabich follow the SPF and ERO memos. (July 21, 2008, May 18, 2009, May 20, 2009, June 9, 2009 and August 3, 2009). A copy of her August 27, 2011 letter was included in your October 3, 2011 packet.

In addition, the city contracted with Caplan & Associates to conduct the fiscal impact analysis. A Cost Benefit Study Update was prepared December 17, 2010 to account for the initial increase in proposed units from 365 to 438. The cost-benefit analysis will obviously need to be updated again based on the more recent changes. The updated analysis will be presented to the Council when complete.

A copy of the draft annexation agreement is also attached. Commissioner Fugate asked for a copy noting that if the annexation application moves forward at the Council level, the Commission should have the opportunity to review the agreement prior to it being approved and signed in order to ensure the conditions the Commission thought were critical were carried through the negotiation process.