

**WHITEFISH CITY COUNCIL**

**JULY 6, 2015**

**7:10 P.M.**

**1) CALL TO ORDER**

Deputy Mayor Hildner called the meeting to order. Councilors present were Frandsen, Feury, Barberis, Fitzgerald and Sweeney. Mayor Muhlfeld was absent. City Staff present were City Manager Stearns, City Clerk Lorang, City Attorney VanBuskirk, Finance Director Smith, Planning & Building Director Taylor, Interim Public Works Director Hilding, Parks and Recreation Director Butts, Interim Fire Chief Page and Police Chief Dial. Assistant City Clerk Woodbeck was in the audience. Approximately 15 people were in the audience.

**2) PLEDGE OF ALLEGIANCE**

Deputy Mayor Hildner asked Dane Floch to lead the audience in the Pledge of Allegiance.

**3) 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)

None.

**4) COMMUNICATIONS FROM VOLUNTEER BOARDS**

Deputy Mayor Hildner said the Pedestrian and Bicycle Path Advisory Committee met this morning, and most of their discussion related to tonight's Agenda Item 8a, so he will defer his committee report to that discussion.

**5) 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)

- a) Minutes from the June 15, 2015 City Council special session (p. 20)**
- b) Minutes from the June 15, 2015 City Council regular session (p. 21)**
- c) Res 15-19 extending the corporate limits of the City of Whitefish, Montana, to annex within the boundaries of the City 3.600 acres of land in Section 24, Township 31 North, Range 22 West, that will become a part of 1735 East Lakeshore Drive, for which the owners have petitioned for and consented to annexation (p. 54)**

**RESOLUTION NO. 15-19**

**A Resolution extending the corporate limits of the City of Whitefish, Montana, to annex within the boundaries of the City 3.600 acres of land in Section 24, Township 31 North, Range 22 West, that will become a part of 1735 East Lakeshore Drive, for which the owners have petitioned for and consented to annexation.**

WHEREAS, Kent R. Taylor, Kim E. Taylor, and Sandra L. Lindlief have filed Petitions for Annexation with the City Clerk requesting annexation and waiving any right of protest to annexation as the sole owners of real property representing 50% or more of the total area to be

annexed, described and shown more fully on Exhibit A, attached hereto and made a part hereof. Therefore, the City Council will consider this petition for annexation pursuant to the statutory Annexation by Petition method set forth in Title 7, Chapter 2, Part 46, Montana Code Annotated; and

WHEREAS, services to the annexed area will be provided according to the City of Whitefish Extension of Services Plan, adopted by the City Council by Resolution No. 09-04 on March 2, 2009, as required by and in conformity with §§7-2-4610 and 7-2-4732, MCA, available at the office of the City Clerk; and

WHEREAS, it is the considered and reasoned judgment of the City Council of the City of Whitefish that the City is able to provide municipal services to the area proposed for annexation. Further, it is hereby determined by the Whitefish City Council to be in the best interest of the City of Whitefish, and the inhabitants thereof, as well as the current and future inhabitants of the area to be annexed described herein, that the area be annexed into the City of Whitefish and it is hereby declared to be the intent of the City of Whitefish that the corporate boundaries of the City of Whitefish be extended to include the boundaries of the area described in the Petition for Annexation within the limits of the City of Whitefish.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Whitefish, Montana, as follows:

Section 1: The corporate boundaries of the City of Whitefish are hereby extended to annex the boundaries of the area described in the Petition for Annexation and Exhibit A, attached hereto and incorporated herein by reference.

Section 2: The minutes of the City Council of the City of Whitefish, Montana, incorporate this Resolution.

Section 3: The City Clerk is hereby instructed to certify a copy of this Resolution so entered upon the July 6, 2015 Minutes of the City Council. Further that this document shall be filed with the office of the Clerk and Recorder of Flathead County. Pursuant to §7-2-4607, MCA, this annexation shall be deemed complete effective from and after the date of the filing of said document with the Flathead County Clerk and Recorder.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF WHITEFISH, MONTANA, ON THIS 6th DAY OF JULY, 2015.

/S/ Richard Hildner, Deputy Mayor

ATTEST:

/S/ Necile Lorang, City Clerk

**EXHIBIT "A"**

A TRACT OF LAND, SITUATED, LYING AND BEING IN THE SOUTHWEST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER AND GOVERNMENT LOT 1 OF

SECTION 24, TOWNSHIP 31 NORTH, RANGE 22 WEST, P.M.,M., FLATHEAD COUNTY, MONTANA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS TO WIT:

That portion of the Southwest one-quarter of the Northeast one-quarter (SW1/4 NE1/4) and Government Lot 1 of Section Twenty-four (24), Township Thirty-one North (T.31 N.), Range Twenty-two West (R.22 W.), Principal Meridian Montana, Flathead County, Montana, more particularly described as follows: Commencing at the North one-quarter corner of said Section Twenty-four (24); thence along the mid-section line of said Section Twenty-four (24) S00°09'23"E 1771.70 feet to the TRUE POINT OF BEGINNING of the tract of land herein described; thence leaving said mid-section line S29° 52' 33"E 389.53 feet; thence S46° 52' 40"E 119.53 feet; thence S54° 19' 25"E 115.90 feet to the Westerly right-of-way of Wheeler Lane, a 60' deeded County road; thence along said right-of-way S39° 32' 08"W 102.86 feet; thence continuing along said right-of-way S37° 49' 10"E 289.86 feet; thence continuing along said right-of-way S00° 46' 20"W 31.32 feet to the North right-of-way of Reservoir Road; thence along said right-of-way N89° 16' 26"W 326.29 feet; thence leaving said right-of-way N00° 01' 46"W 307.68 feet; thence N89° 23' 46"W 159.46 feet to the Easterly right-of-way of North Wisconsin Avenue; thence along said right-of-way N00° 09' 23"W 30.34 feet; thence leaving said right-of-way and along said mid-section line N 00°09'23" W 482.85 feet to the point of beginning and containing 3.600 acres of land more or less. Subject to and together with all easements of record.

- d) Res 15-20 extending the corporate limits of the City of Whitefish, Montana, to annex within the boundaries of the City a certain tract of land known as 325 Monegan Road, for which the owners have petitioned for and consented to annexation (p. 63)**

**RESOLUTION NO. 15-20**

**A Resolution extending the corporate limits of the City of Whitefish, Montana, to annex within the boundaries of the City a certain tract of land known as 325 Monegan Road, for which the owners have petitioned for and consented to annexation.**

WHEREAS, William Vlachos and Caroline Vlachos have filed a Petition for Annexation with the City Clerk requesting annexation and waiving any right of protest to annexation as the sole owners of real property representing 50% or more of the total area to be annexed, described and shown more fully on Exhibit A, attached hereto and made a part hereof. Therefore, the City Council will consider this petition for annexation pursuant to the statutory Annexation by Petition method set forth in Title 7, Chapter 2, Part 46, Montana Code Annotated; and

WHEREAS, services to the annexed area will be provided according to the City of Whitefish Extension of Services Plan, adopted by the City Council by Resolution No. 09-04 on March 2, 2009, as required by and in conformity with §§7-2-4610 and 7-2-4732, MCA, available at the office of the City Clerk; and

WHEREAS, it is the considered and reasoned judgment of the City Council of the City of Whitefish that the City is able to provide municipal services to the area proposed for annexation. Further, it is hereby determined by the Whitefish City Council to be in the best interest of the City of Whitefish, and the inhabitants thereof, as well as the current and future inhabitants of the area

to be annexed described herein, that the area be annexed into the City of Whitefish and it is hereby declared to be the intent of the City of Whitefish that the corporate boundaries of the City of Whitefish be extended to include the boundaries of the area described in the Petition for Annexation within the limits of the City of Whitefish.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Whitefish, Montana, as follows:

Section 1: The corporate boundaries of the City of Whitefish are hereby extended to annex the boundaries of the area herein described in the Petition for Annexation, according to the map or plat thereof, on file and of record in the Office of the Clerk and Recorder of Flathead County, Montana, legally described and shown more fully on the attached Exhibit A, incorporated herein by reference.

Section 2: The minutes of the City Council of the City of Whitefish, Montana, incorporate this Resolution.

Section 3: The City Clerk is hereby instructed to certify a copy of this Resolution so entered upon the July 6, 2015 Minutes of the City Council. Further that this document shall be filed with the office of the Clerk and Recorder of Flathead County. Pursuant to §7-2-4607, MCA, this annexation shall be deemed complete effective from and after the date of the filing of said document with the Flathead County Clerk and Recorder.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF WHITEFISH, MONTANA, ON THIS 6th DAY OF JULY, 2015.

/S/ Richard Hildner, Deputy Mayor

ATTEST:

/S/ Necile Lorang, City Clerk

**EXHIBIT "A"**

A tract of land situate, lying and being in the North Half of the Northeast Quarter of the Southwest Quarter (N $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ ) of Section 5, Township 30 North, Range 21 West, M.P.M., Flathead County, Montana, and more particularly described as follows:

Beginning at the NW corner of the NE $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 5, Township 30 North, Range 21 West, M.P.M.; thence  
South 89°44'28" East and along the North boundary of the NE $\frac{1}{4}$ SW $\frac{1}{4}$  a distance of 659.69 feet to a point; thence  
South 0°07'25" East a distance of 659.65 feet to a point on the South boundary of the N $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ ; thence  
North 89°46'51" West and along said boundary a distance of 659.40 feet to a point on the West boundary of the NE $\frac{1}{4}$ SW $\frac{1}{4}$  which is the East R/W of a 40 foot deeded County road; thence  
North 0°08'53" West and along said boundary and R/W a distance of 660.11 feet to the point of beginning.

Shown as tract 2 of Certificate of Survey No. 3876.

- e) **Consideration of approving an application from Mountain Properties of Montana, LLC for approval of a Final Plat for the Ramsey Lakeview Subdivision (p. 77)**
- f) **Consideration of approving an application from White Cloud Design on behalf of Blackhawk Capital Corporation for Whitefish Lake Lakeshore Permit (#WLP-15-W21) at 2072 Houston Drive for placement of 9.38 cubic yards of beach gravel subject to 15 conditions (p. 133)**
- g) **Consideration of approving an application from Cory Izett on behalf of Donna Remington for Whitefish Lake Lakeshore Permit (#WLP-15-W22) at 1410 Wisconsin Avenue to install a 98' long dock including gangway and 3 lifts without covers subject to 17 conditions (p. 142)**
- h) **Consideration of approving an application from Charlie Grenier for Whitefish Lake Lakeshore Permit (#WLP-15-W23) at 2422 Carver Bay Road for to replace the existing boat rail system subject to 7 conditions (p. 156)**
- i) **Consideration of approving an application from Dave Stephens of Whitefish Lake Services on behalf of Linda Smith Trust for Whitefish Lake Lakeshore Permit (#WLP-15-W24) at 2534 East Lakeshore Drive to install a floating trampoline subject to 8 conditions (p. 175)**
- j) **Consideration of approving an application from Steven and Stacie Gorder for Whitefish Lake Lakeshore Permit (#WLP-15-W25) at 1716 West Lakeshore Drive for removal of a boathouse with hand tools and restoration of removal area with gravel fill subject to 9 conditions (p. 188)**

Deputy Mayor Hildner had three corrections to the minutes of the June 15, 2015 Regular Session: Minutes Page 5, paragraph 2, line 3, change "The have" to "They have". Minutes Page 12, paragraph 1, line 5, change "that use" to "than use". Minutes Page 15, 2<sup>nd</sup> paragraph under Comments, 5<sup>th</sup> line, change "veterans" to "residents".

**Councilor Sweeney made a motion, second by Councilor Frandsen, to approve the Consent Agenda as corrected. The motion passed unanimously.**

- 6) **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)
  - a) **Consideration of an application from Danette Sefcak of Whitefish Handcrafted Spirits for a Conditional Use Permit for a handcrafted micro-distillery at 220 Wisconsin Avenue (WCUP 15-08) (p. 201) (CD 3:09)**

Planning and Building Director Taylor discussed the project from the staff report in the packet and described the project scope. The project is consistent with the purpose, intent, and applicable provisions for the WB-1 Zoning; and is in compliance with the Growth Policy Designation of Neighborhood Commercial in the WB-1 zone. Required landscaping, fencing, hours of operation, along with other issues normally reviewed with this type of application have been addressed for the applicant in the staff report. As required by state law, property owners within 150' were given notice of the project and the public hearings; no public comments have been received. The Planning Board held a public hearing on June 19, 2015, and voted to recommend approval of the application as recommended by staff.

Deputy Mayor Hildner opened the public hearing.

Eric Mulcahy from Sands Surveying spoke to the Council as the applicants' representative, saying the Council is actually hearing this for a second time because the applicant received approval for a similar project on Baker Avenue but the property acquisition fell through. In the interim, the applicants started an application for a second piece of property but withdrew that application upon hearing the property on Wisconsin Avenue was available. He said both he and his clients agree with the staff report and conditions of approval; and the project has been through site review. He said he would answer any questions from Council if they had any.

Mayre Flowers, Citizen's for a Better Flathead, 35 4<sup>th</sup> Street West in Kalispell, said her comments would be both on general and specific issues. Her general comments were in regards to whether or not a microbrewery addresses the needs of the neighborhood as described in the regulations for the WB-1 Limited Business District. She said there was a similar discussion during the recent hearing on the Hwy 93 W Corridor Plan. She encouraged more in-depth review on microbreweries. Specifically for this application, she recommended they address outdoor storage, odors, parking and loading. She gave a handout to the Council, it has been appended to the packet.

Deputy Mayor Hildner closed the public hearing and turned it over to the Council for their consideration. Council and Director Taylor discussed storage issues and the applicant, Danette Sefcak, was asked to answer questions. She said, in comparison to a large distillery, they are a micro-distillery which by definition, their business plan, model, and site plan is geared towards serving the neighborhood. They have plans for a covered porch, (an application is in for architectural review), with a grass-covered lot, a volley-ball net; and covered and enclosed storage in a separate building in the back. Federal guidelines prohibit any outdoor storage. They want a pretty place for the public to enjoy.

**Councilor Feury made a motion, second by Councilor Frandsen, to approve a Conditional Use Permit for a handcrafted micro-distillery at 220 Wisconsin Avenue (WCUP 15-08); adopting the Staff Report, Findings of Fact, relative public comment both here and at the Planning Board, subject to the 13 (thirteen) Conditions of Approval as presented and add Condition No. 14 requiring all storage be either enclosed or screened from public view. The motion passed unanimously.**

- b) Consideration of an application from the City of Whitefish for a Conditional Use Permit for the new City Hall and Parking Structure at 402 East 2<sup>nd</sup> Street and at the south side of East 1<sup>st</sup> Street, from Baker Avenue east to the alley (WCUP 15-09) (p. 232) (CD 20:00)**

Director Taylor said as this building is located in the WB-3 zoning district, (General Business District), a conditional use permit is required for all buildings with a footprint greater than 7,500 square feet. The staff report includes the information that this project is for a new city hall with an attached parking structure that includes a 3,000 sq.ft. retail space and 214 parking spaces. The proposed city hall is a two-story building with a partial basement for storage; the design for which has been previously presented to the Council and public. The project complies with the General Business District zone which allows governmental along with other activities;

and it complies with the Growth Policy and the Downtown Master Plan. A detailed traffic study is included in the staff report in the packet. The project will go to the Architectural Review Committee for review. Staff recommended approval of the conditional use permit to the Planning Board subject to 11 conditions of approval; and following the Planning Board's public hearing on June 18, 2015, the Board also recommended approval subject to the 11 conditions of approval that are included in the staff report. Director Taylor reviewed the conditions from the staff report.

City Manager Stearns, City representative, gave a report to the Council, saying that the new city hall footprint is about 10,000 sq.ft and the parking structure footprint is about 29,000 sq.ft. Total square feet of the parking structure is about 84,000 and the city hall is about 24,000 including the basement. The footprint diagram is on page 256 in the packet. The parking structure has 3 levels and is below the city height limit; and the 2-story city hall with basement is designed for a future 3<sup>rd</sup> story that would meet the setback requirements when, if ever, built. Number of parking spaces will be between 212 and 214. Manager Stearns explained some of the street closures required during different phases of construction, hopefully mostly during the slack tourist season as demolition and foundation construction is planned for September of this year. The packet includes visual elevations starting on page 257, but he said as Director Taylor said, the Council and public has had previous presentations on those so he will not be going into detail of those here, but can answer questions if there are any.

Deputy Mayor Hildner opened the public hearing.

Rebecca Norton, 530 Scott Avenue, gave her congratulations to recently appointed Councilor Fitzgerald, and spoke in support of this project. She said as a participant in all the public process this has gone through over the years, she feels it has been properly vetted, including site selection and designs consideration – it has been going on for years. She agrees with the majority of those that spoke over time, the new city hall should remain in the place it has always been. She urged the community to vote down the proposed referendum if it gets to the ballot that prohibits city construction projects over \$3M without voter approval; she thought that an arbitrary number and would be a waste of the public process. She thought the people who have proposed this referendum should have come to all those meetings when preliminary decisions were made.

Deputy Mayor Hildner closed the public hearing and turned it over to the Council for their consideration.

**Councilor Feury made a motion, second by Councilor Frandsen, to approve an application from the City of Whitefish for a Conditional Use Permit for the new City Hall and Parking Structure at 402 East 2<sup>nd</sup> Street and at the south side of East 1<sup>st</sup> Street, from Baker Avenue east to the alley (WCUP 15-09) adopting the Staff Report, Findings of Fact, relative public comment both here and at the Planning Board, subject to the attached 11 Conditions of Approval. The motion passed unanimously.**

## **7) COMMUNICATIONS FROM PLANNING AND BUILDING DIRECTOR**

- a) Discussion of proposed Shaw rezoning by Flathead County on property adjacent to City limits by Monterra and direction to staff on actions to take regarding such proposed rezoning (p. 331) (CD 31:17)**

Director Taylor reported the County Commissioners met on this zoning request for 62 acres last week and voted unanimously for its approval. The protest raised by adjoining property owners did not meet the required number of signatures for effective protest. Part of the protest was based on the incompatibility of the proposed new zone with the 2007 Whitefish Growth Policy which calls for a minimum 15-acre agricultural zoning in that area. The request allows current minimum 10-acre properties to be subdivided down to 5-acre lots. The County Commission's decision also does not comply with the 1996 Whitefish City-County Master Plan Year 2020 (the City-County Master Plan that is still in effect) that identifies this area as 'Important Farmland' and should be kept at a minimum of 20 acres. That decision may be setting the precedent for future decisions by the County Commissioners for properties along our municipal boundaries; state law does require that during times of rezoning requests, the City's Plans that are in place should be taken into consideration and decisions should be in compliance with those Plans as much as possible.

**Councilor Frandsen made a motion, second by Councilor Fitzgerald, to direct staff to take appropriate legal action to protect City of Whitefish's Planning and Zoning interests. The motion passed unanimously.**

And Deputy Mayor Hildner repeated Councilor Frandsen's request that she made during her motion what was just approved, that Director Taylor attend the July 8, 2015 County Planning Board meeting when they will be looking at the 1996 City-County Master Plan and considering removing it from their Growth Policy. Director Taylor said he would; he discussed the complications of the County's interim zoning requirements, further complicated by the City updating the 1996 plan with the 2007 Growth Policy. More discussion between Council and Staff followed and Director Taylor said he will follow the process closely, representing the City's interests, and will be reporting back to the Council.

**8) COMMUNICATIONS FROM PUBLIC WORKS DIRECTOR (CD 47:36)**

**a) Consideration of awarding a contract for the construction of Skye Park Bridge, a pedestrian bridge over the Whitefish River east of Oregon Avenue (p. 374)**

Deputy Mayor Hildner said this item was discussed at length this morning at the Pedestrian and Bicycle Path Advisory Committee meeting; which resulted in TD&H and Interim Public Works Director Hilding to do more research during the day. He thought that new information will be given to the Council at this time.

Interim Public Works Director Hilding reported, from the staff report, that the bids for this project were opened on June 29<sup>th</sup>, and the bids were substantially higher than the engineer's estimate and higher than what has been budgeted for the project. Doug Peppmeier from TD&H consulted with the bidders about the discrepancy and the bidders responded their high bids reflected the location and complexity of the project. She noted the three bids, even though much higher than the estimate, came in very close to each other and were competitive. This project, to date, includes easements from both BNSF and DNRC; and is programmed into CTEP grants for \$371,000 – none of which can be used for any other project. Including those grant funds along with TIF and Water Account funding, the amount set aside in the FY16 Budget is \$766,000 for this project; leaving a shortfall of between \$338,000 and \$428,200 depending on whether the bid includes the alternate. Interim Director Hilding distributed a memo from TD&H Engineer Peppmeier and a bid spreadsheet to the Council, wherein the two lowest bidders have offered items

that could be postponed to a later date, and the resulting total bids. She reviewed these options; that information has been appended to the packet. With the reduction of removing the Modular Retaining Wall, Concrete Abutments (without stone veneer), Landscaping (topsoil & seeding only), Stone Veneer, and miscellaneous path items like benches and bear-proof garbage containers, the lowest bid was Dick Anderson Construction at \$1,011,056.26. The 2<sup>nd</sup> low bidder – Sandry Construction, used the alternate of the MSE walls, and with the other deductions their revised bid is \$1,013,027.00. TD&H checked with CTEP to make sure they would allow these modifications and CTEP has agreed to them. At the request of the Pedestrian and Bicycle Path Advisory Committee (B/P Committee) this morning; she and Parks and Recreation Director Butts researched if any other path projects have funds budgeted for them in FY16 that could go towards the Skye Park Bridge project instead. The B/P Committee has had the Skye Park Bridge as a top priority for several years and thought other projects could wait to get this one done. There is \$70,000 set aside for the Rygg to Town Pump Bike Path; and that would bring available funding up to \$836,000 for Skye Park Bridge, leaving the project short \$175,056.26 of the revised Dick Anderson low bid. With the modifications the project will end up with concrete walls which would need to have stone veneer added another year when funds are available. Or, if the Council chose the 2<sup>nd</sup> low bid using the MSE walls, the walls would be complete.

Manager Stearns said this is difficult; he and Finance Director Smith may be able to give the Council some help with funding ideas. While Council is considering whether or not to do the project, the scope of work and/or modifications, along with the knowledge of funds already expended on this project to date and the grant funds that would be lost; they can decide their priorities for use of TIF funds, and possibly some additional revenue from impact fees. There will be some savings in expenditures of impact fees for the Rygg Trail if that project is deferred. He said it will be difficult to come up with exact funding tonight, and it depends on the value of our Increment District which we will receive in August, but he and Director Smith will work on it as the Council directs. He thinks with maximizing available trail impact fees, and use of some TIF dollars, they can meet the shortfall; but the City has to make sure not to use TIF dollars already set aside for the requirements of the City Hall/Parking Structure project, current requests for TIF dollars (3 on tonight's agenda), and TIF dollars planned for the continuation of the Depot Park Master Plan. He directed Council's attention to the TIF proforma spreadsheet on page 460 in the packet, and the preliminary TIF budget on page 463. He said the projected cash balance at the end of FY16 is \$507,306, but again, following the increment district value that we won't receive until August – that number could change dramatically. The City's first priority for the TIF is to meet bonding requirements; and he asked the Council to consider their priorities for this fund.

Council expressed their frustration with the engineer's estimate at being so far off of what now seems to be the actual costs, but agreed with the B/P Committee that this is a priority and a major part of Whitefish Trail System. Deputy Mayor Hildner said going forward with this project was the consensus of the B/P Committee this morning as well. Council showed agreement that if this project went forward there would probably be a delay in the continuance of the Depot Park Master Plan. Councilor Sweeney asked Interim Director Hilding if there were any other possible options that would reduce this cost and she said they will be following up with adjacent property owner Beall to see if he would consider options and work with the City on possible cost reduction measures. Deputy Mayor Hildner said savings on the Beall retaining wall could be somewhere between \$50,000 to \$80,000.

**Councilor Frandsen made a motion, second by Councilor Feury, to award a construction contract to Dick Anderson Construction for the Skye Park Bridge Project in an amount not to exceed \$1,011,056.26, according to the revised estimates received tonight.** (Interim Director Hilding noted that tonight's estimates for the values of the items deducted from the project could change slightly). **The motion passed on a vote of 5 to 1, with Councilor Sweeney voting in the negative.**

Upon a request from Manager Stearns, the Council agreed that for this project to go forward both the Depot Park Master Plan and the Rygg Trail projects will be deferred, except for costs already incurred for the Depot Park Master Plan to date, and to maximize trail impact fees toward the Skye Park Bridge project, other than those already committed for path stairs. Using trail impact fees as much as possible towards the shortfall, then the TIF fund. And Deputy Mayor Hildner said that was also the consensus of the B/P Committee this morning. Manager Stearns said Council will see that detail when they review the budget next time. Interim Director Hilding added she recently received the proposal for the construction management fee of about \$47,000 for the project, which would be an addendum to the contract with TD&H. Councilor Sweeney expressed that should be reviewed. Councilor Frandsen asked if staff could do construction management both on this project and the next one. Both Interim Director Hilding and Manager Stearns explained that would be very difficult, nearly impossible, for an already short-staffed department. Discussion followed whether or not the additional staff should be hired, Manager Stearns said that could continue to be evaluated, and let it be considered by the new public works director arriving soon.

**b) Consideration of approving an amendment to the Skye Park wastewater lift station engineering contract with TD&H Engineering for construction management services during construction (p. 385)**

From the staff report, Interim Director Hilding reported this project is underway and requires an addendum to the contract with TD&H Engineering in an amount not to exceed \$20,600 for construction management. She recommended approval of the addendum. Manager Stearns noted Council's frustration with this engineering firm but recommended going forward with this contract, it would be difficult to request additional proposals at this late date in an ongoing project for construction management.

**Councilor Feury made a motion, second by Councilor Barberis, to approve an engineering contract amendment with TD&H Engineering for the Birch Point Lift Station construction management in an amount not to exceed \$20,600. The motion passed on a vote of 5 to 1, with Councilor Frandsen voting in the negative.**

Discussion followed between Staff and Council about seeking alternate quotes for construction management for the Skye Park Bridge Project.

**9) COMMUNICATIONS FROM CITY MANAGER (CD 1:36:37)**

- a) Written report enclosed with the packet. Questions from Mayor or Council? (p.392)**  
- None.
- b) Other items arising between July 1<sup>st</sup> and July 6<sup>th</sup>**

Manager Stearns noted the County will be doing some maintenance bridge work on their Baker Avenue Bridge from July 13<sup>th</sup> – July 16<sup>th</sup>. Our Public Work's Department will assist the County with routing traffic detours and signage. Bridges in Flathead County are owned and maintained by the County with funding from property owners paying county taxes. The Council gave staff input on routes for traffic detours.

- c) Consideration of a request from the Whitefish Hotel Group for \$147,000 of Tax Increment Funds for sidewalk, bicycle promenade, and streetscape improvements in the public right-of-way around Block 46 in conjunction with the development of the hotel on the site (p. 429) (CD 1:41:23)**

From the staff report, Manager Stearns said a projected tax increment yield for the new hotel on Block 46 is on page 432 in the packet; and when the increment district expires, those funds will go into the General Fund. The staff report included some of the history of this project and an explanation of the project as it relates to its qualification as an urban renewal project. In this case, instead of the City constructing the improvements; the developers will install the improvements, according to City Standards, then upon submittal of the detailed invoice will be reimbursed by the City as provided for in state law. Upon a question from Council, Jeff Baldelt, 157 Arielle Way, said that the TIF dollars will be for the improvements along Spokane Avenue then replacing curb and gutter all as shown on page 436 in the packet identified as the Public Benefit Area, and all contained within the City's Urban Renewal District. The City is not being charged any overhead, but will just be billed for the improvements. It has been reviewed by the Public Works Department and will be built according to City Standards.

**Councilor Sweeney made a motion, second by Councilor Frandsen, to approve the site improvements in the public right-of-way as an urban renewal project and approved reimbursing the Whitefish Hotel Group up to \$147,000 for those improvements. The motion passed unanimously.**

- d) Resolution No. 15-17; A Resolution approving a Real Estate Purchase and Sale Agreement with respect to Lot 10 of Block 17, of Whitefish, Montana for a future parking lot near City Beach (p. 437) (CD 1:51:57)**

Manager Stearns reported from his staff report on page 454, that the property can be purchased from the TIF District as it qualifies as a blighted property and meets the following criteria from the Urban Renewal Plan:

*2. The development of new infrastructure that eliminates congestion, provides recreational improvements and provides new infrastructure that is necessary to protect public health and safety;*

*8. The expansion and redevelopment of the City Parks in an effort to improve the recreational resources of the city that attract tourists and attract permanent residents to Whitefish'*

The resolution provides that the intended use is to provide for additional off-street parking near City Beach to help alleviate congestion. The staff report provides history of the project. It is

projected an improved parking lot on this site would provide an additional 30 parking spaces. The price is affordable because the existing house is a tear down, other properties near City Beach just keep increasing in value. The City's realtor Chap Godsey is in the audience tonight if the Council has any questions for him. Again, using TIF dollars for this instead of continuing to move forward with the Depot Park Master Plan delays that process a little further down the road, which is not Director Butts' preference; he wanted Council to be aware of that.

**Councilor Frandsen made a motion, second by Councilor Fitzgerald, to approve Resolution 15-17; providing for the purchase and sale agreement with respect to Lot 10 of Block 17 of Whitefish, Montana (55 Woodland Place) for a future parking lot near City Beach. The motion passed unanimously.**

- e) **Resolution No. 15-18; A Resolution authorizing the City to utilize storage of digital records as originals of the City's official records (p. 464) (CD 2:03:04)**

From the Staff Report, City Clerk Lorang said in an effort to minimize storage space and comply with State Requirements for records retention, staff is requesting Council authorize the utilization of digital records as originals. Staff has been working on digital storage of older Council Packets.

**Councilor Feury made a motion, second by Councilor Frandsen, to approve Resolution 15-18. The motion passed unanimously.**

**10) COMMUNICATIONS FROM MAYOR AND CITY COUNCILORS (CD 2:04:30)**

- a) **Ratify Mayor's appointment of Angela Jacobs as City Attorney and approving a two year contract with Angela Jacobs (p. 469)**

Deputy Mayor Hildner read from correspondence from Mayor Muhlfeld where he respectfully requested the Council ratify his appointment of Angela Jacobs to serve as the next City Attorney for the City of Whitefish. In his correspondence, Mayor Muhlfeld thanked the Councilors for their assistance related to the City Attorney hiring process.

**Councilor Sweeney make a motion, second by Councilor Frandsen, ratifying Mayor Muhlfeld's appointment of Angela Jacobs as the new City Attorney for Whitefish, and approving her two-year contract. The motion passed unanimously.**

Deputy Mayor Hildner introduced Angela Jacobs who was present in the audience tonight and welcomed her to the Whitefish City Staff.

**COUNCIL COMMENTS:**

Councilor Barberis thanked the Public for respecting the fireworks ban; she knew it was a difficult sacrifice for many, including her 11-year old son.

Councilor Feury agreed and thanked the public for complying with the ban, and thanked Interim Fire Chief Page for bringing it forward and making the tough call. He thought it was interesting that since then he has heard comments from several about how nice and quiet the Fourth

of July weekend was. He also complimented the Ambulance Staff for their quick response when he called for ambulance assistance last Friday. They did a great job.

Councilor Sweeney said he also was proud of Interim Chief Page's proactive action on the firework's ban and was also proud of Whitefish residents and tourists who realized the gravity of the situation and complied.

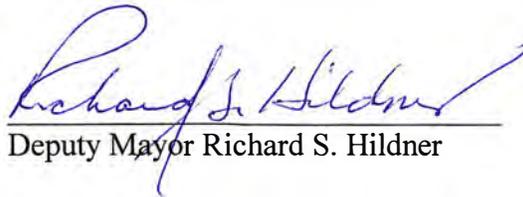
Deputy Mayor Hildner echoed those comments and said it showed the best side of Whitefish. He asked if either Chief Page or Chief Dial had any comments. Chief Dial said the community overwhelmingly complied with the ban; they responded to a couple calls of fireworks that turned out to be dry-ice bombs. Chief Page echoed that our citizens did a great job complying with the ban; unfortunately it is early in the fire-season and we have a long summer ahead of us; he still is very concerned.

Deputy Mayor Hildner said he wanted to give a shout out to his neighbors, Bill and Kay Tarr, who power washed, scraped and spray painted the bike path fence that is near their house. It now looks very nice again.

Manager Stearns said he had failed to make a public correction to what the city will pay in realtor fees on the purchase of the lot by City Beach. He had notified the Council of his error, but he wanted to publically correct the error that the realtor fee is \$6,750, not the \$3,000 that was printed in the staff report. He said he didn't think that would make a difference in the Council's vote, but if it did, they could reconsider it.

**11) ADJOURNMENT** (Resolution 08-10 establishes 11:00 p.m. as end of meeting unless extended to 11:30 by majority)  
(CD 2:12:54)

Deputy Mayor Hildner adjourned the meeting at 9:23 p.m.

  
Deputy Mayor Richard S. Hildner

Attest:

  
Necile Lorang, Whitefish City Clerk

Please return to Necile

**PUBLIC HEARINGS**

**PLEASE SIGN IN TO SPEAK ON A SPECIFIC PUBLIC HEARING 7/6/15**

**PLEASE PRINT NAME and ADDRESS**

**Application for Conditional Use Permit  
Whitefish Handcrafter Spirits – 204 Wisconsin**

**Application for Conditional Use Permit  
Whitefish City Hall/Parking Structure**

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