

WHITEFISH CITY COUNCIL MINUTES

February 18, 2014

7:10 P.M.

1. CALL TO ORDER

Mayor Muhlfeld called the meeting to order. Councilors present were Sweeney, Anderson, Hildner, Feury, Barberis and Frandsen. City Staff present were City Manager Stearns, City Clerk Lorang, Assistant City Manager/Finance Director Swisher, City Attorney VanBuskirk, Planning and Building Director Taylor, Public Works Director Wilson, Parks and Recreation Director Cozad, Police Chief Dial, and Fire Chief Kennelly. Approximately 35 people were in attendance.

2. PLEDGE OF ALLEGIANCE

Mayor Muhlfeld asked Chas Cartwright to lead the audience in the Pledge of Allegiance.

3. PRESENTATIONS – Presentation by Caryn Miske and Chas Cartwright of the Flathead Basin Commission on Aquatic Invasive Species and the results from the Coram monitoring station in 2013 (p. 16)

Chas Cartwright, the Chairman of the Flathead Basin Commission (FBC) said the leadership the City of Whitefish has shown on the aquatic invasive species sets a standard that will hopefully engender more support in other areas across the basin and across the state. He thanked them for their leadership and financial support and said they planned on taking advantage of the City's incredible leadership as they moved forward. This issue is not going away and firming up the program is important.

Caryn Miske, Executive Director of the Flathead Basin Commission, said this is the first year they operated their own inspection station. She said they inspected just short of 3,000 boats. They learned some things that they will improve for next year. She said the majority of the boaters are considered low risk, but 7% were higher risk, coming from states that had zebra or quagga mussels. She said FBC worked with the City, Bureau of Reclamation, DNRC and Trout Unlimited to operate a watercraft inspection station on MT Highway 2 near Coram from May 24 to September 3, 2013. The station was open 9AM-7PM most days, but they modified it on some weekends and stayed open until 9 PM. They discovered that the highest number of boats came through between 7-8 PM and most stations traditionally close at 7:00 PM. In addition to inspecting and cleaning boats, staff collected data on boat movement, fishing and fees associated with an ongoing aquatic invasive species program in Montana. To secure long-term funding they have contacted the legislature about boat sticker fees to fight AIS and there was skepticism about boaters being willing to pay for a sticker. FBC's survey shows that over 90% of the boaters said they would be willing to pay this fee to keep the waters protected. Miske said they experienced a higher non-compliance rate than they thought. MDT let them use their variable alert message sign and it made an 11% increase in compliance. She said MDT was cooperative and wonderful to work with, but MDT pulled the sign when they needed it for construction sites. FBC is working to raise money for their own sign and they talked with MDT about leveling the site and taking out trees to improve the visibility of the site. They want to make the station mandatory which will help increase the compliance rate. She said Fish, Wildlife and Parks (FWP) is willing to consider a partnership which would give them the authority to make it mandatory. She said the downside of any partnership is compromise. Idaho starts operating their check stations in February and they show that April is the busiest season for high risk boats (snow birds coming from lakes with AIS.) If they do the

partnership they may not get to open as soon as they'd like. Ultimately, the FBC wants to have an early open date and a mandatory station, but FWP doesn't open its stations until the middle of May. She said this partnership is a work in progress. Chas Cartwright said in this partnership they would be turning over authority to FWP in exchange for mandatory authority. Miske said an optimal opening date would be March 1st. She is going to meet with MDT to see if there are cameras on the Highway 2 corridor to view how many boats are going by. She said the Idaho data may not be true for Coram. Idaho may get the heavy traffic with snowbirds. She said boaters from Alberta come down for the summer and may have been exposed to quagga in Canada, so that is Montana's primary concern. She said the City was a major funder for the station last year and she thanked them. They also received funds from Bureau of Reclamation (\$13,000), DNRC (\$12,000), Trout Unlimited (\$2500) and the Basin Commission (about \$2500.) She would like to fund it mid-April through Labor Day until at least 8 PM each day, but it will depend on funding.

Councilor Hildner said he heard a program on National Public Radio about dogs that can sniff AIS. Caryn Miske said the FBC is working with Alberta on a partnership with working dogs for conservation. They want to train them to sniff out aquatic invasive species. It would be a pilot effort and they would determine if they could employ it on a regular basis. Mayor Muhlfeld said the City's contribution is important and this budget item will probably come to Council in the next 4-8 weeks. Caryn Miske thanked them and said Whitefish is a model for the state and it speaks volumes to their commitment to keep the water clear and clean. Mayor Muhlfeld said he met with County Commissioner Gary Krueger to ask them to contribute as well.

4. COMMUNICATIONS FROM THE PUBLIC—(This time is set aside for the public to comment on items that are either on the agenda, but not a public hearing or on items not on the agenda. City officials do not respond during these comments, but may respond or follow-up later on the agenda or at another time. The Mayor has the option of limiting such communications to three minutes depending on the number of citizens who want to comment and the length of the meeting agenda)

Paul Johannsen, 329 Fairway Drive, encouraged the Council to keep the W. 7th Street improvements as a high priority. It took a beating this past summer with the 2nd Street construction, which, he noted, looks fabulous. There is no room for vehicles and pedestrians on that road. He said he doesn't think it needs to be built to City standards with sidewalks on both sides, but a bike path would be a major improvement. He said some of the folks on Fairway have been waiting for sewer to come up to their property so they would like to see the sewer come up to Fairway Drive.

Greg Beck, 338 Fairway Drive, said he and his wife would like to speak in favor of the proposed W. 7th Street rebuild with sidewalk, bike and pedestrian paths. He said this route is a by-pass now because of the construction on Highway 93. He has gone into the ditch while walking to avoid being hit on this narrow road. He said the rural designation of this area has long since passed. He said 6-7 years ago they attended public meetings about a bike path on W. 7th Street, but it never happened, and they need it even more now. He said the increased police presence speaks to the fact that the rural feel has passed. He asked the Council to keep this on the top of the project list.

Kent Morrison, Pastor of True Life Church on W. 7th Street, said he observes the traffic and pedestrians on this street. The traffic has increased dramatically. He said the speed limit needs to be addressed because people are traveling 45 MPH down this street. He said a wider, improved street may increase speeds, so the speed limit might need to be changed. He is in favor of the street improvements. Children play in the church playground during the summer and they need a safe access. He said it is in the community's interest to improve this road, to add lighting and to have a sidewalk on one side of the street. He would like to see it go forward.

Roland Newton, 1040 W. 7th Street, said he has lived there since 1977 and has seen the growth through the years. He said they need to maintain that road and improve it. It is time. He said Orchard View subdivision was platted back in the mid-70's and they were all on septic tanks, but they do have City water. They signed waivers and did not protest annexation, but they never got sewer service and they need it. Unhealthy situations are developing out there, so he is in favor of this project and its priority. He said the City has done a wonderful job with most of the construction projects and he has confidence that they can make this work. He asked them to continue the sewer to Fairway Drive.

Jim Trout, 416 W. 7th Street, said he built his home 30 years ago and voluntarily annexed because he wanted to vote in City elections and sit on City commissions. For the 20% raise in his taxes he expected the road to be improved from County standards. It was overlaid once by the County before annexation. He appreciates the folks who like the rural flavor out there, but they aren't in Kansas anymore. He said the City has grown. He said W. 6th Street was upgraded and the street lights aren't obtrusive. It is attractive and well done. He said one car goes down 6th Street compared to 50 down 7th Street. He said someone said the residents on 7th street weren't clamoring for improvements, but this is his attempt to clamor. It is a through street, not a country road anymore.

Bob Driggers, 535 W. 7th Street, said he is clamoring for a new road, too. He said the pavement is gone in front of his street. He said the drain pipe through the low land isn't large enough and the water backs up in his yard. He said they need a sewer line through here so they can get off the septic systems.

Ron Thompson, 448 W. 7th Street, said the sewer line up 6th Street, which goes across the back of his property, he said he doesn't think that sewer is enough to handle that part of town. He said they gave the City an easement to the gully on their property and to build a bike path there. He said they have been waiting a long time for the improvements. They want to tie the west end of town to the bike paths in the community. He said lighting would be good to protect folks from accidents with the wildlife.

Mayre Flowers, Citizens for a Better Flathead, 35 4th Street West in Kalispell, said she appreciates the public process that is outlined in John Wilson's packet. She encouraged this process. She asked the Council to consider looking at some alternatives to the utility boxes that have popped up along Highway 93. She said there must be an alternative so everyone doesn't need to have a large box placed right next to the sidewalk. She asked them to consider that in future reconstruction projects. She passed out a guide for people to know where to recycle in the Flathead. She said curbside recycling is available in Whitefish and she wanted the public to know that. She said the recycling document is available on their website. She thanked Manager Stearns for participating on the panel for recycling in the Flathead. She said two of the primary facilities, Valley Recycling and Pacific Steel and Recycling take different materials. Valley Recycling takes all plastics and metals. She said they hope to conduct more outreach and publicity on how to recycle more. She invited them to an upcoming workshop. Greg Acton represents the City well on the County Landfill Board and knows about an upcoming meeting where a couple of folks from Michigan will present information about a bioreactor landfill that injects a liquid and results in a faster disintegration. She invited the Councilors to attend Tuesday morning 8-12 at the Earl Bennett building.

Marcus Duffy, 326 Somers Avenue, Manager of Great Northern Brewery, thanked them for their votes of support for the Beer Barter at the last meeting. He said one of the conditions required a meeting between Chuck Stearns, Chief Dial and himself. He said they should have held that meeting 4 years ago

when they brought the Beer Barter back. He said his business downtown is important to him. He said some might not be aware that the brewery's stainless steel mugs are part of a marketing promotion they've been building on for a large number of years. He said they have given or sold those mugs for over 4 years. With the purchase the person gets a discount on the refill at Great Northern Brewery and most establishments downtown honor the refill. He said 9,500 of those mugs have been purchased and they are very present throughout the community, especially during Winter Carnival. They do not represent a disregard for the open container laws. He said laughter and family fun are a better image of what happens during the Beer Barter. Whether intentional or unintentional, the indemnification clause the Council passed at the last meeting prevented the Beer Barter from happening. He said all entities are required to insure the City for special event permits. He said special events are the lifeblood of Whitefish. They must welcome and advocate and promote this culture in Whitefish. He asked them to have consistent policies that enable Whitefish to remain Whitefish.

Rhonda Fitzgerald, 412 Lupfer Avenue, said she re-read the 2007 Growth Policy and it was refreshing to remember what came out of all of those public sessions. She said the vision is that the citizens of Whitefish value the small scale community and want to preserve traditional neighborhoods. She lives in one of those traditional neighborhoods. She said sometimes the zoning doesn't match the existing uses in different neighborhoods. Page 50 under Land Use Elements, says current zoning is often inconsistent with existing uses in neighborhoods. This means that the new developments aren't compatible with the neighborhoods. She said several neighborhoods are called out that have that problem. Future land use recommended actions say that in order to protect the character of neighborhoods the City will adopt character based zoning. It has not been addressed in seven years. She asked the Council to direct staff to re-visit the Growth Policy and look at those recommended actions and work on them.

Rebecca Norton, 530 Scott Avenue, said she hasn't forgotten about the Ethics issue. She said it is time to get W. 7th Street done. She said Director Wilson has wanted to work on this for a long time. It needs to connect to the bike path. She asked the City to have a landscape architect lay out the project because her property ended up 3 feet below the road and she had to work with the City on that for quite a long time.

Judy Husselander said she was on the Growth Policy committee and they listened to the public. She said the people behind the Post Office wanted to protect their neighborhood. She said they put the language in the Growth Policy because people like the character of the small town feel of Whitefish. She said she loves this town. She said she overheard a tourist saying they didn't like Whitefish anymore because it is starting to look like everywhere else.

Neil Wilke, 432 Geddes Avenue, inquired about the snowplowing. He said when they improved the roads they didn't think about the snow removal. There are boulevards. How do you get snow out of a ditch? He said the County didn't have problems taking care of the snow. The City plows the snow right up on the sidewalks. He said the corner of Geddes and Third is too narrow for two big vehicles to pass. He said they need to keep the drains open or the water will run into people's yards. He said if a bicyclist runs into a vehicle they should have to pay for the damage to the vehicle.

5. COMMUNICATIONS FROM VOLUNTEER BOARDS

Chad Goodwin, 1571 Franlou Park Lane in Columbia Falls, representing the Glacier Skate Club, said they wanted to create year-round ice skating at the Stumptown Ice Den. They had 25 figure skaters

in 2011-2012 and they now have 151 in Whitefish and 27 competitive and 15 power skaters. They are ready to grow into a year-round skating. They proposed to purchase ice time from the Ice Den and they held an ice skating camp. He said the current rink season is about 7 months (Sept-April.) He said closing the rink for 4 months, taking the ice out and putting it back in, costs more money than leaving the ice in. They need an evaporative cooler and a low E ceiling. They are fundraising to raise \$165,000 and they've already raised \$85,000. The equipment will increase the rinks efficiency and keep the facility rates low. They want to have it installed by June 29th. They need to place the order by March 15 and they have worked closely with Director Cozad who has been very helpful. He said they want to get the equipment ordered and installed and wondered who would be the liaison when Director Cozad retires.

Councilor Sweeney said he has participated with the Ice Rink Committee for a while and they are trying to figure out what upgrades are necessary. He said Director Cozad has been doing a fantastic job working with the Ice Skating Club. He said these upgrades will need to be self-funded, but he thinks it will be a good thing for everyone.

Councilor Barberis said she was at the Tree Committee meeting and they are looking at how to change the vegetation on Highway 93 as they work with MDT. She said they also looked at the tree inventory which will help them track the health of the trees in the future.

6. CONSENT AGENDA (The consent agenda is a means of expediting routine matters that require the Council's action. Debate does not typically occur on consent agenda items. Any member of the Council may remove any item for debate. Such items will typically be debated and acted upon prior to proceeding to the rest of the agenda. Ordinances require 4 votes for passage – Section 1-6-2(E)(3) WCC)

6a. Minutes from the February 3, 2014 Council regular meeting (p. 19)

Councilor Hildner offered a correction on page 3, paragraph 2, in the next to the last sentence, to change "their neighborhood" to "her neighborhood." Councilor Frandsen offered a correction on page 4 regarding the stairway near 2nd Street Bridge clarifying that she voted in opposition.

Councilor Sweeney offered a motion, seconded by Councilor Hildner, to adopt the Consent Agenda, as amended. The motion passed unanimously.

7. PUBLIC HEARINGS (Items will be considered for action after public hearings) (Resolution No. 07-33 establishes a 30 minute time limit for applicant's land use presentations. Ordinances require 4 votes for passage – Section 1-6-2 (E)(3) WCC)

7a. Ordinance No. 14-01; An Ordinance amending discharge time limits and penalty provisions of the Fireworks Regulations in Whitefish City Code Section 9-1-6(C) and (E) (1st Reading) (p. 30)

Manager Stearns said he or Chief Dial were available to answer questions, but the Councilors did not have any.

Mayor Muhlfeld opened the public hearing.

Tony Viseth, 560 Somers Avenue, represented the Whitefish Chamber of Commerce, and said they are hoping to improve the community of Whitefish. They have a concern about the 11 AM to 10 PM discharge time frame. He said the Chamber has put on a firework show that doesn't start until 10:30 PM when it gets dark. He said it would destroy the fireworks show for the City. He said he also didn't

know how they could enforce this in the community, especially all around the lake on July 4th. He said someone wanted to have environmentally friendly fireworks. He said the Chamber spends about \$15,000 through local community support. If they have to go to environmentally friendly fireworks it would almost triple the cost. Mayor Muhlfeld said they aren't adding any new hours to the Code; the time restriction is already in the Code.

Tom Garretson, 1315 Old Tally Lake Road, said they own Black Widow Fireworks and they consider Whitefish their hometown. He said he is in the business of retail fireworks. He builds relationships even though he only sees folks twice per year. It is a huge part of the special event feel of the town. He said they focus on no injuries and no property damage. He said the proposed changes may not give them what they're looking for. In Missoula they're illegal and the police got over 200 calls on July 4th. He said New Years is also a fireworks season, but now they can't sell them in town. He said some neighborhoods have a supervised street party and it is a fun community event. He said no one wants to be awakened at 1:00 AM to artillery noises. He said he and his wife would like to be part of the solution. He asked them to address the New Years option. He said no one sets off fireworks before 10 PM because it isn't dark. He said visitors don't know the regulations and they will get a very punitive fine.

Rebecca Norton, 530 Scott Avenue, said she is in favor of this ordinance because she lives right in town. She said it will help contain fireworks to a couple of days. Her neighbor's dog is practically psychotic for the two weeks. She said if it doesn't work, she hopes it would help concentrate the use of fireworks.

Neil Wilke, 432 Geddes Avenue, said he is in favor of this regulation. If it is a dry season a fire could start at the base of the mountain and then how are people going to get out. There is only one exit from the mountain. He said they need to take that into consideration. He said he is in favor of it if they enforce it.

Mayor Muhlfeld closed the public hearing.

Councilor Sweeney said nothing that is being proposed effects any of the special events like the fireworks display. They have shortened the time by one day and increased the violation fines so people understand that this is important. The City is not trying to prevent families from having fun or prevent the businesses from selling fireworks.

Councilor Hildner offered a motion, seconded by Councilor Barberis, to adopt Ordinance 14-01 amending discharge time limits and penalty provisions of the Fireworks Regulations in Whitefish City Code Section 9-1-6(C) and (E) (1st Reading).

Manager Stearns said the Chamber display comes under section 9-1-6 (B) which is for public fireworks displays. They are not limited by this ordinance.

The motion passed unanimously.

7b. Ordinance No. 14-___; An Ordinance approving text amendments to the Whitefish Zoning Jurisdiction Regulations to create a new Zoning District entitled "Whitefish Planned Resort District", and adopting corresponding amendments regarding architectural standards, signage and landscaping (Staff Report WZTA-13-02). (1st Reading) (p. 36)

Director Taylor said there was a previous public hearing in December as well as tonight. This application is a request by the City of Whitefish to amend the zoning regulations to create a new zoning district called Whitefish Planned Resort (WPR) in Section 11-2W, Zoning Districts, as called for in the 2007 Whitefish City-County Growth Policy. Specific land types are called out in the Growth Policy and the Planned Resort District is called out in this report. This is designed to have a maximum amount of public exposure. There will be a neighborhood meeting, then a neighborhood plan that will go through the Planning Board and Council. There will be a binding site plan so there will be surety on how a particular resort will develop. Allowed uses are the same as those in the County BR-4 zone, but there is room to review and/or limit some of those uses.

The Whitefish City-County Planning Board held a work session on this item on October 17, 2013, and then a public hearing on November 21, 2013. Following this hearing, the Planning Board unanimously recommended approval of the above referenced zoning text change with two amendments and adopted the supporting findings of fact in the staff report. The amendments, which passed unanimously, were: 1) to amend 11-2W-2, A-2, to add notifying property owners with 1500 feet for a neighborhood plan update; and, 2) to remove Convention Centers and move Conference Centers from Conditional Uses to Permitted Uses.

Mayor Muhlfeld opened the public hearing.

Mayre Flowers, Citizens for a Better Flathead (CBF), said she appreciated the opportunity to address them. CBF represents 1,500 residents in the Flathead and they encourage broad public participation. She asked them to table this until there is time for more public input or to deny this proposed zone as flawed as proposed. She said neighborhood plans should be neighborhood plans. Montana State Law Growth Policy Act allows them to include neighborhood plans, but it requires a minimum criteria for jurisdictional area for a plan. She said they need to define their jurisdictional area. She said 5 acres does not constitute a neighborhood. She said the intent was to have a neighborhood plan in areas that readily include multiple property owners within a related area. They are amending the Growth Policy before they apply the zone. In doing this they are asking a few individuals to apply for a Growth Policy amendment that will lock in their rights for a particular piece of property. Those are characteristics of spot planning. She said they should amend the Growth Policy and future land use map by identifying areas they think are appropriate within their jurisdiction. She said the Big Mountain area is the only area designated like this currently. She said the case has not been made that this zone is needed. She said she isn't sure that they want more flexibility when it can be an area as small as 5 acres. They need to review best practices in similar communities. She appreciates the goal of extensive public comments, but feels it is a slippery slope. She said the notice for the public hearing doesn't meet the usual standard. The Council asked for a workshop because of the complexity of the proposal and yet she was not able to attend and a lot of the public was not able to attend. The public hasn't had a chance to look at the minutes from their work session tonight. She said legal notice was only given in the Whitefish Pilot and was in conjunction with the Planning Board. She said State Law requires 15 days prior notice and this notice was 45 days before the event which keeps it out of the public's eye. She said it would be wise to give more time for public review. She said she thinks they've also given the Council reasons to deny this and to look at other inconsistencies in the zoning.

Rhonda Fitzgerald, 412 Lupfer Avenue, said she isn't sure there is a need for this zone. She said the Growth Policy doesn't recommend adopting that type of zone. The Big Mountain has its own zones, so the only planned resort they have is covered. The future land use map doesn't have any place else

mapped for this zoning. She said they have a real town, which also has a visitation economy, but it is successful because of the character of Whitefish. They are not a resort town. She urged them to be careful when people say something like this is important for tourism. She said 5 acre parcels exist in every area of town. She asked them to have a more holistic way of looking at what these things might do. She asked how they define "resort." There are a dozen properties that call themselves resorts. She said there is a lot of talk about convention centers and they are not usually self-sustaining. They often require taxpayer subsidy, so she didn't want them to think it was a good idea for their economy.

Rebecca Norton, 530 Scott Avenue, said she is opposed to this until she knows more. It seems like a blank check. People need a chance to figure out if this is what they want. The district allows deviation from certain standards, including storm water management, and that concerns her.

Chris Hyatt, 611 Somers Avenue, said he sat in the Planning Board meeting and work session. He believes there is a need for this zone. He said they may need to tweak the acreage and usage. The future land use map shows two major resorts as out of compliance. The Whitefish Planned Resort District allows strong control by the City and the Council. Each applicant has to go through the neighborhood plan process. He said they have gone through this process several times and he is taken back by what is being said tonight. He asked them to pass the zone for making things compliant and for remaining in control of future development. He thanked staff for all of their efforts. He is not in favor of 1500 feet of notification, but he would approve of 500 feet.

Mayor Muhlfeld closed the public hearing.

Councilor Feury offered a motion, seconded by Councilor Hildner, to deny approving text amendments to the Whitefish Zoning Jurisdiction Regulations to create a new Zoning District entitled "Whitefish Planned Resort District." He offered findings for denial stating that the Planning Board failed to consider the WRB-1 or WRB-2 zone and the PUD process which offer almost all of the same tools.

Councilor Feury quoted Councilor Kahle who said this thing scares him. It is extremely broad in nature and he can't support it. He thinks the WRB-1 and the WRB-2 zone and PUD process offer almost all of the same tools. He is concerned that someone could come in and create a town within a town. He said Sun River in Bend is one of his least favorite places. He thinks they need to step back and look at the Growth Policy document and see if this is what they want today. Councilor Hildner concurred. He said the time is not right for this Ordinance right now. He said Councilor Kahle used to remind them about the grit of Whitefish. He would hate to replace grit with Teflon.

Manager Stearns said it would be incumbent upon the Council and Staff to look at the Growth Policy and to change some of the language there. It was a "To Do" item in the Growth Policy. He said they could scale it back by scaling back the permitted uses and acreage. Councilor Anderson thanked Manager Stearns for the update. He had questions about the Growth Policy being able to accommodate this. He said if they can currently accommodate a significant type of resort development, he is not convinced they need this at this point.

The motion to deny the text amendment was approved unanimously.

8. COMMUNICATIONS FROM PUBLIC WORKS DIRECTOR

- 8a. Consideration of authorizing the issuance of Requests for Proposals (RFP) for design engineering consultants for the future West 7th Street reconstruction project (Baker to Karrow) – a 2015 Resort Tax project or to designate an alternative project (Three motions) (p. 101)**

Director Wilson said they covered this at the last meeting and he is requesting authorization to proceed. There will be many opportunities for public involvement and two opportunities for the Council to approve designs.

Councilor Sweeney thanked Director Wilson for his informative staff report. He thinks staff has done a good job to help the Council and neighbors understand what the City wants to do out there.

Councilor Sweeney offered a motion, seconded by Councilor Feury, to approve designating the West 7th Street reconstruction project (Baker to the entrance of Grouse Mountain Subdivision) – as a 2015 Resort Tax project. The motion passed unanimously.

Councilor Sweeney offered a motion, seconded by Councilor Feury, to direct the Public Works Department to start the engineering selection process for that project. The motion passed unanimously.

Councilor Sweeney offered a motion, seconded by Councilor Feury, to designate Councilor Sweeney to participate as a non-voting member of the Selection Committee. The motion passed unanimously.

Director Wilson said there will be a meeting at the Armory on Thursday, February 20th at 5:30 PM about the E. 2nd street construction project. The public is invited.

9. COMMUNICATIONS FROM CITY MANAGER

- 9a. Written report enclosed with the packet. Questions from Mayor or Council? (p.118) None.**
9b. Other items arising between February 12th and February 18th - None.
9c. Resolution No. 14-04; Resolution relating to \$452,300 Sewer System Revenue Bond (DNRC Water Pollution Control State Revolving Loan Program), Series 2014; Authorizing The Issuance And Fixing The Terms And Conditions Thereof (p. 124)

Manager Stearns said this project is a long term 20 year loan from the State SRF program with a 3% interest rate to pay for sewer projects as part of the Hwy 93 West Phase I project. They will also have to do a loan for all of Phase II. MDT typically requires a payment in advance. He said the City paid them about \$800,000 for last year's project and this is the remainder. The most recent estimate of our costs owed to MDT is \$415,885. With state financing and bond counsel costs of \$36,415 (8.76%), the loan/bond total will be \$452,300. Manager Stearns, City Attorney VanBuskirk and Assistant City Manager Corey Swisher have reviewed and revised the Bond Resolution with Dorsey and Whitney.

Councilor Feury offered a motion, seconded by Councilor Frandsen, to approve a Resolution 14-04, relating to \$452,300 Sewer System Revenue Bond (DNRC Water Pollution Control State Revolving Loan Program), Series 2014; Authorizing The Issuance And Fixing The Terms And Conditions Thereof.

Councilor Anderson asked and Manager Stearns said the rate can't go up, but it may go down. The whole bond debt service gets settled and then it is a fixed rate. Councilor Anderson noted for the public that there is no sewer rate increase to pay for it and Manager Stearns said there is plenty of revenue to cover this without a rate increase. However, the Council looks at rate increases every October. If they had to raise sewer rates to afford this debt they would do that tonight, but next October they will look at rate increases to cover the cost of inflation and sewer rates may increase.

The motion passed unanimously.

10. COMMUNICATIONS FROM MAYOR AND CITY COUNCILORS

10a. Letter from Dr. Glen Aasheim, Chair of Flathead City-County Board of Health regarding consolidating dog licensing within Flathead County (p. 170)

Mayor Muhlfeld said this is a good idea and it would be good to consolidate it. Councilor Sweeney agreed. Councilor Feury asked what kind of revenue they get from City dog licenses. City Clerk Lorang said the revenue is pretty small. Manager Stearns said it is a couple of thousand of dollars. Manager Stearns said this idea has been around for awhile. Kalispell doesn't seem interested and it only works if all three towns do it. He said the County Commissioners don't seem very interested. Manager Stearns said any inter-local agreement means they lose a little control. They want to schedule a time to meet and that might be difficult, it might have to be a special work session. He said staff feels that if they get through the County and Kalispell then Whitefish could move on it. Mayor Muhlfeld asked if they could appoint someone to meet with them. Councilor Hildner volunteered.

Councilor Sweeney thanked those who showed up about W. 7th Street. He spoke up last month because he wanted to be sure the public had a voice on what would be done out there.

Councilor Feury asked and Manager Stearns said the goal setting session will be in April. Councilor Hildner said he joined Mr. Stearns in Helena at a meeting with the Montana Fish and Wildlife Commission who voted 4-0 to initiate the process to consider designating a portion of the Whitefish River as limited to electric motors and manually powered craft. He said someone called and asked if there was a way for the general mailing of the Council packet to be sent earlier. Manager Stearns said he tries to send the agenda out to the public after the Council has it so the Councilors have a chance to review it before they get calls from the public. Now, they post the packet to the website on Wednesday. Councilor Hildner responded to an editorial about the Whitefish Beer Barter. He said it is unfortunate that the Great Northern failed to live up to its obligations in 2012 and 2013 and that they advertised an event before securing a permit. It is also unfortunate that they blamed the City for its failure. He wished Councilor Anderson good luck for his 50 KM race this weekend.

Councilor Anderson said public participation is the most important thing that they do and he appreciated hearing from the public about W. 7th Street tonight. He asked about the transition plan for Director Cozad's retirement. Director Cozad said they haven't had a chance to talk about it, but they are putting together a plan. Manager Stearns said it is complex because they pay off people's termination costs by leaving a position vacant. Someone will be picking up those duties, he will work with Karl on a plan. Councilor Anderson said he is on the Resort Tax Committee and the committee wanted to invite the Council to attend their meetings at 7:05 AM on the third Wednesday of each month at Coffee Traders.

February 18, 2014

Councilor Barberis thanked Tony for coming from the Chamber of Commerce. She said she hopes that in the future they continue to get quotes about environmentally friendly fireworks. She would be willing to help with that.

Mayor Muhlfeld said he spoke with Kevin Gartland from the Chamber who invited the Council to attend the Chamber meetings as well. He said the map on page 115 of the packet highlights all the projects the Resort Tax has paid for over the past 15 years. He said that 2% resort tax has had a positive impact on the infrastructure projects. He congratulated Director Cozad on his retirement. Mayor Muhlfeld asked about contract negotiations with Mosaic and Manager Stearns said they haven't even really started. He said they have to have the parking assessment district before they can work on a contract. Mayor Muhlfeld asked for a list of the work session projects.

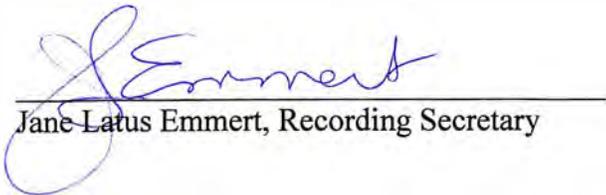
Mayor Muhlfeld asked about the Baker Avenue Bridge and Director Wilson said he and his crews will be dealing with that. Manager Stearns said they have filled the potholes, but the freeze/thaw effects it. Councilor Hildner thanked Director Wilson's Public Works team because the team was out fixing a broken water main on a cold and nasty evening. Director Wilson said he would pass the thanks along to the crew.

11. ADJOURNMENT (Resolution 08-10 establishes 11:00 p.m. as end of meeting unless extended to 11:30 by majority)

Mayor Muhlfeld adjourned the meeting at 9:40 p.m.

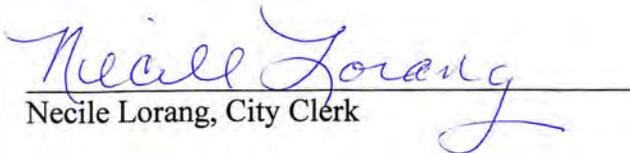


Mayor Muhlfeld



Jane Latus Emmert, Recording Secretary

Attest:



Necile Lorang, City Clerk