



**CITY COUNCIL WORK SESSION
CITY COUNCIL CHAMBERS
MONDAY, SEPTEMBER 15, 2014
5:00 TO 7:00 PM**

1. Call to Order
2. 5:00 Work session on the Trust For Public Land Financial Feasibility Study regarding a portion of the local funding for a proposed purchase of the Stoltze Land and Lumber Company conservation easement
3. Public Comments
4. Adjournment



July 2, 2013
Letter #2013-002

Deb Love, Northern Rockies State Director
Dee Frankfourth, Associate National Director Conservation Strategies
The Trust for Public Land
Emerson Cultural Center
111 South Grand Ave, Suite 203
Bozeman, Montana 59715

Dear Ms. Love and Ms. Frankfourth:

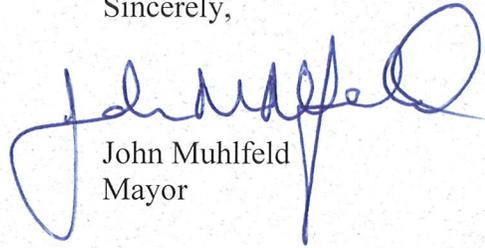
By this letter, the City of Whitefish officially requests technical advice and assistance from your organization in connection with our efforts to develop a program to finance land conservation and potential related ballot measure. As part of your advice and assistance, we understand you may provide feasibility research, conduct a public opinion survey, and develop strategies for our consideration.

We are interested not only in the factual information that you can provide to us, but also your organization's opinions and recommendations on public financing measures available to us. Although your submissions will be directed to the attention of Chuck Stearns, City Manager, we understand that your responses to this request will be for the general use of the City of Whitefish.

This request will continue in effect for any subsequent advice you offer or presentations you submit for the use of the City related to such matters. In addition, we would like to take this opportunity to request that you continue to be available to provide technical advice and assistance in this area and on related matters in the future.

Thank you for your organization's contribution to the work of the City of Whitefish.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Muhlfeld", written in a cursive style.

John Muhlfeld
Mayor

cc: City Council Members

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CITY COUNCIL REGULAR MEETING AGENDA

The following is a summary of the items to come before the City Council at its regular session to be held on Monday, September 15, 2014, at **7:10 p.m.** at City Hall, 402 East Second Street.

Ordinance numbers start with 14-10. Resolution numbers start with 14-40.

- 1) CALL TO ORDER
- 2) 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)
- 4) COMMUNICATIONS FROM VOLUNTEER BOARDS
- 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 September 2, 2014 Council regular session (p. 21)
 - b) Ordinance No. 14-08; An Ordinance providing that the Whitefish City Code be amended by adding Title 2, Chapter 15, providing for the creation of the Whitefish Planning Board, consistent with State law, and repealing Section 11-7-4 (Second Reading) (p. 33)
 - c) Resolution No. 14-___; A Resolution extending the corporate limits of the City of Whitefish, Montana, to annex within the boundaries of the City 1.050 acres of land in Section 1, Township 30 North, Range 22 West, that will become a part of 6348 Highway 93 South, for which the owner has petitioned for and consented to annexation (p. 37)
- 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) Resolution No. 14-___; A Resolution to establish registration fees for alarm system businesses and for structure alarm systems by property owners and customers and false alarm fees when City equipment responds to false emergency services, fire, and police alarms (p. 51)

- 7) COMMUNICATIONS FROM CHIEF OF POLICE
 - a) Ordinance No. 14-09; An Ordinance amending Whitefish City Code Section 9-1-4 regarding false fire alarms to include all false alarms, and to provide registration requirements for all alarm system companies and administrative fees (Second Reading) (p. 57)

- 8) COMMUNICATIONS FROM PLANNING AND BUILDING DIRECTOR
 - a) Resolution No. 14-___; A Resolution maintaining the cash-in-lieu payment in connection with affordable housing at the current \$8,000.00 per unit (p. 62)
 - b) Discussion and direction on which Corridor Plan to pursue next and when to initiate work on it (continued from June 16th meeting) (p. 67)
 - c) Consideration of Amendment #3 to contract with Crandall-Arambula for Downtown Master Plan update (p. 74)

- 9) COMMUNICATIONS FROM PUBLIC WORKS DIRECTOR
 - a) Consideration of allowing annual, inflationary rate increases for water, sewer, and solid waste rates to go into effect (p. 85)

- 10) COMMUNICATIONS FROM CITY MANAGER
 - a) Written report enclosed with the packet. Questions from Mayor or Council? (p. 96)
 - b) Other items arising between September 10th and September 15th
 - c) Resolution No. 14-___; a Resolution relating to financing of certain proposed projects; establishing compliance with reimbursement bond regulations under the Internal Revenue Code (p. 103)

- 11) COMMUNICATIONS FROM MAYOR AND CITY COUNCILORS
 - a) Letter and petition from Warren Schweitzer and Ingela Schnittger to exclude (de-annex) their property at 2154 Houston Drive from City limits (p. 110)

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



The following Principles for Civil Dialogue are adopted on 2/20/2007 for use by the City Council and by all boards, committees and personnel of the City of Whitefish:

- We provide a safe environment where individual perspectives are respected, heard, and acknowledged.
- We are responsible for respectful and courteous dialogue and participation.
- We respect diverse opinions as a means to find solutions based on common ground.
- We encourage and value broad community participation.
- We encourage creative approaches to engage public participation.
- We value informed decision-making and take personal responsibility to educate and be educated.
- We believe that respectful public dialogue fosters healthy community relationships, understanding, and problem-solving.
- We acknowledge, consider and respect the natural tensions created by collaboration, change and transition.
- We follow the rules and guidelines established for each meeting.

Adopted by Resolution 07-09
February 20, 2007

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September 9, 2014

The Honorable Mayor Muhlfeld and City Councilors
City of Whitefish
Whitefish, Montana

Mayor Muhlfeld and City Councilors:

Monday, September 15, 2014 City Council Agenda Report

There will be a work session on Tuesday at 5:00 p.m. on the Trust For Public Land Financial Feasibility Study regarding a portion of the local funding for a proposed purchase of the Stoltze Land and Lumber Company conservation easement. We will provide food for the work session.

The regular Council meeting will begin at 7:10 p.m.

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 September 2, 2014 Council regular session (p. 21)
- b) Ordinance No. 14-08; An Ordinance providing that the Whitefish City Code be amended by adding Title 2, Chapter 15, providing for the creation of the Whitefish Planning Board, consistent with State law, and repealing Section 11-7-4 (Second Reading) (p. 33)
- c) Resolution No. 14-___; A Resolution extending the corporate limits of the City of Whitefish, Montana, to annex within the boundaries of the City 1.050 acres of land in Section 1, Township 30 North, Range 22 West, that will become a part of 6348 Highway 93 South, for which the owner has petitioned for and consented to annexation (p. 37)

RECOMMENDATION: Staff respectfully recommends the City Council approve the Consent Agenda.

Item a is an administrative matter; items b and c are legislative matters.

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) Resolution No. 14-___; A Resolution to establish registration fees for alarm system businesses and for structure alarm systems by property owners and customers and false alarm fees when City equipment responds to false emergency services, fire, and police alarms (p. 51)

From Police Chief Bill Dial's staff report:

For many years, false burglar, hold-up, and fire alarms have been an ongoing challenge for first responders in Whitefish. Most alarms which first responders are dispatched to are false for a plethora of reasons: workers entering a wrong alarm code, home owners leaving doors or windows open and setting the alarm, bank employees inadvertently pushing a panic alarm and mechanical malfunctions. These are the most common reasons, there are numerous other reasons.

There is no way a first responder can determine if an alarm is false without going to the residence or business. In some instances officers and fire department personnel will respond with lights and siren exposing the employee and the public to risks. Upon arrival, officers and/or fire fighters are required to investigate the incident and document their findings. Many times the owner or responsible party of the business or residence is not available and there is no one to extinguish the alarm. Some businesses and residences have 10 or more false alarms in a year. First responders are highly trained and are sensitive to complacency. However, routinely answering "false alarms" can lead to an officer or fire fighter letting their guard down and being injured or killed. Additionally, answering false alarms is a waste of resources.

Many cities are plagued with false alarms, especially resort communities and communities that are growing. To that end, communities like Whitefish have addressed the false alarm issue by creating a fee schedule to reimburse the city for wasting resources and endangering the public and responders while encouraging home owners and business people to be more responsible for their actions. The attached draft ordinance defines false alarms, property owner responsibilities, licensing of providers and fees, appropriate responses by emergency personnel, and a penalty section. In 2013 there were 124 false fire alarms and 285 false burglar, robbery, intrusion alarms. In January of 2014 a draft ordinance was discussed which concerned business owners and the Whitefish Chamber of Commerce. Chiefs Kennelly and Dial met with the Chamber and alarm company representatives and have authored a new ordinance that all parties opine is fair and protects the public and first responders.

Since the current case management system utilized by police and fire, New World, has an application to track and assess fines for false alarms, there will be no financial impact on the city.

RECOMMENDATION: Staff respectfully recommends the City Council, after considering testimony at the public hearing and the staff report, adopt a Resolution to establish registration fees for alarm system businesses and for structure alarm systems by property owners and customers and false alarm fees when City equipment responds to false emergency services, fire, and police alarms

This item is a legislative matter.

COMMUNICATIONS FROM CHIEF OF POLICE

- a) Ordinance No. 14-09; An Ordinance amending Whitefish City Code Section 9-1-4 regarding false fire alarms to include all false alarms, and to provide registration requirements for all alarm system companies and administrative fees (Second Reading) (p. 57)

See item above for the staff report. There were three minor changes to Exhibit A of the ordinance between 1st Reading and 2nd Reading which Chief Dial can explain.

RECOMMENDATION: Staff respectfully recommends the City Council adopt Ordinance No. 14-09 amending Whitefish City Code Section 9-1-4 regarding false fire alarms to include all false alarms, and to provide registration requirements for all alarm system companies and administrative fees (Second Reading)

This item is a legislative matter.

COMMUNICATIONS FROM PLANNING AND BUILDING DIRECTOR

- a) Resolution No. 14-___; A Resolution maintaining the cash-in-lieu payment in connection with affordable housing at the current \$8,000.00 per unit (p. 62)

From Planning and Building Director Dave Taylor's transmittal memo:

Section 11-2S-3(B)(1) of the code provides that the Cash-in-Lieu fees for affordable housing be reviewed annually by the City Council. Attached in the packet is a memo from Lori Collins, Director of the Whitefish Housing Authority, as well as a housing price index and a chart of lessee purchase prices and maximum unit subsidies. In 2008, the Council raised the per unit fee from \$6,000 to \$11,000. The Housing Authority is recommending keeping the fee at the existing rate of \$8,000 per unit.

The Planned Unit Development District (PUD), Chapter 2, Title 11 of the Whitefish City Code, contains voluntary provisions that allow a 50% density bonus if affordable housing is provided at a rate of at least 10% of the project. Paragraph B.1 provides that the density bonus may also be taken by providing "cash-in-lieu" in an amount set by City Council resolution. That number is currently \$8,000 per unit.

An “affordable” unit is defined as one which can be purchased by someone earning up to 120% of the median family income in Flathead County, without being cost-burdened. Generally, a homeowner is considered cost-burdened when mortgage payments (PITI) exceed 30% of his monthly income. The Whitefish Housing Authority and the Whitefish Area Land Trust operate permanent affordable housing programs which buy down the price of a home to the affordable mortgage price. According to the numbers provided in the attached memo from the Whitefish Housing Authority, a payment in lieu amount of \$8,000 per market rate unit makes up 100% of the difference between an affordable mortgage and a market rate home mortgage.

RECOMMENDATION: Staff respectfully recommends the City Council approve a Resolution maintaining the cash-in-lieu payment in connection with affordable housing at the current \$8,000.00 per unit.

This item is a legislative matter.

- b) Discussion and direction on which Corridor Plan to pursue next and when to initiate work on it (continued from June 16th meeting) (p. 67)

From Planning and Building Director Dave Taylor’s transmittal memo:

This report is an update of the original June 16 memo. Included are draft scopes of work, timelines, and estimated costs for both future corridor plans. Note that the costs and timelines are estimates, and won’t get fully fleshed out until other major projects underway are completed and input from consultants are factored in.

Staff currently has a full workload that would prevent us from starting on a new corridor plan immediately. We are currently assisting consultant WGM Group with the Highway 93 West Corridor Plan, which is still in process as the consultant revises the Final Draft to address community concerns. While the plan has taken significantly longer than expected due to some unforeseen issues with the consultants, the final draft should be published any day. Once it goes through staff review, it will be thoroughly vetted through the Steering Committee for additional revisions, and then it will go through the Planning Board before getting to the City Council for final approval. We are also working with Crandall-Arambula to get the updated Downtown Master Plan finalized and adopted. That should be coming back to the council fairly soon. We are also beginning the long process of amending the zoning and subdivision ordinances, at the City Attorney’s request, to remove all references to ‘extra-territorial’ jurisdiction and the doughnut. Those text revisions will take several months and must get completed quickly so our code is in compliance. Also, both the Highway 93 West Plan and the Downtown Master plan have a long list of ‘implementation items’ that must be attended to once the plans are adopted. Implementation is critical to the effectiveness of any plan, and the sooner it gets done the more effective any plan is. Implementation may include zoning and Growth Policy map revisions, zoning text amendments, ARC review standards changes, and more.

Realistically, we can only proceed on one major long range planning project at a time, even with a consultant taking the lead. Timelines may be easier to follow with a consultant in the lead, but staff is still heavily involved in all aspects of the plan, including existing conditions inventory, hosting and attending stake holder and steering committee meetings and visioning sessions, as well as assisting with development and review of the plan itself. With our current workload, we can't afford to have a staff person devoted wholly to long range planning, but we can work on it around our other projects.

Wisconsin Avenue

Staff is confident that we could take the lead on a Wisconsin Avenue plan and get it completed in a fairly timely manner with the consulting help of a landscape architect, GIS person, and a traffic engineer. We are estimating that it will take a little over a year to get completed and adopted once work begins. A Wisconsin Avenue Plan would be similar in scope to the Highway 93 West plan underway that we currently have WGM Group taking the lead on. However, it would be much heavier on a transportation element, including looking at access controls, etc, and a transportation expert or engineering consultant will be necessary. The consultant cost on that 93 West plan was \$54,000, and right now it is looking like 18 months from contract award to final adoption. Done in-house, staff anticipates about \$25,000 in consultant costs for GIS help and a Landscape Architect to assist with the project, as well as another \$10,000 to \$15,000 for an engineer/transportation consultant. If the entire project went out to a consultant, staff estimates it would cost about \$60,000.

Highway 93 South

Highway 93 South would be more difficult for staff to take the lead on, but it is still possible with around of \$50,000 in consultant money to hire a landscape architect to do project coordination and someone else to do GIS mapping. The corridor has a range of issues that are much more complex, including the fact that there are three major sections of that corridor each with its own set of issues that might best be tackled in three phases. We may be able to work in conjunction with planner Dave DeGrandpre for planning the neighborhood at and south of Highway 40, as he has approached the City in the past about assisting that area with a planning effort. We estimate fees for a consultant to take the lead to be around \$80,000. We realistically think it would take between 12 and 16 months to complete either way, although any project managed in house will be subject to possible delays by other priority projects.

Dave also has a more detailed scope of work and timelines in his staff report in the packet.

RECOMMENDATION: Staff respectfully recommends the City Council discuss and decide on guidance for staff on which corridor plan to begin work on once the Hwy 93 West Corridor Plan is completed.

This item is a legislative matter.

- c) Consideration of Amendment #3 to contract with Crandall-Arambula for Downtown Master Plan update (p. 74)

From Senior Planner Wendy Compton-Ring's staff report:

The City Council adopted the Downtown Master Plan on April 3, 2006 via Resolution No. 06-21. As a result of the Downtown Master Plan, a number of infrastructure improvements have been constructed, zoning regulations updated, architectural review standards updated and private investment made in the downtown.

At the March 12, 2012 worksession on Tax Increment Priorities, the City Council members present determined that an update of the Downtown Master Plan was desired and asked staff to contact the consultant, Crandall Arambula, for an estimated cost and scope of work for an update.

On April 16, 2012, the City Council approved Phase I of the proposed work program suggested by Crandall Arambula and approved a contract for \$13,558.

On November 5, 2012, the City Council approved Amendment #1 to the contract in the amount of \$56,096 for a total contract cost of \$69,654. That work was completed and an open house was held on the Downtown Master Plan update on May 2, 2013.

On September 19, 2013, the Whitefish City-County Planning Board held a public hearing on the Plan and recommended approval to the Council.

On October 7, 2013, the City Council held a public hearing, but tabled action until a worksession could be conducted. This worksession was held on November 4, 2013, the Council then requested Crandall Arambula perform additional work to complete the Plan Update and hold a community information session. The public hearing was left open at the November 4, 2013 meeting.

On February 3, 2014, the City Council approved Amendment #2 to the contract in the amount of \$37,300 to complete work and conduct two meetings – one with the public and one with the City Council. This amendment brought the total contract cost to \$106,954.

On March 12, 2014, a community information forum on the Plan was held at the O'Shaughnessy Center. At the forum, 60-80 people attended and a number of comments and suggestions were received. No subsequent meeting occurred with the City Council.

Staff met with Mayor Muhlfeld and Councilors Barberis, Feury and Frandsen and the consultants in early August to review the highlighted items identified in the November 21, 2013 draft Master Plan Refinement scope of work (attached). We had the consultants describe to us the various work items. Afterward, staff sat down with other key city staff including the city manager and Councilors to review the scope of work. We considered the refinements and other possible suggestions. We wanted the consultants to provide more information on:

- Highway contra flow concept – consult with MDOT
- Wisconsin Avenue connection – redefine this connection
- Commercial south of E 2nd Street & Baker Ave – remove until the time is right for expansion
- Protected Bikeway along Spokane Avenue – consult with the Bike-Ped Committee

Crandall Arambula has submitted a proposed Amendment #3 for \$89,895 of work and three one person visits (attached). The consultants suggested two public meetings and one with the Council. Staff would recommend eliminating one of the three meetings, as funds are still available for the third meeting with Amendment #2. Items highlighted in red are new items suggested by staff. One item added that was not included in the November 2012 draft scope of work is a review of the City Hall design compatibility with the Downtown Master Plan (Task 5 - \$9,900). The update scope also includes an option for having an additional person attend the meetings for recording public comments. Staff is not recommending including this item, as we believe staff can provide this function and take minutes for the consultants during the public meetings.

The cost of amendment #3 as we recommend would be \$89,895 less one meeting. These costs will be paid from the Tax Increment Fund which has sufficient funds for this project (using TIF contingency funds). This amendment would bring the total contract cost to \$196,849 less one meeting.

RECOMMENDATION: Staff respectfully requests the City Council approve contract Amendment #3 with Crandall Arambula for \$89,895 less one meeting and authorize the City Manager to approve a contract amendment for those items.

This item is a legislative matter.

COMMUNICATIONS FROM PUBLIC WORKS DIRECTOR

- a) Consideration of allowing annual, inflationary rate increases for water, sewer, and solid waste rates to go into effect (p. 85)

From Public Works Director John Wilson's staff report:

The City Council adopted Resolution 13-29 last October, providing for water and sewer rates to be automatically adjusted on October 1st of each year "based on the increase, if any, in the U.S. Department of Labor's Water, Sewer and Trash Collection Services

Consumer Price Index for All Urban Consumers for the twelve-month period ending the preceding December 31.” Resolution 13-29 also provides for solid waste collection fees to be automatically increased by 3% on October 1st each year through 2016, corresponding with our current service contract with North Valley Refuse. A copy of Resolution 13-29 is attached.

Annual inflationary rate adjustments allow revenues to keep pace with steadily rising costs for many items such as labor, services and materials. Relatively small periodic increases can help mitigate the impact of abrupt rate hikes that might otherwise be necessary to catch up with inflation or to finance major capital projects.

A table from the Bureau of Labor Statistics’ report on the Consumer Price Index for All Urban Customers is attached, indicating the CPI for Water, Sewer and Trash Collection Services for the 12 month period ending December 2013 was 3.6%. In accordance with Resolution 13-29, water and wastewater services rates and charges will therefore be increased by 3.6%, as shown on the attached rate schedule, effective October 1, 2014.

These water and sewer rate increases will result an additional charge of approximately \$2.97 per month for a typical residential customer and are estimated to generate additional annual revenues of \$94,940 and \$76,915 for the Water and Wastewater Funds, respectively.

Similarly, and in accordance with Resolution 13-29, garbage collection services rates and charges will be increased by 3.0%, as shown on the attached rate schedule, effective October 1, 2014. This increase will result in an additional charge of approximately \$0.26 per month for a typical residential customer and generate roughly \$22,485 in additional annual revenue for the Solid Waste Fund.

A copy of the FY 15 Budget Summary is attached for reference purposes. Please note, the beginning cash, revenue, and ending cash values for the Water, Wastewater, and Solid Waste Funds do not reflect these increased rates and fees.

This matter does not involve a financial requirement for the Water or Wastewater Funds, although significant consequences could result if effective revenues were allowed to decline due to inflation.

Likewise, this matter does not involve a financial requirement for the Solid Waste Fund, although the 3% increase in user fees, corresponding to the 3% increase in payments to our contract hauler, will allow us to maintain cash reserves.

RECOMMENDATION: If the City Council accepts these automatic rate and fee increases for the Water (3.6%), Wastewater (3.6%) and Solid Waste Funds (3%), no Council action is necessary, in accordance with Resolution 13-29. If the Council

chooses to reduce or forego any of these changes, they can so direct staff and a new resolution can be prepared for consideration at the October 6th City Council meeting.

This item is a legislative matter.

COMMUNICATIONS FROM CITY MANAGER

- a) Written report enclosed with the packet. Questions from Mayor or Council? (p. 96)
- b) Other items arising between September 10th and September 15th
- c) Resolution No. 14-___; a Resolution relating to financing of certain proposed projects; establishing compliance with reimbursement bond regulations under the Internal Revenue Code (p. 103)

The FY15 Budget contains an appropriation of \$425,000 for a Riverside Force Main Extension which would be funded by a State Revolving Fund (SRF) loan over 20 years at an interest rate of 2.5%. The engineer's estimate has risen slightly to \$432,430 since that time. Also, the SRF loan program has some issuance costs and reserve fund requirements which will raise the cost of the project as well. Also, the project name is now changed to the "River Lakes Force Main Project".

The SRF program at the State Department of Natural Resources and Conservation (DNRC) is funded by the State of Montana issuing large amounts of tax-exempt bonds and using those proceeds to loan to municipalities and special districts for water or wastewater projects. Then as municipalities and special districts repay the loans, the State DNRC has those returned funds to loan out again.

Because the SRF program was initially funded by tax-exempt bond issues and replenished by other more recent bond issues, there are many federal tax-exempt bond regulations which apply. One of the regulations is that there is a limit on how much money can be spent prior to when the bonds are issued. There are federal "safe harbor" and "de minimus" regulations which allow spending before bond issuance for most engineering fees, but the way most bond issuers (state or cities) address using bond proceeds to "reimburse for prior expenditures" is to pass what is typically called a Reimbursement Resolution.

Dorsey and Whitney, as bond counsel for both the State of Montana and the City of Whitefish, has prepared the necessary "Reimbursement Resolution" for the River Lakes Force Main Extension project and it is attached in the packet. At this point, to be conservative and to include allowance for issuance fees, we are using \$500,000 as the possible amount of the SRF Loan. The bids for the construction of the project and the SRF resolutions and other documents will come before the City Council in the next few months, but this is a Resolution which we can pass in advance. Passage of this Resolution will ensure that we can borrow funds for the engineering design costs that we have already paid and are currently paying.

This "Reimbursement Resolution" itself does not have any financial impact on the City, although it will allow us to borrow for the engineering costs we have spent and are currently spending. The future construction project and loan will increase debt service costs in the Wastewater Fund, but future memos will show and address those costs.

RECOMMENDATION: Staff respectfully recommends the City Council approve a Resolution relating to financing of certain proposed projects; establishing compliance with reimbursement bond regulations under the Internal Revenue Code.

This item is a legislative matter.

COMMUNICATIONS FROM MAYOR AND CITY COUNCILORS

- a) Letter and petition from Warren Schweitzer and Ingela Schnittger to exclude (de-annex) their property at 2154 Houston Drive from City limits (p. 110)

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

Sincerely,



Chuck Stearns
City Manager

"Cheat Sheet" for Robert's Rules

Motion	In Order When Another has the Floor?	Second Required?	Debatable?	Amendable?	Vote Required for Adoption	Can be reconsidered?
Main Motion	N	Y	Y	Y	Majority unless other spec'd by Bylaws	Y
Adjournment	N	Y	N	Y	Majority	N
Recess (no question before the body)	N	Y	N	Y	Majority	N
Recess (question before the body)	N	Y	Y	Y	Majority	N
Accept Report	N	Y	Y	Y	Majority	Y
Amend Pending Motion	N	Y	If motion to be amended is debatable	Y	Majority	Y
Amend an Amendment of Pending Motion	N	Y	See above	N	Majority	Y
Change from Agenda to Take a Matter out of Order	N	Y	N	N	Two-thirds	N
Limit Debate Previous Question / Question	N	Y	N	Y	Two-thirds	Yes, but not if vote taken on pending motion.
Limit Debate or extend limits for duration of meeting	N	Y	Y	Y	Two-thirds	Y
Division of Assembly (Roll Call)	Y	N	N	N	Demand by a single member compels division	N
Division of Ques/ Motion	N	Y	N	Y	Majority	N
Point of Information	Y	N	N	N	Vote is not taken	N
Point of Order / Procedure	Y	N	N	N	Vote is not taken	N
Lay on Table	N	Y	N	N	Majority	N
Take from Table	N	Y	N	N	Majority	N
Suspend the Rules as applied to rules of order or, take motion out of order	N	Y	N	N	Two-thirds	N
Refer (Commit)	N	Y	Y	N	Majority	Neg. vote only

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WHITEFISH CITY COUNCIL MINUTES
SEPTEMBER 2 2014
7:10 P.M.

1) CALL TO ORDER

Mayor Muhlfeld called the meeting to order. Councilors present were Barberis, Frandsen, Anderson, Hildner, Feury and Sweeney. City Staff present were City Manager Stearns, City Clerk Lorang, City Attorney VanBuskirk, Finance Director Smith, Planning and Building Director Taylor, Public Works Director Wilson, Parks and Recreation Director Butts, and Fire Chief Kennelly. Approximately 21 people were in the audience.

2) PLEDGE OF ALLEGIANCE

Mayor Muhlfeld said in recognition of Marcia Shefflels recently being awarded with the Lifetime Achievement in Literacy Education by the Northwest Montana Reading Council, he asked her 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) (CD 1:03)

Jim Stack, 2472 Birch Glen Drive, in reference to Agenda Item 7a, said he served on the Lakeshore Protection Committee for 20 years, 14 of which he served as Chairman. He distributed a letter to the Mayor and Council expressing his thoughts on the importance of keeping a committee in place, with the City of Whitefish working together with the County Commissioners, to protect the lake and lakeshore of Whitefish Lake, a priceless public asset of the community of Whitefish. He said during his tenure on the committee, they addressed each application according to the established regulations and guidelines, making their recommendations to the respective governing bodies and stayed out of the political fray. He stressed the need for one set of regulations.

Jan Metzmaker, 915 Dakota Avenue, again spoke to the Council about the abandoned sign at the old North Valley Hospital site that is still standing and is illegal, as well as the Wendy's shell. Secondly, she said a helicopter landed on property across the street from her and felt the City should have a policy preventing that. She said it was noisy, annoying, and is unsafe. She said helicopters should land at established airports.

Jane Solberg, 275 Glenwood Road, said it has been her place of residence for 65+ years now. She served on the Lakeshore Committee for 13 years, working with applications for both city properties and county properties; and working with the city and county members of Planning Boards, Planning Offices, City Councils, and the Commissioners. During her tenure the committee spent countless hours reviewing and amending regulations, all for the good and protection and improvement of water quality of Whitefish Lake, without major problems. She said if it isn't broke, don't fix it.

Mike Jenson, 919 Dakota Avenue, spoke to the Council regarding the helicopter landing in their neighborhood. He had submitted a letter to the Council, which included the history that this had been discussed by the Council back in 2010 or 2011, when it was determined that the noise and disturbing the peace ordinances already in place were sufficient to address non-emergency aircraft landing in the City limits of Whitefish; he said now he is not so sure and would like it to be revisited by Council and Staff. He is opposed to it and said it is a big disturbance to their neighborhood.

Stacey Schnebel, 110 Bear Street in Coram, candidate for County Commissioner, said she attended the hearings today that the County Commissioners held on the interim zoning on lands surrounding Whitefish. She said she is listening and hearing comments on these issues, and should she be successful at the next election, she will be ready to hit the ground running.

Marcia Sheffels, 450 Parkway Drive, in reference to Agenda Item 7a, said she also served on the Lakeshore Protection Committee and agreed with both Jim Stack's and Jane Solberg's comments. Their goal was to be an advisory committee to both the City and the County, review applications with the regulations and standards in place, and make recommendations based on their findings to the governing bodies. She said neither the Mayor and Council, nor the Commissioners, have the time to give the complete review, and most of the time personally visit the properties, that the committee does for each application for lakeshore construction. She supported the continuance of the committee, and hopefully one that works as one for the City and the County. She said extra eyes and ears are needed to protect this main asset.

4) COMMUNICATIONS FROM VOLUNTEER BOARDS (CD 15:43)

No Volunteer Board reports from the audience.

Councilor Sweeney reported on attending the hearings today that the County Commissioners held on the interim zoning on lands surrounding Whitefish. He said he spoke at those hearings, feeling the need to correct any misperception the Commission has regarding the 'emergency' it described in its public hearing notice; and that it is not the City of Whitefish Council's perception at all. Rather, the Council has offered to work with the County on an orderly transition providing predictability and consistency for the residents and property owners in the donut during this interim period as the City and County has done together over the past 40+ years. For example, he highlighted the differences between the City's and County's business districts as they would be assigned to properties along Highway 93 South and the differences in each of the industrial zones. He said the Commissioners took public comments, some of the public spoke against interim zoning; and the Commissioners tabled the decision today and re-scheduled the item to be considered again at their next hearing on Tuesday, September 9th.

Councilor Hildner said he was going to report on attending the City Hall Steering Committee meeting on August 21st, but saw that it is in City Manager Stearns' Manager Report and he will leave it up to Manager Stearns to report on that meeting.

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) (CD 21:26)

- a) Minutes from the August 18, 2014 Council regular session (p. 51)
- b) Resolution No. 14-38; A Resolution extending the corporate limits of the City of Whitefish, Montana, to annex within the boundaries of the City 35.36 acres shown as Tracts 1 and 2 of Certificate of Survey No. 19656, including 320 Haugen Heights Road, for which the owner has petitioned for and consented to annexation (p. 60)

RESOLUTION NO. 14-38

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 320 Haugen Heights Road, for which the owner has petitioned for and consented to annexation.

WHEREAS, Haugen Heights, LLC, by and through John B. Collins, Jr., Member, on behalf of Property Owner, has filed a Petition for Annexation with the City Clerk requesting annexation and waiving any right of protest to annexation as the sole owner 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 September 2, 2014 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 2ND DAY OF SEPTEMBER, 2014.

/S/ John M. Muhlfeld, Mayor

ATTEST:

/S/ Necile Lorang, City Clerk

Councilor Anderson made a motion, second by Councilor Sweeney, to approve the consent agenda as presented. 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) Ordinance No. 14-08; An Ordinance of the City Council of the City of Whitefish, Montana, providing that the Whitefish City Code be amended by adding Title 2, Chapter 15, providing for the creation of the Whitefish Planning Board, consistent with State law, and repealing Section 11-7-4 (1st Reading) (p. 75) (CD 21:49)**

City Attorney VanBuskirk reported this proposed ordinance creates a permanent Whitefish Planning Board, and repeals Whitefish City Code § 11-7-4 which pertained to the Whitefish City-County Planning Board. On August 18, 2014, the Council enacted an emergency ordinance creating an interim Whitefish Planning Board; and Ordinance 14-08 will make that committee a permanent standing committee, in compliance with State Law. The terms are two years each, however four (4) of the positions will be for just over one year, expiring on December 31, 2015, which starts the rotation into two-year terms.

Mayor Muhlfeld opened the public hearing. There was no public comment, Mayor Muhlfeld closed the public hearing and turned the matter over to the Council for their consideration.

Councilor Hildner made a motion, second by Councilor Anderson, to approve Ordinance 14-08, an Ordinance providing that the Whitefish City Code be amended by adding Title 2, Chapter 15, providing for the creation of the Whitefish Planning Board, consistent with State law, and repealing Section 11-7-4 at first reading. The motion passed unanimously.

- b) Resolution No. 14-39; A Resolution to request that the Surface Transportation Board and Montana Department of Environmental Quality hold public hearings in western Montana, including Whitefish, during the review process for the proposed Tongue River Railroad and Otter Creek Mine in Southeast Montana (p. 87) (CD 26:05)**

City Manager Stearns said this is on the Council's agenda pursuant to a citizen's request; so it is the Council's item and there is no staff report. Attorney VanBuskirk prepared the resolution based on samples received, and he prepared the letter to be sent to the Surface Transportation Board (STB) based

on samples received. He said if Council approved this action tonight they could give him direction to also send a letter to the Montana Department of Environmental Quality (MDEQ). Councilor Hildner said he'd like the letters to request hearings "in Whitefish and surrounding areas" (instead of Whitefish or surrounding areas). Mayor Muhlfeld acknowledged Matt Jones, BNSF Railway Public Affairs Regional Director, who is here in tonight's audience and thanked him for attending.

Mayor Muhlfeld opened the public hearing.

Steve Thompson, 545 Ramsey Avenue, thanked the Council for bringing this forward and encouraged their adoption of the resolution and letters sent to both the STB and MDEQ. He said their action will be proactive, and a rare opportunity to address this issue and look for solutions before there are problems, contrary to knowledge of or planning for oil tankers traveling the rails through Whitefish. He said there was not a public process before that started happening, and it has been only recently that the public and City have started addressing plans for emergency responses and establishing tanker standards. He said the approval of the Otter Creek Mine in southeast Montana and subsequent approval of the Tongue River Railroad linking to the main line will be bringing coal through Whitefish on its way to the Pacific Coast where it will be shipped to Asia. He said that BNSF is already upgrading their infrastructure including improving the 7-mile Flathead Tunnel to benefit increased freight travel. With the action tonight, Council is requesting these regulatory bodies take into consideration local concerns of impacts to water quality, impact and needs of local infrastructure, delays to local passenger train schedules and delays to local traffic waiting for long trains, and the needs and costs of quiet crossings, among other concerns. He'd like the STB and MDEQ to look at the whole picture. He said these issues are of local and statewide public interest; and he submits that providing means to export coal to China is not in the best public interest.

Dave Skinner, Box 5122, Evergreen, said he agrees with Steve Thompson, but maybe not for all the same reasons. He relayed an instance of a recent protest against oil trains in Everett, WA. where protestors tied up an oil train for about six hours. He asked, did those protestors use recycled products to stage their protest? Did they use fossil fueled vehicles to get to their location for protest? Or if their cars were electric, do they recharge their cars with electricity that is dependent on coal for production? He would like local public hearings to see if common sense is still alive in Montana.

Jan Metzmaker, 915 Dakota Avenue, said she is speaking for Dylan Boyle, Director of the Whitefish Convention and Visitor's Bureau (WCVB) who could not be here tonight. She said his concern is the effect on Amtrak. She said WCVB used to work closely with Amtrak, promoting that visitors use Amtrak for their visits to Whitefish. Now with long delays and local passenger arrival and departure schedules that are inconvenient for comfortable travel, the numbers of local passengers is down 19% from last year. The WCVB is less likely to recommend that visitors use that mode of travel, and more trains will cause more delays and worse scheduling. She said it is an important issue for the economy in Whitefish.

Melissa Hartman, 436 Park Avenue, said she was in support of what Steve Thompson said. There are many reasons for local concern and she encouraged the Council's approval of the resolution.

Matt Jones, BNSF Railway Public Affairs Regional Director from Bozeman, had written comments that he submitted to the Council. He said BNSF takes very seriously the community's interest in the movement of freight through the area and he hopes his information will be useful for their consideration. He said BNSF does not expect the City of Whitefish will experience impacts specific to these projects, he said nothing at this time indicates that a substantial amount of coal traffic originating on the Tongue River Railroad in Southeastern Montana will travel through Whitefish. He said it depends on market conditions; coal from the Otter Creek Mine could travel to domestic utilities in the Midwest so would travel eastbound and not through Whitefish. Some deliveries from that mine could displace other coal orders, resulting in no net increase in volume. He said depending on market conditions, it is unlikely the projects will have any measurable impact on rail traffic through Whitefish. He said the STB is projecting that its draft Environmental Impact Statement for the Tongue River Railroad will be released during the first half of 2015 and anyone interested will have the opportunity to comment in writing during the public comment period. He said BNSF is extremely grateful for the strong partnership they share with the City of Whitefish, and he thanked the Council for their service.

There being no further public comment, Mayor Muhlfeld closed the public hearing and turned the matter over to the Council for their consideration.

Councilor Hildner made a motion, second by Councilor Barberis, to adopt Resolution No. 14-39; A Resolution of the City Council of the City of Whitefish, Montana, to request that the Surface Transportation Board and Montana Department of Environmental Quality hold public hearings in western Montana, including Whitefish, during the review process for the proposed Tongue River Railroad and Otter Creek Mine in Southeast Montana; and to direct City Manager Stearns to send the letters to both the Surface Transportation Board and to Montana Department of Environmental Quality as the one contained in the packet with the text amendment to hold hearings “in Whitefish and”, instead of “in Whitefish or”, as discussed prior to the public hearing.

Some discussion between Council and staff regarding whether or not the numbers within the proposed resolution have been vetted (i.e. 1.3 billion tons of coal and 2.5 billion tons of carbon dioxide). Councilor Hildner said the 1.3 billion tons of coal is a matter of record of coal contained in the Otter Creek Tracts, and he thought the 2.5 billion tons of carbon dioxide was a conservative estimate.

Councilor Anderson offered an amendment, second by Councilor Sweeney, to rephrase the fourth (4th) Whereas paragraph to read after “which if burned would result in adding” add “carbon dioxide to the atmosphere”, and strike the approximate number tons of carbon dioxide.

More discussion followed regarding the proposed 4th and 5th Whereas paragraphs regarding carbon dioxide and climate change and whether or not this was dealing with train traffic through Whitefish.

Councilor Anderson withdrew his amendment, and the second agreed.

Councilor Feury offered an amendment, second by Councilor Frandsen, to delete the 4th and 5th Whereas paragraphs from the proposed resolution, and amend what would now be the 4th and 5th Whereas paragraphs by replacing would with could so they now read:

“Whereas, developing the Otter Creek Mine and building the Tongue River Railroad could lead to increased coal train traffic through Whitefish; and

Whereas, that increased traffic could add to the congestion already caused by Bakken crude oil trains that have contributed to delays and adverse rescheduling of Amtrak’s Empire Builder route and increasing delays at two at-grade crossings, Birch Point and Second Street, in Whitefish; and”

The amendment was approved on a vote of four (4) to two (2), Councilors Hildner and Barberis voting in opposition.

Mayor Muhlfeld said he would like to get on record that the City is appreciative of the long-standing positive relationship with BNSF; the local employment they provide, their co-hosting of the recent open house regarding emergency response including emergency service’s plans, their successful efforts in the railway district and river cleanup topped off by the donation of land for a canoe landing park, and he appreciates the working relationship he has with Director Matt Jones who has indicated to him that the staff at BNSF also appreciates the better working relationship with the community of Whitefish. He stated that tonight’s action is not to belie all of that but just to indicate this community’s interest in a public process.

The motion to approve Resolution 14-39, as amended, passed unanimously.

Manager Stearns said he would prepare the second letter.

- c) Ordinance No. 14-09; An Ordinance amending Whitefish City Code Section 9-1-4 regarding false fire alarms to include all false alarms, and to provide registration requirements for all alarm system companies and administrative fees (1st Reading) (p. 92) (CD 57:05)**

Fire Chief Kennelly said this was first brought to the Council in a work session in February of this year, and upon direction from the Council he and Police Chief Dial met with partners in the community through the Chamber of Commerce, and the alarm companies and feel now they have a fair and equitable proposal so that they can, even with their limited resources and manpower, meet the needs of the community; that will also provide some accountability for the false alarms they are responding to. If the Council adopts this ordinance, a resolution establishing fees will follow.

Mayor Muhlfeld opened the public hearing.

Chris Hyatt, 611 Somers Avenue, said that on behalf of the Chamber of Commerce, he thanked Fire Chief Kennelly and Police Chief Dial for working together with the Chamber; the Chamber feels the results are optimum and they support the approval of this ordinance.

Brian Labooda, 601 Park Avenue and a member of the Chamber of Commerce, also thanked the Police and Fire Chiefs for their time they took to meet with the business community addressing their concerns on this issue.

Councilor Feury made a motion, second by Councilor Frandsen, to approve Ordinance No. 14-09; An Ordinance of the City Council of the City of Whitefish, Montana, amending Whitefish City Code Section 9-1-4 regarding false fire alarms to include all false alarms, and to provide registration requirements for all alarm system companies and administrative fees, on its first reading. The motion passed unanimously.

d) Resolution No. 14-___; A Resolution to repeal Resolution No. 09-06 adopting the 2009 Weed Management Plan (p. 99) (CD 1:09:37)

Parks and Recreation Director Butts said in 2009 the Council adopted Resolution No. 09-06, adopting the 2009 Weed Management Plan (Plan) that is an all-encompassing plan directing how the Parks Department manages noxious weeds within city parks and properties. Currently at issue is the dandelion problem at Soroptomist Park; where the Plan calls out specifically for a product called “Dead Eye”, a vinegar based product that varies from the standard products the department regularly uses to manage weeds. Historically, the neighbors around Soroptomist Park agreed to hand pull dandelions and weeds to prevent the need for standard sprays. Dandelions and weeds have surpassed the neighborhood’s control and the park has a major weed problem. The specificity of the plan in this instance and others has led to the City Parks and Recreation Department finding the Plan impractical, outdated and failing to allow for continued innovation in weed management practices; and the Park Board is recommending a full repeal of the Plan. The Park Board and the Department does not recommend to replace the Plan with a new one, but rather allow the Department to oversee weed management as needed.

Mayor Muhlfeld opened the public hearing.

Jan Metzmaker, 915 Dakota Avenue, said she has been on the Weed Control Advisory Committee since it was established; and the Committee worked with staff member Dru Dennison creating the 2009 Weed Management Plan. She said it was the product of a lot of hard work and she thinks there is part of the plan that could still be utilized, and she asked the Council not to throw out the whole plan.

There was no other public comment and Mayor Muhlfeld closed the public hearing and turned the matter over to the Council for their consideration. Discussion followed between Council and staff. There was concern about repealing a plan that seems to not be working for just one park, but there was also concern that the Plan does not allow for continued innovation and improvement on weed management.

Councilor Hildner made a motion, second by Councilor Anderson, to table. The motion passed with five (5) ayes and one (1) no vote. Councilor Sweeney voted in opposition.

Mayor Muhlfeld recapped that the Council's direction is for the Parks and Recreation Department, the Park Board, and the Weed Committee work together to review and recommend changes to the current Plan as they see fit, and bring it back for Council's consideration. At that time, upon Council's approval of a revised plan, they would act on the request to repeal the 2009 Plan. He said he had been contacted by residents that live adjacent to Soroptomist Park who are in favor of spraying; so he said the weeds are an issue and need to be addressed.

7) COMMUNICATIONS FROM PLANNING AND BUILDING DIRECTOR (CD 1:28:03)

a) Discussion and direction to staff regarding the Whitefish Lake and Lakeshore Protection Committee (p. 144)

Planning and Building Director Taylor said the Whitefish Lake and Lakeshore Protection Committee (Committee) now sits in limbo as did the City-County Planning Board before Council's action rectified that by creating the Whitefish Planning Board. It is because the Committee is authorized by an interlocal agreement that is now null and void since the July 15, 2014 decision that came down from the Montana Supreme Court. Without the agreement, applications for lakeshore construction that are within the City are either granted administratively if they qualify for that type of permit, or are brought to Council for action. The County is accepting applications from County lands on the lake, and are using regulations adopted by the Council in 2004; and are requiring the applicant to sign a waiver agreeing not to take their application to a lakeshore committee. He said the County is holding another hearing on Tuesday, September 9th, to discuss these issues again and the Council would have the option to send their word down to the Commissioners requesting they continue working together as in the past, on lakeshore permits, and continue a joint city-county Committee. If the Commissioners decide against having a joint committee, the Council does have other options. The Planning Office can continue to issue permits administratively (on qualified applications), and bring the rest of the applications to the Council with staff recommendations, the Council could establish a City Committee to review applications and forward to the Council with committee recommendations, or there might be the possibility that applications could go through the Planning Board as provided by State Law. Director Taylor said he thought the best way was to continue was the way it has been, with a joint city-county committee, but it would require an interlocal agreement. Additionally, he said he thought it was important to have consistent regulations, that both governing bodies are using the same regulations so all properties are treated the same.

Councilor Feury made a motion, second by Councilor Frandsen, directing staff (however staff wants to proceed) to solicit the County to continue the cooperative relationship with the Whitefish Lakeshore Regulations.

A discussion followed on the merits of the continued cooperative relationship with one set of regulations, a joint city-county committee, making recommendations for final action to each of the governing bodies, county lands to the County, city lands to the City. Mayor Muhlfeld asked Director Taylor if he would draft a letter to the County Commissioners conveying these sentiments, and send the draft around for his and Manager Stearns' review. Director Taylor said he would prepare a letter for the Mayor's signature.

The motion passed unanimously.

8) COMMUNICATIONS FROM PUBLIC WORKS DIRECTOR (CD 1:37:56)**a) Consideration of amendment #1 to the engineering design contract with WGM Group consulting engineers for the Monegan Road Stormwater Project (p. 164)**

Public Works Director Wilson said this was discussed during the FY15 Budget Worksessions with the Mayor and Council regarding the Department's plans for the Monegan Road Storm Drainage Improvements. He explained that this award would move the project forward with detailed design for Phase 1 Improvements; including measures to control the seasonal flooding of Monegan Road from the pond overflow from the property on the east side of the road, providing for drainage to an outfall through a natural channel west of the treatment plant property. He mentioned that with the City's consideration of possible cemetery expansion on a portion of this property, groundwater issues may be managed with drains designed to flow into the same outfall. The Public Works Department has negotiated a fee not to exceed \$24,484 for professional services under Amendment No. 1 to cover the scope of work as described on page 164 of the Council's packet, to be expended from the FY15 Stormwater Fund budget.

Council and staff had discussion regarding the fact that part of the project benefits private property that lies outside the city limits; and staff pointed out the overflow of that pond causes the city to close Monegan Road at times. Monegan Road is the City's responsibility to maintain, and this phase of the improvement project will help the City toward that end.

Councilor Frandsen made a motion, second by Councilor Feury, to approve Amendment No. 1 to the WGM Group consultant agreement for the Whitefish Storm Drainage Improvement Project, with a scope of work as described in the staff report at a cost not to exceed \$24,484. The motion was approved on a four (4) to two (2) vote, Councilors Anderson and Sweeney voting in opposition.

b) Consideration of awarding the contract for the 2014-2015 street overlay projects (p. 167) (CD 1:46:18)

Director Wilson said in his staff report on page 167 in the Council packet, he is recommending the City Council rejects all bids and re-advertise for bids next January – the short delay should not cause any problems. At issue is whether or not to allow recycled asphalt pavement; and he felt the City should do more research on the study before approving it. He said after further study, they may find there should be specification and testing requirements done on the product before it is allowed. Council discussed the options and Director Wilson said he just doesn't want to use the product until he learns more about it, so he recommends rejecting all bids at this time.

Councilor Anderson made a motion, second by Councilor Barberis, to authorize rejection of all bids for the 2014-2015 street overlay projects and to publish advertisements in January 2015. The motion passed five (5) to one (1), Councilor Frandsen voting in opposition.

9) COMMUNICATIONS FROM CITY MANAGER (CD 1:56:18)

- a) **Written report enclosed with the packet. Questions from Mayor or Council? (p. 169) –**
None.
- b) **Other items arising between August 27th and September 2nd**

City Manager Stearns reported on the progress of the City Hall Steering Committee. At the August 21, 2014 meeting the Committee continued working with the architects from Mosaic Architecture on conceptual plans. His Manager's Report contains a report on that meeting.

Manager Stearns also reported he had received a resignation from Parks Facilities Manager Andy Hergesheimer that was effective at noon, today.

Councilor Frandsen had asked him for a status report on the Depot Park Restrooms. The stainless steel fixtures were delayed a couple weeks but are in now. The latest delay is with the automatic locking doors, that system needs to be coordinated with the Police Department. He knows the engineer and contractors on the project are aware that the City wants those restrooms to be operative as soon as possible.

10) COMMUNICATIONS FROM MAYOR AND CITY COUNCILORS (CD 1:59:12)

Councilor Hildner asked for a follow-up report on the late-night litter downtown. Director Taylor said he contacted the street vendor who said he felt they did clean-up after each night; but the vendor said he would remind his employees to make sure it was done. Director Taylor said he was leaving it up to the Police Department to talk to the bar owners. Councilor Hildner asked if there was a report on the spill exercise that was done on the Middle Fork and Mayor Muhlfeld said he did speak to Matt Jones about that who said they thought it was partly successful. Part of the test was to check the effectiveness of the technology and technique and the outcome will be helpful for them as they update their emergency response plans. Councilor Hildner said he would like staff to respond to the two abandoned signs mentioned during public comment – one at the old North Valley Hospital site and the other one at Wendy's. Director Taylor said he will follow up.

Councilor Frandsen asked if anyone on the Council would join her in a request for review of hardship regarding abandoned signs and if there is a timely revisit of the hardship. Director Taylor said he didn't think the code allowed for hardship; in the case of the old North Valley Sign, the applicant was allowed to wrap it for a time because the applicant had said they couldn't afford to take it down at the time, and that was allowed by the Department, so that needs to be followed up on. But generally, he said, the code doesn't allow for that. The sign code currently has an amortization schedule regarding abandoned signs. Councilor Frandsen said she'd like to have staff look into the helicopter landing incident and research whether or not non-emergency aircraft are allowed to land in city limits. Other Councilors agreed. Mayor Muhlfeld said Mike Jenson had brought this up a few years ago and he wondered if Attorney VanBuskirk has done any research on this subject. Attorney VanBuskirk advised it could be looked at as a zoning issue, otherwise, she said, the FAA has jurisdiction over airspace.

Mayor Muhlfeld said he would like to give his appreciation to Andy Hergesheimer for his management of park facilities; he had not heard until tonight that he was leaving. All the Mayor had

ever received over the years of Andy's employment with the City had been stellar reports from the people he interacted with.

Attorney VanBuskirk requested an alternate be appointed by Council to serve in the Council position on the Whitefish Planning Board, to have the position covered in case Councilor Sweeney, the current Council appointee, could not attend a meeting. Councilor Hildner volunteered.

Councilor Anderson made a motion, second by Councilor Frandsen, to appoint Councilor Hildner as the alternate Councilor to serve on the Whitefish Planning Board. The motion passed unanimously.

Director Taylor said they have to publish notice of Planning Board Meetings 14 days in advance, so the next Board meeting will be September 24, 2014.

11) ADJOURNMENT (Resolution 08-10 establishes 11:00 p.m. as end of meeting unless extended to 11:30 by majority) (CD 2:08:05)

Mayor Muhlfeld adjourned the meeting at 9:18 p.m.

Mayor John M. Muhlfeld

Attest:

Necile Lorang, Whitefish City Clerk

ORDINANCE NO. 14-08

An Ordinance of the City Council of the City of Whitefish, Montana, providing that the Whitefish City Code be amended by adding Title 2, Chapter 15, providing for the creation of the Whitefish Planning Board, consistent with State law, and repealing Section 11-7-4.

WHEREAS, the City Council enacted Title 2, Chapter 1, to the Whitefish City Code, by Ordinance No. 01-06, establishing memberships and organization of City boards and committees; and

WHEREAS, by WCC Section 2-1-2, the provisions of Title 2, Chapter 1, to the Whitefish City Code did not apply to the City-County Planning Board as some of its members were appointed by agencies other than the City; and

WHEREAS, the Flathead County Board of County Commissioners has taken action to dissolve the Whitefish City-County Planning Board, assume jurisdiction of the extraterritorial area around Whitefish, and exercise its election for the City to create a city planning board; and

WHEREAS, the City Council adopted Emergency Ordinance No. 14-07 on August 18, 2014, providing for the creation of an Interim Whitefish Planning Board; and

WHEREAS, the City Council desires to adopt an Ordinance providing for the creation of a city planning board as a standing committee of the City and establish the Whitefish Planning Board, its membership, powers, and duties, consistent with State law; and

WHEREAS, the City Council desires to repeal WCC Section 11-7-4 and all Resolutions, Ordinances and Sections of the Whitefish City Code in conflict with the application of this Ordinance.

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

Section 1: STANDING COMMITTEE ESTABLISHED: Pursuant to and under the provisions of Title 76, Montana Code Annotated, the City Council of the City of Whitefish does create and establish a city planning board to be known as the "Whitefish Planning Board" consistent with State law by adding Title 2, Chapter 15, WCC, and repealing Section 11-7-4, WCC.

Section 2: PURPOSE, POWERS AND DUTIES: By this chapter, the City Council of the City of Whitefish adopts all of the sections of the laws of Montana aforementioned that specifically pertain to a city planning board, granting and delegating to the Whitefish Planning Board all of the rights, privileges, powers, duties, and responsibilities thereto appertaining. The Whitefish Planning Board shall have such jurisdiction as provided by State law.

Section 3: MEMBERSHIP: The Whitefish Planning Board shall consist of seven (7) members, residing within the corporate limits of the City of Whitefish, to be appointed as follows:

- A. One member appointed by the City Council from its own membership;
- B. One member appointed by the City Council who, at the Council's discretion, may be an employee of the City of Whitefish or hold public office in Whitefish or Flathead County;
- C. One member appointed by the Mayor upon designation by the Flathead County Board of Commissioners, who may be a member of the Board of County Commissioners or an office holder or employee of the County; and
- D. Four citizen members appointed by the Mayor, who shall be qualified by knowledge and experience in matters pertaining to the development of the City.

Board members shall receive no compensation.

Section 4: TERMS: POSITIONS: Board terms shall be two (2) years. There are hereby created positions numbered one (1) through seven (7) inclusive of the members of the Whitefish Planning Board. Members serving on the effective date of this Chapter shall be assigned to positions that correspond with the following expiration dates:

<u>POSITION NUMBER</u>	<u>TERM EXPIRATION DATE</u>
1	December 31, 2015
2	December 31, 2015
3	December 31, 2015
4	December 31, 2015
5	December 31, 2016
6	December 31, 2016
7	December 31, 2016

As each of the above listed expiration dates has past, a member appointed to the position shall serve for a two (2) year term. Terms shall begin on January 1 following the initial expiration of the preceding term. At the discretion of the City Council, members may be appointed for more than one term.

Section 5: REMOVAL OF MEMBER: A member of Whitefish Planning Board may be removed from the board by majority vote of the City Council for cause upon written charges and after a public hearing. Willful disregard of State statutes, City ordinances and the rules of procedure of the board, or absences from three (3) consecutive meetings, including regular and special work sessions, or absences from more than fifty percent (50%) of such meetings held during the calendar year shall constitute cause for removal. Circumstances of the absences shall be considered by the City Council prior to removal.

Any person who knows in advance of his or her inability to attend a specific meeting shall notify the chair or secretary of Whitefish Planning Board at least twenty-four (24) hours prior to any scheduled meeting.

Section 6: VACANCY: Pursuant to Sections 3 and 4, any vacancy on Whitefish Planning Board shall be filled by the City Council acting in a regular or special session for the unexpired term of the Position wherein the vacancy exists. The City Council may appoint members of the City Council to temporarily fill vacant positions on Whitefish Planning Board.

Section 7: ORGANIZATION: Whitefish Planning Board, at its first meeting after January 1 of each year, shall elect a chair and vice-chair for the next twelve (12) month period. Upon the absence of the chair, the vice-chair shall serve as chair pro tem. If a vacancy occurs in the chair or vice-chair positions, the board shall elect a member to fill the vacancy at the next meeting.

Section 8: MEETINGS; RULES AND REGULATIONS: Four (4) members of Whitefish Planning Board shall constitute a quorum. Not less than a quorum of the board may transact any business or conduct any proceedings before the board. The concurring vote of four (4) members of the board shall be necessary to decide any question or matter before the board, except a motion for a continuance and motions to elect a chair and vice-chair may be decided by a simple majority vote of the board. The board shall adopt rules of procedure for the conduct of meetings consistent with statutes, the City Charter, ordinances and resolutions. Meetings of the board shall be held at the call of the chair and at such other times as the board may determine. All meetings shall be open to the public.

Section 9: EXPENDITURE AUTHORIZED: Whitefish Planning Board shall not have authority to make any expenditures on behalf of the City or disburse any funds provided by the City or to obligate the City for any funds except as has been included in the City budget and after the City Council shall have authorized the expenditure by resolution, which resolution shall provide the administrative method by which funds shall be drawn and expended.

Section 10: WCC Section 11-7-4 is hereby repealed.

Section 11: All resolutions, ordinances and Sections of the Whitefish City Code and parts thereof in conflict with the application of this Ordinance are hereby repealed.

Section 12: In the event any word, phrase, clause, sentence, paragraph, section or other part of the Ordinance set forth herein is held invalid by a court of competent jurisdiction, such judgment shall affect only that part held invalid, and the remaining provisions thereof shall continue in full force and effect.

Section 13: This Ordinance does not affect the rights or duties that matured, penalties and assessments that were incurred or proceedings that began before the effective date of this Ordinance.

Section 14: This Ordinance shall take effect thirty (30) days after its adoption by the City Council of the City of Whitefish, Montana, and signing by the Mayor thereof.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF WHITEFISH, MONTANA, THIS _____ DAY OF _____, 2014.

John M. Muhlfeld, Mayor

ATTEST:

Necile Lorang, City Clerk

Return to: Necile Lorang, City Clerk
City of Whitefish
PO Box 158
Whitefish, MT 59937-0158

RESOLUTION NO. 14-___

A Resolution extending the corporate limits of the City of Whitefish, Montana, to annex within the boundaries of the City 1.050 acres of land in Section 1, Township 30 North, Range 22 West, that will become a part of 6348 Highway 93 South, for which the owner has petitioned for and consented to annexation.

WHEREAS, HDH Holdings, LLC, by and through Howard D. Hamilton, Manager, on behalf of Property Owner, has filed a Petition for Annexation with the City Clerk requesting annexation and waiving any right of protest to annexation as the sole owner 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 September 15, 2014 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 15TH DAY OF SEPTEMBER, 2014.

John M. Muhlfeld, Mayor

ATTEST:

Necile Lorang, City Clerk

EXHIBIT 'A'

A TRACT OF LAND, SITUATED, LYING AND BEING IN THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 30 NORTH, RANGE 22 WEST, P.M.,M., FLATHEAD COUNTY, MONTANA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS TO WIT:

Commencing at the southeast corner of Lot 2, Dear Tracts Subdivision (records of Flathead County, Montana), which is a found iron pin on the westerly R\W of U.S. Highway No. 93; Thence leaving said R\W N87°38'54"W 778.66 feet to a found iron pin; Thence N28°36'58"E 229.37 feet to a found iron pin on the north boundary of said Dear Tracts Subdivision; Thence along said north boundary S87°41'06"E 82.74 feet to a set iron pin and the TRUE POINT OF BEGINNING of the tract of land herein described; Thence leaving said north boundary N00°01'06"E 125.60 feet to a found iron pin; Thence S89°33'55"E 351.38 feet to a found iron pin; Thence S02°35'28"W 137.03 feet to a set iron pin on the north boundary of Dear Tracts Subdivision; Thence along said north boundary N87°41'06"W 345.50 feet to the point of beginning and containing 1.050 ACRES; Subject to and together with all appurtenant easements of record.

Necile

Return to: Necile Lorang, City Clerk
City of Whitefish
PO Box 158
Whitefish, MT 59937-0158

PETITION
BEFORE THE CITY COUNCIL
OF THE
CITY OF WHITEFISH

PETITION FOR ANNEXATION TO CITY

Dated this 29th day of AUGUST, 2014.

The undersigned Property Owner hereby petitions the City Council of the City of Whitefish, pursuant to Section 7-2-4601(3)(a), MCA, requesting annexation of the following real property into the City of Whitefish and to remove the following real property from the Rural Fire District.

This petition is pursuant to the Contract Agreement for Annexation and City Water and/or Sanitary Sewer Service dated the 29th day of AUGUST, 2014.

Petitioner agrees that this annexation petition is irrevocable, and that the City may act on this petition, and actually accomplish the annexation of such real property, at any time in the future, without limitation. Petitioner has had an opportunity to review the City of Whitefish Plan for Extension of Services applicable to such real property, and Petitioner is satisfied with such Plan.

LEGAL DESCRIPTION OF PROPERTY TO BE ANNEXED: SEE EXHIBIT A

PROPERTY ADDRESS: 6348 Hwy 93 S, WHITEFISH, MT. 59937
ZONED AS: WLR /WB2
HDH Holdings, LLC

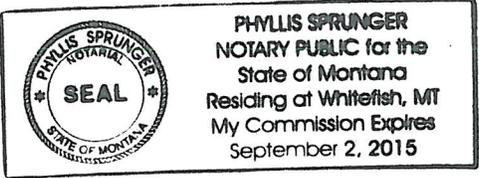
X By: Howard D. Hamilton
Howard D. Hamilton
Howard D. Hamilton, Manager [Printed Name] [Printed Name]

STATE OF Montana)
County of Flathead) :ss

On this 3rd day of Sept., 2014 before me, the undersigned, a Notary Public in and for the state aforesaid, personally appeared Howard D. Hamilton and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he/she/they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year last above written.

(SEAL)



Phyllis Sprunger
Notary Public for the State of Montana
Print or Type Name of Notary: Phyllis Sprunger
Residing at Whitefish
My Commission expires: 9-2-15

12/21/14

EXHIBIT 'A'

A TRACT OF LAND, SITUATED, LYING AND BEING IN THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 30 NORTH, RANGE 22 WEST, P.M.,M., FLATHEAD COUNTY, MONTANA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS TO WIT:

Commencing at the southeast corner of Lot 2, Dear Tracts Subdivision (records of Flathead County, Montana), which is a found iron pin on the westerly R\W of U.S. Highway No. 93; Thence leaving said R\W N87°38'54"W 778.66 feet to a found iron pin; Thence N28°36'58"E 229.37 feet to a found iron pin on the north boundary of said Dear Tracts Subdivision; Thence along said north boundary S87°41'06"E 82.74 feet to a set iron pin and the TRUE POINT OF BEGINNING of the tract of land herein described; Thence leaving said north boundary N00°01'06"E 125.60 feet to a found iron pin; Thence S89°33'55"E 351.38 feet to a found iron pin; Thence S02°35'28"W 137.03 feet to a set iron pin on the north boundary of Dear Tracts Subdivision; Thence along said north boundary N87°41'06"W 345.50 feet to the point of beginning and containing 1.050 ACRES; Subject to and together with all appurtenant easements of record.

Return to: Necile Lorang, City Clerk
City of Whitefish
PO Box 158
Whitefish, MT 59937-0158

**CONTRACT AGREEMENT FOR ANNEXATION AND
CITY WATER AND/OR SANITARY SEWER SERVICE**

THIS AGREEMENT is entered into as of 29th day of August, 2014, by and between the City of Whitefish, a municipal corporation ("CITY") as grantor of City water and/or sanitary sewer services, and HDH HOLDINGS LLC ("OWNER"), as grantee recipient(s) of City water and/or sanitary sewer services, whose mailing address is P.O. Box 961, Whitefish, MT 59937 with respect to the following facts:

- A. CITY owns and operates a municipal water and sanitary sewer system.
- B. OWNER is the sole owner of the real property that is legally described below, or as fully disclosed and shown on Exhibit "A" attached and made a part of this Agreement ("OWNER'S REAL PROPERTY"):

LEGAL DESCRIPTION

SEE EXHIBIT A

- C. OWNER'S REAL PROPERTY is located outside of the current corporate limits of the CITY.
- D. OWNER desires to obtain municipal water/sewer service from the CITY to serve OWNER'S REAL PROPERTY.
- E. The parties desire to enter into an Agreement pursuant to MCA §§ 7-13-4312 and 7-13-4314, for the CITY to furnish municipal water and/or sanitary sewer service at rates adopted in accordance with Montana State Law in return for OWNER'S agreement that OWNER'S REAL PROPERTY may be annexed to the corporate limits of the CITY at any time.

In consideration of the performance of the terms and conditions of this Agreement on the part of each party, and pursuant to MCA §§ 7-13-4312 and 7-13-4314, it is hereby

agreed as follows:

(1) Furnishing of Sewer Services: The CITY hereby agrees to furnish municipal water and/or sanitary sewer service to OWNER'S REAL PROPERTY. Unless otherwise agreed in writing between the parties, OWNER shall be solely responsible for all costs involved in extending municipal water and/or sanitary sewer service to OWNER'S REAL PROPERTY and connecting OWNER'S REAL PROPERTY to the municipal water and/or sewer system. Nothing in this Agreement shall obligate CITY to pay the costs of right-of-way acquisition, engineering, construction and other related costs involved in extending or connecting municipal water and/or sewer service to OWNER'S REAL PROPERTY.

(2) Municipal Water and/or Sanitary Sewer Connections: Upon approval by the CITY Public Works Department of the design and construction of all the municipal water and/or sanitary sewer lines and other facilities necessary to serve OWNER'S REAL PROPERTY, and acceptance of all of such water and/or sewer facilities by the CITY, OWNER will be given permission to connect no more than *See Deer Tract* connection to the CITY'S municipal water and/or sanitary sewer system. Any additional *amended plat* water and/or sewer connections shall require a new application for service and approval *and PUD* obtained from the CITY Public Works Department.

See Deer Tract Amended Plat + PUD
Upon approval by the CITY Public Works Department, OWNER will be given permission to extend _____ water and sanitary sewer stubs from the municipal sanitary main to the property line of the property described herein. Any additional water and/or sanitary sewer stubs shall require a new application for CITY water and/or sanitary sewer service. Prior to connecting any residential or commercial building or any other structure to the water and/or sanitary sewer service stub-out(s), a request must be submitted to CITY for municipal water and/or sanitary sewer service describing the use of the building proposed to be connected. Any connections must comply with the Rules and Regulations for the City of Whitefish Water, Wastewater and Garbage Utility. The request is to be reviewed and approved by CITY prior to any connection of a residential or commercial building, or other structure. No residential or commercial building or any other structure shall be allowed to connect to the municipal water and/or sanitary sewer service extension unless approval has first been obtained from the CITY Public Works Department.

(3) Transfer of Title: Within thirty (30) days of the completion of the construction and CITY acceptance of the said water and/or sanitary sewer extension, OWNER hereby agrees to transfer, or cause to be transferred to CITY by appropriate documents any right, title and interest that OWNER may have in the municipal water and/or sanitary sewer lateral and main extensions to be built by OWNER to provide service to the herein described property.

OWNER agrees that the municipal water and/or sanitary sewer line extension to the property shall be constructed in a public right-of-way or on land either owned by OWNER or subject to an appropriate easement approved by CITY, granting OWNER, CITY, and their successors and assigns the right to construct, repair, and maintain the sanitary

sewer extension lines. If any portion of the lateral extension is constructed on land owned by OWNER at the time OWNER transfers their interest in the sanitary sewer extension line to the CITY, they shall also grant the CITY an appropriate easement for construction, repair, and maintenance of the municipal water and/or sanitary sewer extension lines. The CITY shall not be required to accept any previously constructed water or sewer lines unless they are properly located in the right-of-way or a valid easement.

(4) Maintenance: Upon completion and acceptance of construction and the approval of access to the municipal water and/or sanitary sewer lines constructed in easements, maintenance, and repair of the mains servicing OWNER'S REAL PROPERTY shall become and remain the responsibility of CITY. Maintenance and repair of the lateral service lines serving the OWNER'S REAL PROPERTY shall become and remain the responsibility of the OWNER.

(5) Rates, Rules and Policies: OWNER agrees to pay to the CITY such charges, rates, and fees, including but not limited to connection fees and impact fees, as are established by the CITY in accordance with Montana Law. In addition, OWNER agrees to comply with and be subject to all of the CITY'S rules, regulations and policies, as amended from time to time, with respect to the operation of the CITY'S municipal water and/or sanitary sewer system.

(6) Consent to Annexation: OWNER acknowledges and agrees that the CITY is willing to provide municipal water and/or sanitary sewer services only if OWNER provides all of the promises and representations contained in this Agreement. Pursuant to MCA § 7-13-4314, the CITY requires that any person, firm, or corporation outside of the incorporated CITY limits is required, as a condition to initiate such service(s), to consent to and petition for annexation of the tract served by the CITY, and in consideration for the CITY'S agreement to provide municipal water and/or sanitary sewer service, OWNER agrees to consent to annexation under the following conditions and in the following manner:

- a) OWNER hereby irrevocably consents to the annexation of OWNER'S REAL PROPERTY, and OWNER irrevocably waives any right of protest to any annexation proceedings initiated by the CITY. OWNER agrees that the CITY may initiate annexation of OWNER'S REAL PROPERTY, relying upon this consent and waiver of protest, at any time in the future, without limitation. OWNER acknowledges that, but for this waiver, OWNER would have a right to protest the annexation of OWNER'S REAL PROPERTY.
- b) OWNER hereby petitions to have OWNER'S REAL PROPERTY annexed to the CITY, pursuant to MCA § 7-2-4601, et seq. OWNER agrees that the CITY may act on this petition at any time in the future, without limitation. OWNER furthermore expressly waives the provisions of MCA § 7-2-4608, which provides, in effect, that no property used for agricultural, mining, smelting, refining, transportation, or any industrial or manufacturing purposes or for any purpose incident thereto shall be annexed pursuant to the provisions of MCA § 7-2-4601, et seq.

- c) OWNER hereby signs the petition requesting annexation attached to and made a part hereof under this Agreement for municipal water and/or sanitary sewer services at the time of signing this Agreement. Such Petition shall be filed with the City Clerk.
- d) OWNER acknowledges and agrees that OWNER has had an opportunity to inspect the contents of the CITY'S Plan for Extension of Services, as adopted by the CITY, and which describes the manner in which CITY services may be extended to properties annexed by the CITY. OWNER acknowledges and agrees that OWNER is satisfied with the CITY'S Plan for Extension of Services, and that the CITY'S Plan for Extension of Services adequately provides for the extension of CITY services to OWNER'S REAL PROPERTY. OWNER hereby waives the right to object or otherwise challenge the CITY'S Plan for Extension of Services.
- e) OWNER hereby irrevocably waives for all time the right to file an action in court to challenge, for any reason, the CITY'S annexation of OWNER'S REAL PROPERTY, whether such annexation occurs now or in the future.
- f) OWNER acknowledges and agrees that all of OWNER'S REAL PROPERTY, as described above, will clearly and immediately, and not merely potentially, be serviced by the municipal water and/or sanitary sewer service to be provided by the CITY pursuant to this Agreement.
- g) OWNER agrees that if ever OWNER, their heirs, assigns, successors, purchasers, administrators, personal representatives or subsequent holders of title to OWNER'S REAL PROPERTY, breach, challenge, disregard, or otherwise violate any of the terms of this Agreement, the CITY may, after providing twenty (20) days written notice, terminate water and/or sanitary sewer services to OWNER'S REAL PROPERTY, in addition to any other remedies that the CITY may have.
- h) OWNER agrees that if OWNER, in violation of this Agreement, submits a protest to the annexation of OWNER'S REAL PROPERTY, the CITY may disregard such protest, in addition to any other remedies that the CITY may have.
- i) The promises, covenants, representations, and waivers provided pursuant to this Agreement are voluntarily and knowingly given, with full knowledge of the OWNER'S legal rights. OWNER acknowledges and agrees that it is has had an opportunity to consult with legal counsel of its choice regarding the provisions of this Agreement.

(7) **Recording; Binding Effect:** OWNER agrees that this entire Agreement shall be recorded in the office of the Clerk and Recorder of Flathead County, and OWNER agrees that this Agreement shall run to, with, and be binding upon OWNER'S REAL PROPERTY and OWNER'S title to such real property, and shall be binding upon the OWNER'S heirs, assigns, successors, administrators, personal representatives and any and

all subsequent holders or owners of OWNER'S REAL PROPERTY.

(8) Future Deeds: Subsequent to this Agreement all deeds to parcels of land within the property subject to this Agreement granted by OWNER shall contain the following consent to annexation and waiver:

The Owner hereby covenants and agrees that acceptance of this deed does constitute a waiver of the statutory right of protest against any annexation procedure initiated by the City of Whitefish with respect to the property described herein. Owner also agrees that acceptance of a deed constitutes an obligation on the part of Owner to initiate annexation procedures per the Petition to Annex on file at the City Clerk's Office.

This consent to annexation and waiver shall run with the land and shall forever be binding upon the Owner, transferees, successors and assigns.

OWNER agrees that this Agreement shall be binding even if OWNER fails to include the language set forth above in future deeds. After annexation of OWNER'S REAL PROPERTY, future deeds need not contain the language set forth above.

(9) Term: This Agreement shall be in perpetuity.

(10) Entire Agreement: This Agreement contains the entire agreement between the parties and any additional agreement hereafter made shall be ineffective to alter, change, modify or discharge it in whole or in part, unless such additional agreement is in writing and signed by the parties hereto.

(11) Partial Invalidity: Each term, covenant, condition or provision of this Agreement shall be viewed as separate and distinct, and in the event that any such term, covenant, condition or provision shall be held by a court of competent jurisdiction to be invalid, the remaining provisions shall continue in full force and effect.

(12) Necessary Acts: Each party to this Agreement agrees to perform any further acts and execute and deliver any further documents that may be reasonably necessary to carry out the provisions of this Agreement.

CITY OF WHITEFISH

By: Charles C. Stearns
Charles C. Stearns, City Manager

OWNER(S)
HDH Holdings, LLC

By: Howard D. Hamilton
Howard D. Hamilton
[Printed Name] Howard D. Hamilton,
Manager

[Printed Name]

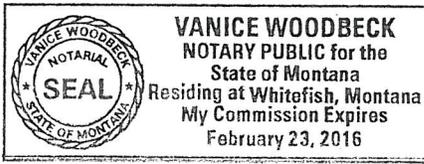
ATTEST:

Necile Lorang
Necile Lorang, City Clerk

STATE OF MONTANA)
) ss.
County of Flathead)

On this 5 day of September, 2014, before me, the undersigned, a Notary Public in and for the State of Montana, personally appeared CHARLES C. STEARNS and NECILE LORANG, known to me to be the City Manager and City Clerk of the City of Whitefish, whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year last above written.



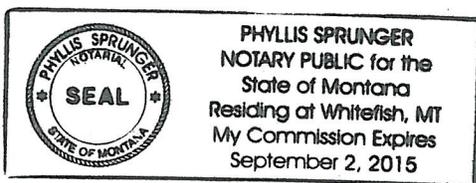
Vanice Woodbeck
Notary Public for the State of Montana

STATE OF MONTANA)
) ss.
County of Flathead)

On this 3rd day of September, 2014, before me, the undersigned, a Notary Public in and for the state aforesaid, personally appeared Howard Hamilton and _____, known to me to be the person(s) whose name(s) is/~~are~~ subscribed to the foregoing instrument, and acknowledged to me that he/she/they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year last above written.

(SEAL)



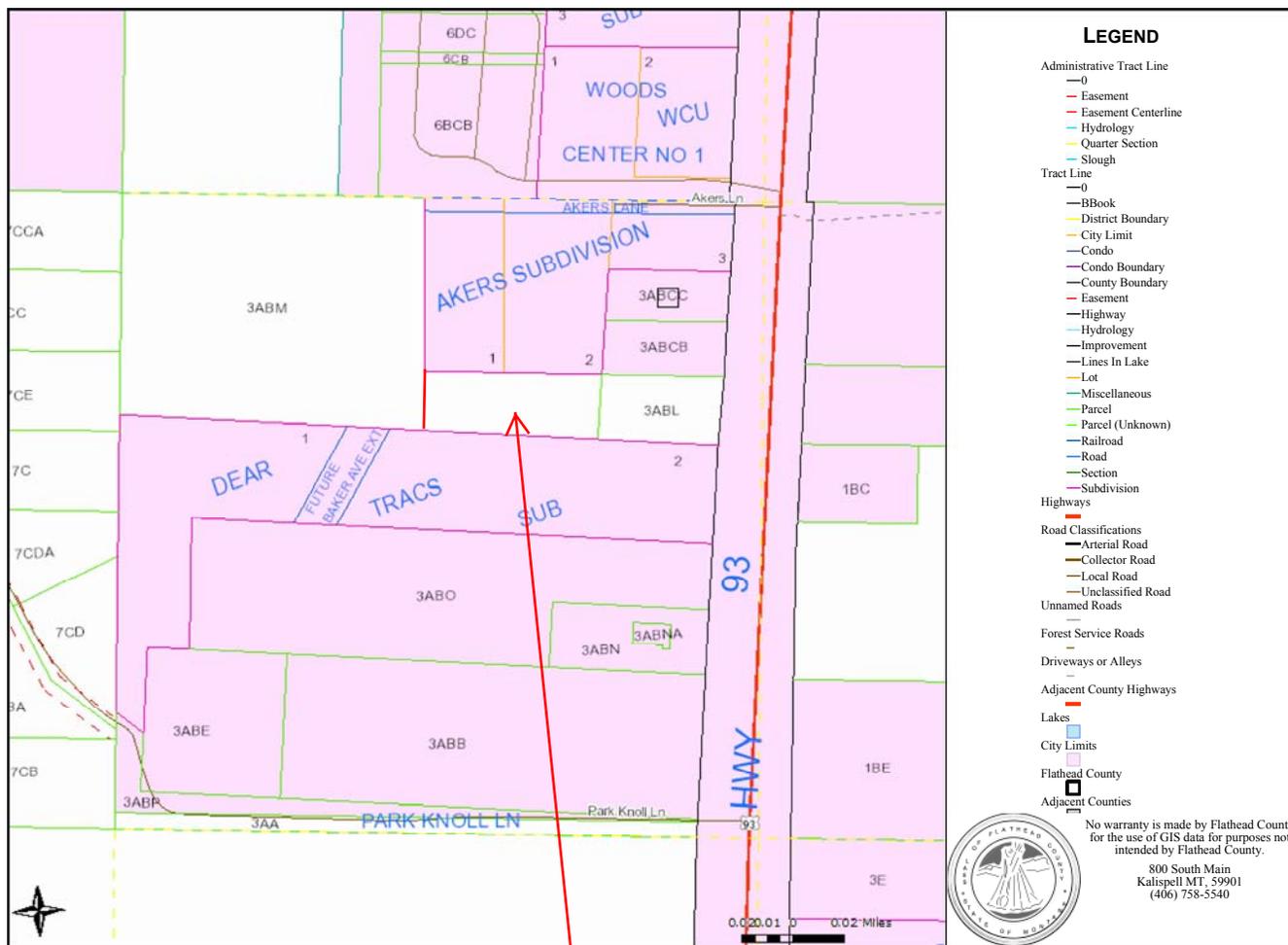
Phyllis Sprunger
Notary Public for the State of MT
Phyllis Sprunger
[print or type name of Notary]
Residing at Whitefish
My Commission expires: 9-2-15

12/1/14

EXHIBIT 'A'

A TRACT OF LAND, SITUATED, LYING AND BEING IN THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 30 NORTH, RANGE 22 WEST, P.M.,M., FLATHEAD COUNTY, MONTANA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS TO WIT:

Commencing at the southeast corner of Lot 2, Dear Tracts Subdivision (records of Flathead County, Montana), which is a found iron pin on the westerly R\W of U.S. Highway No. 93; Thence leaving said R\W N87°38'54"W 778.66 feet to a found iron pin; Thence N28°36'58"E 229.37 feet to a found iron pin on the north boundary of said Dear Tracts Subdivision; Thence along said north boundary S87°41'06"E 82.74 feet to a set iron pin and the TRUE POINT OF BEGINNING of the tract of land herein described; Thence leaving said north boundary N00°01'06"E 125.60 feet to a found iron pin; Thence S89°33'55"E 351.38 feet to a found iron pin; Thence S02°35'28"W 137.03 feet to a set iron pin on the north boundary of Dear Tracts Subdivision; Thence along said north boundary N87°41'06"W 345.50 feet to the point of beginning and containing 1.050 ACRES; Subject to and together with all appurtenant easements of record.



1.050 acre parcel of land to be split, sold, and annexed

(This page left blank intentionally to separate printed sections)

RESOLUTION NO. 14-__

A Resolution of the City Council of the City of Whitefish, Montana, to establish registration fees for alarm system businesses and for structure alarm systems by property owners and customers and false alarm fees when City equipment responds to false emergency services, fire, and police alarms.

WHEREAS, Subsection 7-1-4123(7), MCA, empowers municipalities to impose a fee for the provision of a service; and

WHEREAS, as required by Section 7-6-4013, MCA, public notice on the City's proposed false alarm fees was published on September 3, and September 10, 2014; and

WHEREAS, staff has recommended the establishment of fees for registration of alarm system businesses and for structure alarm systems by property owners and customers, and false alarms set forth below:

Alarm System Business Registration Fee \$ 100.00

Alarm System Property Registration Fee \$ 25.00

False Alarm Fee: A false alarm fee will be charged by the City when City equipment responds to false emergency services, fire, and police alarms reported from the same location within a running twelve-month period as follows:

First false alarm.....	No Charge
Second false alarm	No Charge
Third false alarm	No Charge
Fourth false alarm	\$ 50.00
Fifth and greater false alarm.....	\$ 300.00 per incident

; and

WHEREAS, at a lawfully noticed public hearing on September 15, 2014, the City Council received a report from Police and Fire Department staff about false alarms, reviewed staff recommendations concerning the proposed fees, solicited and received public comment, and determined the fees proposed by the Whitefish Police and Fire Departments to be reasonable and directly related to the cost of providing services; and

WHEREAS, it will be in the best interests of the City of Whitefish and its inhabitants to approve the fees proposed by the Whitefish Police and Fire Departments.

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

Section 1: All of the recitals set forth above are hereby adopted as Findings of Fact.

Section 2: The fees set forth above are hereby approved, and the City Police and Fire Departments are authorized to begin charging such fees for registration of alarm

system businesses and for structure alarm systems by property owners and customers, and for false alarms received after adoption of this Resolution.

Section 3: This Resolution will take effect immediately upon its adoption by the City Council and signing by the Mayor thereof.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF WHITEFISH, MONTANA, ON THIS _____ DAY OF _____, 2014.

John M. Muhlfeld, Mayor

ATTEST:

Necile Lorang, City Clerk

**CITY OF WHITEFISH
NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN that at its regular meeting on Monday, September 15, 2014, at 7:10 PM, in the Whitefish City Council Chambers, located at 402 East 2nd Street, Whitefish, Montana, the Whitefish City Council will conduct a public hearing for the purpose of receiving public input regarding the establishment of fees for registration of alarm system businesses and for structure alarm systems by property owners and customers and false alarms when City equipment responds to false emergency services, fire, and police alarms.

Individuals may appear or submit written testimony at the hearing to comment on the proposed registration and false alarm fees. Written comments may be delivered or mailed to the Whitefish City Clerk, 418 East 2nd Street, PO Box 158, Whitefish, Montana 59937, or emailed to nlorang@cityofwhitefish.org. Additional information regarding the proposed registration and false alarm fees may be obtained by visiting the City Clerk's Office or by calling 863-2400.

For publication on September 3 and September 10, 2014, in the Legal Notices Section of the *Whitefish Pilot*.



MEMORANDUM

To: Mayor John Muhlfeld
City Councilors

From: Bill Dial, Chief of Police

Re: Staff Report-False Alarms

Date: August 20, 2014

Introduction/History

For many years, false burglar, hold-up, and fire alarms have been an ongoing challenge for first responders in Whitefish. Most alarms which first responders are dispatched to are false for a plethora of reasons: workers entering a wrong alarm code, home owners leaving doors or windows open and setting the alarm, bank employees inadvertently pushing a panic alarm and mechanical malfunctions. These are the most common reasons, there are numerous other reasons.

There is no way a first responder can determine if an alarm is false without going to the residence or business. In some instances officers and fire department personnel will respond with lights and siren exposing the employee and the public to risks. Upon arrival, officers and/or fire fighters are required to investigate the incident and document their findings. Many times the owner or responsible party of the business or residence is not available and there is no one to extinguish the alarm. Some businesses and residences have 10 or more false alarms in a year. First responders are highly trained and are sensitive to complacency. However, routinely answering "false alarms" can lead to an officer or fire fighter letting their guard down and being injured or killed. Additionally, answering false alarms is a waste of resources.

Current Report

Many cities are plagued with false alarms, especially resort communities and communities that are growing. To that end, communities like Whitefish have addressed the false alarm issue by creating a fee schedule to reimburse the city for wasting resources and endangering the public and responders while encouraging home owners and business people to be more responsible for their actions. The attached draft ordinance defines false alarms, property owner responsibilities, licensing of providers

and fees, appropriate responses by emergency personnel, and a penalty section. In 2013 there were 124 false fire alarms and 285 false burglar, robbery, intrusion alarms. In January of 2014 a draft ordinance was discussed which concerned business owners and the Whitefish Chamber of Commerce. Chiefs Kennelly and Dial met with the Chamber and alarm company representatives and have authored a new ordinance that all parties opine is fair and protects the public and first responders.

Financial requirement

Since the current case management system utilized by police and fire, New World, has an application to track and assess fines for false alarms, there will be no financial impact on the city.

Recommendation

The number of false alarms is of great concern to police and fire. Staff recommends the council adopt the proposed ordinance and fee resolution. We are confident that a licensing fee, holding alarm companies and home owners accountable for the false alarms and a fee schedule for false alarms will reduce the number of false alarms significantly while protecting first responders and the public.

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ORDINANCE NO. 14-09

An Ordinance of the City Council of the City of Whitefish, Montana, amending Whitefish City Code Section 9-1-4 regarding false fire alarms to include all false alarms, and to provide registration requirements for all alarm system companies and administrative fees.

WHEREAS, the regulations regarding provisions for false fire alarms within the City limits of the City of Whitefish were adopted by the City Council by Ordinance No. A-206 on February 20, 1973; and

WHEREAS, for many years, false burglar, hold-up and fire alarms have been ongoing challenges for first responders in Whitefish and other communities. In 2013, there were 124 false fire alarms and 285 false burglar, robbery and/or intrusion alarms in Whitefish. In 2014 to date there have been 58 false fire alarms and 164 false burglar, robbery and/or intrusion alarms in Whitefish; and

WHEREAS, in response to this challenge, the City of Whitefish Police and Fire Departments initiated a public outreach effort regarding false alarms and met with individuals, groups, and organizations; and

WHEREAS, at a lawfully noticed public work session on February 3, 2014, the Whitefish City Council received an oral and written report from City staff with respect to adopting administrative fees and registration requirements for all alarm system companies; and

WHEREAS, at a lawfully noticed public hearing on September 2, 2014, the Whitefish City Council received an oral report and written report from City staff, invited public comment, and approved the text amendments, attached as Exhibit "A;" and

WHEREAS, it will be in the best interests of the City of Whitefish, and its inhabitants, to amend Whitefish City Code Section 9-1-4 to include all false alarms, to provide registration requirements for all alarm system companies and administrative fees.

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

Section 1: The amendments to the Whitefish City Code, attached hereto as Exhibit "A" and incorporated herein by reference, are hereby adopted.

Section 2: In the event any word, phrase, clause, sentence, paragraph, section or other part of the Ordinance set forth herein is held invalid by a court of competent jurisdiction, such judgment will affect only that part held invalid, and the remaining provisions thereof will continue in full force and effect.

Section 3: This Ordinance will take effect thirty (30) days after its adoption by the City Council of the City of Whitefish, Montana, and signing by the Mayor thereof.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF WHITEFISH, MONTANA, THIS _____ DAY OF _____, 2014.

John M. Muhlfeld, Mayor

ATTEST:

Necile Lorang, City Clerk

Exhibit "A"

9-1-4: ALARM SYSTEMS

- A. Effective January 1, 2015, all alarm system companies will register with the City and pay an alarm system license fee to the City at the time of registration prior to the installation or maintenance of an alarm system in the City.
- B. All property owners will register their security system installed by an alarm system company registered and licensed by the City for each system located in the City. Effective January 1, 2015, all property owners will pay a fee for each new alarm system installed in the City.
- C. The property owner or customer of the alarm system company will provide a primary and secondary contact telephone or cell phone number for the alarm company to contact when the alarm signal elicits notification to emergency services for a response by City fire, police, or designee.
- D. Except when the type of alarm system activated may make verification inappropriate (including robbery, fire, medical, and panic alarm signals), city emergency services, fire, police, or designee, will be put on alert by the Flathead County 911 Center when an alarm is received, but will not respond until the licensed alarm system company verifies the alarm first, at the premises and if no one is at the premises then only after the primary and/or secondary telephone contact has been contacted.
- E. When requested to do so by City emergency services, fire, police, or designee, the alarm user, alarm responsible representative, or alarm agent shall respond to the premises of an activated alarm system within 20 minutes for the purpose of assisting City emergency personnel in determining the reason for the activation, resetting the alarm system, and securing the premises. An alarm user, responsible representative, or alarm agent shall respond to the scene as expeditiously as safety permits, without unnecessary or unreasonable delay.
- F. Interference With System: No person shall use the public fire alarm except when an alarm of fire is given, or with the permission of the chief or assistant chief of the fire department, nor shall any person injure, in any way, any of the fire alarm boxes, bells, poles, wires or other appliances connected with the public fire alarm system of the City.
- G. The registered property owner of the structure where emergency services or City equipment responds to the on-premises alarm will be responsible for payment of all false alarm fees.
 - 1. One false alarm by the same system in a running twelve-month period will not be charged a false alarm fee.

2. After the second false alarm by the same system in a running twelve-month period, the property owner or customer will provide a certificate verifying that the City licensed alarm system company has inspected the system and found the system is functioning properly or has been repaired and is now functioning properly. Until the certification is completed and submitted to emergency services there will be no response by emergency services unless the chief of police, fire chief, or designee order an immediate police or fire response when an in-person call, verification from a person at or near the premises, or other independent evidence shows a need for immediate police or fire assistance at the premises.
 3. After the third and subsequent false alarm-by the same system in a running twelve-month period, the property owner or customer will be notified of the amount of the false alarm fee.
- H. False Alarm Fee: A false alarm fee will be charged by the City when emergency services or City equipment responds to a false emergency services, fire, or police alarm reported from the same system within a running twelve-month period.

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RESOLUTION NO. 14-___

A Resolution of the City Council of the City of Whitefish, Montana, maintaining the cash-in-lieu payment in connection with affordable housing at the current \$8,000.00 per unit.

WHEREAS, the Whitefish Housing Authority through its Homeownership Program assists low and moderate income households finance the purchase of a home; and

WHEREAS, City Code Section 11-2S-3(B), which appears under the heading "PLANNED UNIT DEVELOPMENT DISTRICT", provides that developers shall be allowed a density bonus when a minimum of ten percent (10%) of the total number of units within the development is set aside for affordable housing or when the developer makes a cash payment in lieu of an affordable housing dedication, by paying a fixed amount per housing unit developed; and

WHEREAS, City Code Section 11-2S-3(B)(1) provides that the cash-in-lieu fees for affordable housing be reviewed and set annually by Resolution of the Whitefish City Council; and

WHEREAS, pursuant to Ordinance No. 06-11, adopted by the Whitefish City Council on May 15, 2006, the cash-in-lieu payment per developed unit was originally set at six thousand dollars (\$6,000.00) per market rate lot and/or unit; and

WHEREAS, beginning in 2008 the City Council adjusted the cash-in-lieu amount to eleven thousand dollars (\$11,000.00) by Resolution No. 08-31, which has been maintained at \$11,000.00 by subsequent Resolutions Nos. 09-42, 10-42 and 11-49, adopted by the City Council; and

WHEREAS, at the request of the Whitefish Housing Authority, and recommendation of the City Planning and Building Department, the City Council reduced the cash-in-lieu amount from eleven thousand dollars (\$11,000.00) to eight thousand dollars (\$8,000.00) by Resolutions No. 12-32 and 13-26; and

WHEREAS, the Whitefish Housing Authority has requested that the City Council maintain the cash-in-lieu amount at eight thousand dollars (\$8,000.00) and the City Planning and Building Department has also recommended that the amount be left unchanged.

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

Section 1: All of the recitals set forth above are adopted as Findings of Fact.

Section 2: The cash-in-lieu payment per unit shall remain at eight thousand dollars (\$8,000.00) per market rate lot and/or unit, applicable to any subdivision for which application is received by the City after the effective date of this Resolution.

Section 3: This Resolution shall take effect immediately upon its adoption by the City Council, and signing by the Mayor thereof.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF WHITEFISH, MONTANA, THIS _____ DAY OF _____, 2014.

John M. Muhlfield, Mayor

ATTEST:

Necile Lorang, City Clerk

PLANNING & BUILDING DEPARTMENT
510 Railway Street, PO Box 158, Whitefish, MT 59937
(406) 863-2410 Fax (406) 863-2409



September 15, 2014

Mayor Muhlfeld and City Councilors
City of Whitefish
Whitefish, Montana

Mayor Muhlfeld and City Councilors:

Recommendation on Cash-in-Lieu for Affordable Housing Fees

Introduction/History

Section 11-2S-3(B)(1) of the code provides that the Cash-in-Lieu fees for affordable housing be reviewed annually by the City Council. Attached is a memo from Lori Collins, Director of the Whitefish Housing Authority, as well as a housing price index and a chart of lessee purchase prices and maximum unit subsidies. In 2008, the Council raised the per unit fee from \$6,000 to \$11,000. The Housing Authority is recommending keeping the fee at the existing rate of \$8,000 per unit.

Current Report

The Planned Unit Development District (PUD), Chapter 2, Title 11 of the Whitefish City Code, contains voluntary provisions that allow a 50% density bonus if affordable housing is provided at a rate of at least 10% of the project. Paragraph B.1 provides that the density bonus may also be taken by providing "cash-in-lieu" in an amount set by City Council resolution. That number is currently \$8,000 per unit.

An "affordable" unit is defined as one which can be purchased by someone earning up to 120% of the median family income in Flathead County, without being cost-burdened. Generally, a homeowner is considered cost-burdened when mortgage payments (PITI) exceed 30% of his monthly income. The Whitefish Housing Authority and the Whitefish Area Land Trust operate permanent affordable housing programs which buy down the price of a home to the affordable mortgage price. According to the numbers provided in the attached memo from the Whitefish Housing Authority, a payment in lieu amount of \$8,000 per market rate unit makes up 100% of the difference between an affordable mortgage and a market rate home mortgage.

Recommendation:

Based on the recommendation of the Whitefish Housing Authority, as well as the Housing Needs Assessment study, staff recommends the council adopt a resolution to maintain the affordable housing cash-in-lieu per unit fee for future Planned Unit Developments at \$8,000.

Sincerely,

A handwritten signature in blue ink, appearing to read "David Taylor". The signature is fluid and cursive, with a large initial "D" and "T".

David Taylor, AICP
Director of Planning & Building

The Whitefish Housing Authority
PO Box 1237, 100 East 4th Street, Whitefish, MT 59937
Phone: 862-4143 Fax: 862-4107

September 2, 2014

Annual Update of the Payment In Lieu of Housing

The Whitefish Housing Authority recommends no change to the current set amount of the payment in lieu of housing option in the Whitefish Inclusionary Zoning Ordinance.

The Whitefish Homeownership Program aids low and moderate income households finance the purchase of a home. A mortgage is considered affordable if the monthly payment of the mortgage, taxes and insurance does not exceed 30% of the household's income. A household is considered low or moderate income (LMI) if their income does not exceed 80% of the area median income as determined by HUD. At present, the Whitefish Housing Authority has determined that an affordable mortgage for an LMI household of three earning \$35,000 a year is approximately \$117,000 - \$123,000 (5% interest with no debt). The Homeownership Program uses a subsidy to bridge the gap between what a low income household earns and the price of a qualifying home.

In 2011 and 2012, the Homeownership Program aided four households purchase a home.

- The average subsidy for the five sales was \$79,500 per unit.
- The appraised value of the four homes ranged from \$130,000 to \$184,000, for an average of \$160,750.
- The average bank loan secured by the homebuyers was \$113,000.

The Whitefish Housing Authority's proposal of the payment in lieu of housing (PILOH) is again based on the assumption that the PILOH option would serve the same number of households as the option to include the affordable units in the development (10% of the total units).

Using an example development of 20 homes and the voluntary use of the options in the Ordinance by a development:

- A developer choosing to include the affordable homes in their development could expect to build two homes (10% of total) to be sold in the \$117,000 range; affordable to low and moderate income households.
- From recent sales, we would expect the homes to have market value in the \$150,000 - \$195,000 range. The developer contribution for the two homes (in exchange for the incentives of Inclusionary Zoning including an increase in density) would therefore be approximately \$173,000 total or an average of \$86,500 per home for two homes.
- A PILOH of \$8,650 per unit ($8650 \times 20 = \$173,000$ total contribution) is therefore needed to be able to serve the same number of households at large in the community on average

WHA recommendation: The Whitefish Housing Authority recommends no change to the payment in lieu of housing and that it therefore remain at **\$8,000** per each house in the subdivision. As development again grows in Whitefish, the housing authority supports the inclusion of affordably priced homes in the new developments.

Councilor Sweeney offered a motion to approve an ordinance amending Condition of Approval No. 17 to Ordinance No. 90-6, approving a Planned Unit Development for the Whitefish Lake Lodge Project, to increase the number of marina boat slips from 85 to 95 subject to the original Conditions of Approval and new Condition of Approval No. 17 at first reading. The motion died for a lack of a second. Discussion followed on next steps; Planner Minnich explained that for the applicant to get a permit for the 9 new slips that are now allowed with their additional lakeshore footage, they will also have to receive an amendment to their 1990 PUD, amending the limit of the 85 slips.

7) COMMUNICATIONS FROM PLANNING AND BUILDING DIRECTOR (CD 2:07:46)

- a) Discussion and direction on which Corridor Plan to pursue next and when to initiate work on it (p. 404)

Planning & Building Director Taylor referred the Council to his staff report that includes outlines of action plans for proceeding on long range planning corridor plans for Highway 93 South and Wisconsin Avenue. The schedules and costs are estimates that can't be more specific until current major projects that are underway are completed and input from consultants is factored in. He said with his current level of staffing, only one major long range planning project can be done at a time. Regarding the public comments that the current Hwy 93 W Corridor Plan is not coming in as some expected; Director Taylor said it is still a work in progress, but it will be presented to the Planning Board in their next workshop just so the Board can be introduced to the process. He is working with the consultants on needed changes, and following a public hearing at the Planning Board level it will be coming to the Council in September.

Members of the Council offered their preferences on which corridor plan to proceed with, each plan got some support. Budgeting was discussed; Manager Stearns said each plan could probably be covered 50-50 between the General Fund and the TIF. Mayor Muhlfeld pointed out that any Downtown Master Plan changes pending in the current update should be in place before continuing additional corridor plans as there may be elements therein that will drive future projects. Council consensus was to review this again in September.

8) COMMUNICATIONS FROM CITY MANAGER (CD 2:24:00)

- a) Written report enclosed with the packet. Questions from Mayor or Council? (p. 411) – None.
- b) Other items arising between June 11th and June 16th

Manager Stearns reported that he and Mayor Muhlfeld and Councilor Hildner went to Helena on June 12th for the Fish and Wildlife Commission final comment period and decision on the City's petition limiting the 3-mile stretch of the Whitefish River to manual powered craft and electric motors. The Commission tied 2-2 on the motion to approve the petition. Following that action the Commission considered a FWP Region 1 staff proposal for an alternative of a seasonal closure from July 5th through September 30th and some minor modifications to the no wake rule; which was approved 4-0. Now there will be a new public comment and process in the future on that proposal. Mayor Muhlfeld added that he heard from Commissioner Vermillion today who said the alternative proposal does not preclude the City's continuing efforts for the year-round closure as petitioned; that can be kept alive during the next public process. Councilor Hildner pointed out, to clarify possible misconceptions, that the City's petition does allow electric motors.

Manager Stearns said that Public Works Director Wilson would like an elected official to serve on the Selection Committee for Design Engineering of the 3rd Street Sewer and Street Reconstruction project, related to infrastructure at Block 46 for a Botique Hotel. Councilor Frandsen offered to serve on that committee and the rest of the Council agreed.

PLANNING & BUILDING DEPARTMENT
510 Railway Street
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(406) 863-2410 Fax (406) 863-2409



September 15, 2014

Mayor Muhlfeld and City Councilors
City of Whitefish
Whitefish, Montana

RE: Discussion on Highway 93 South/Wisconsin Corridor Plans

Mayor Muhlfeld and Councilors,

This is an update of the original June 16 memo. Included are draft scopes of work, timelines, and estimated costs for both future corridor plans. Note that the costs and timelines are estimates, and won't get fully fleshed out until other major projects underway are completed and input from consultants are factored in.

Staff currently has a full workload that would prevent us from starting on a new corridor plan immediately. We are currently assisting consultant WGM Group with the Highway 93 West Corridor Plan, which is still in process as the consultant revises the Final Draft to address community concerns. While the plan has taken significantly longer than expected due to some unforeseen issues with the consultants, the final draft should be published any day. Once it goes through staff review, it will be thoroughly vetted through the Steering Committee for additional revisions, and then it will go through the Planning Board before getting to the City Council for final approval. We are also working with Crandall-Arambula to get the updated Downtown Master Plan finalized and adopted. That should be coming back to the council fairly soon. We are also beginning the long process of amending the zoning and subdivision ordinances, at the City Attorney's request, to remove all references to 'extra-territorial' jurisdiction and the doughnut. Those text revisions will take several months and must get completed quickly so our code is in compliance. Also, both the Highway 93 West Plan and the Downtown Master plan have a long list of 'implementation items' that must be attended to once the plans are adopted. Implementation is critical to the effectiveness of any plan, and the sooner it gets done the more effective any plan is. Implementation may include zoning and Growth Policy map revisions, zoning text amendments, ARC review standards changes, and more.

Realistically, we can only proceed on one major long range planning project at a time, even with a consultant taking the lead. Timelines may be easier to follow with a

consultant in the lead, but staff is still heavily involved in all aspects of the plan, including existing conditions inventory, hosting and attending stake holder and steering committee meetings and visioning sessions, as well as assisting with development and review of the plan itself. With our current workload, we can't afford to have a staff person devoted wholly to long range planning, but we can work on it around our other projects.

Wisconsin Avenue

Staff is confident that we could take the lead on a Wisconsin Avenue plan and get it completed in a fairly timely manner with the consulting help of a landscape architect, GIS person, and a traffic engineer. We are estimating that it will take a little over a year to get completed and adopted once work begins. A Wisconsin Avenue Plan would be similar in scope to the Highway 93 West plan underway that we currently have WGM Group taking the lead on. However, it would be much heavier on a transportation element, including looking at access controls, etc, and a transportation expert or engineering consultant will be necessary. The consultant cost on that 93 West plan was \$54,000, and right now it is looking like 18 months from contract award to final adoption. Done in-house, staff anticipates about \$25,000 in consultant costs for GIS help and a Landscape Architect to assist with the project, as well as another \$10,000 to \$15,000 for an engineer/transportation consultant. If the entire project went out to a consultant, staff estimates it would cost about \$60,000.

Wisconsin Avenue Land Use Corridor Plan Draft Scope of Work

1. Conduct an inventory of existing conditions for the Wisconsin Avenue corridor from the Viaduct over the BNSF Railway to East Lakeshore Drive/Mountain Shadows Drive and up Big Mountain Road to Cedar Lane.
 - a. Corridor boundaries
 - b. Existing land uses and current performance
 - c. Highway and street circulation systems, capacity, deficiencies, and needs.
 - d. Patterns of land ownership
 - e. Development potential (based on existing lot size, zoning, accessibility)
 - f. Population distribution
 - g. Proposed/approved land uses
 - h. Parks, public uses, open spaces, cultural resources
 - i. Identify transit, bicycle, and pedestrian routes (active transportation)
 - j. Topography and drainage
 - k. Existing access and utility easements, utility locations and extents
 - l. List of Stakeholders
 - m. Boundaries of existing Tax Increment Financing (TIF) district
2. Facilitate a Project Steering Committee appointed by the City Council made up of City staff, MDOT, City Council and Planning Board members, corridor business

owners, property owners, Whitefish Mountain Resort, and other stakeholders from the corridor and at large.

3. Provide a vision of the future
 - a. Review existing 2007 City-County Growth Policy, 2010 Whitefish Urban Corridor Study 2009 Whitefish Transportation Plan, Downtown Master Plan, Bike-Ped Master Plan, and other relevant documents
 - b. Conduct neighborhood meetings with neighborhood surveys, visioning, alternatives and consensus building sessions with stakeholders and then a follow up meeting presenting summary and draft plan
 - c. Develop Goals and Objectives of proposed plan /an image of what the plan hopes to achieve.

4. Establish a development policy
 - a. Review existing zoning and potentially revise existing Growth Policy Future Land Use designations
 - b. Determine appropriate mix of future uses for corridor while maintaining buffers for adjacent residential areas while complimenting uses downtown
 - c. Look at potential appropriate development opportunities for corners of Big Mountain Road/East Lakeshore intersection, possible future roundabout.
 - d. Look at potential for expanded resort business and resort residential in corridor.
 - e. Evaluate corridor for potential high-density residential/mixed use opportunities.
 - f. Develop plan addressing the mix of uses and the transition to residential both east and west of the roadway, connections to the adjacent residential neighborhoods, connections to the new bike route, scale issues, landscaping/screening, transportation circulation/access, active transportation, and development potential of major underdeveloped tracts of land under consolidated ownership

5. Identify implementation activities
 - a. Potential revisions of Growth Policy Future Land Use Maps
 - b. Potential changes to zoning code or ARC standards
 - c. Look at ways TIF could fund improvements in corridor
 - d. Identify possible public projects and coordinate public investment

Wisconsin Avenue Corridor Plan Project Draft Timeline

2014/2015



Highway 93 South

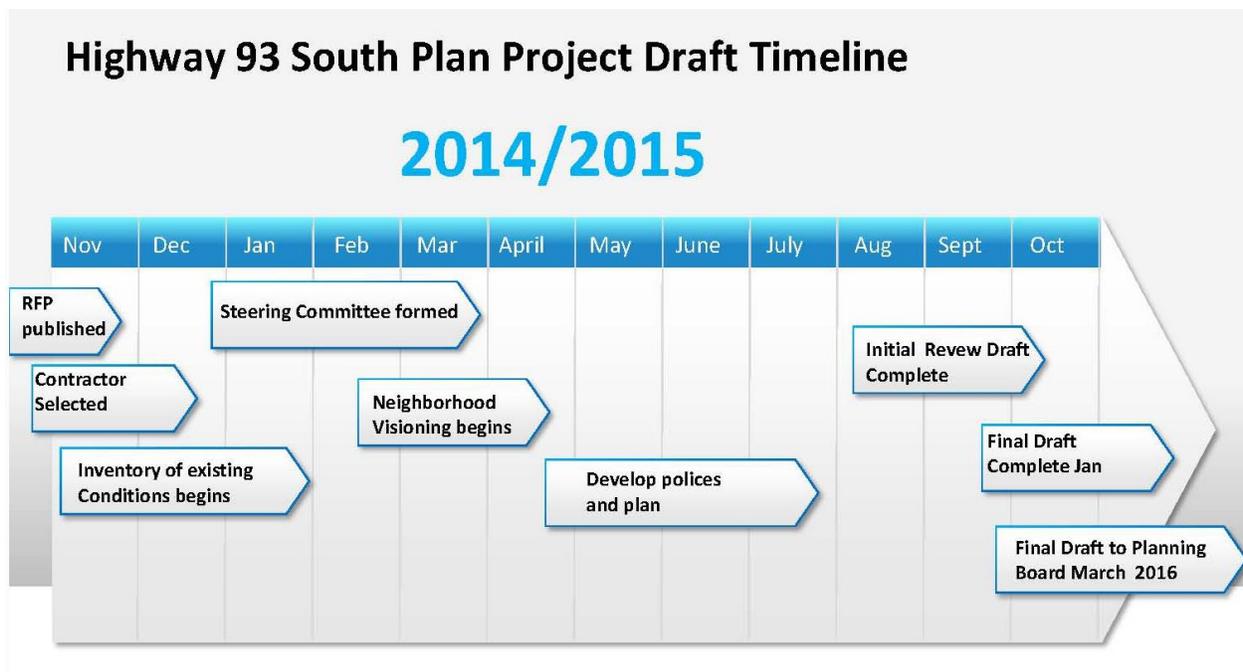
Highway 93 South would be more difficult for staff to take the lead on, but it is still possible with around of \$50,000 in consultant money to hire a landscape architect to do project coordination and someone else to do GIS mapping. The corridor has a range of issues that are much more complex, including the fact that there are three major sections of that corridor each with its own set of issues that might best be tackled in three phases. We may be able to work in conjunction with planner Dave DeGrandpre for planning the neighborhood at and south of Highway 40, as he has approached the City in the past about assisting that area with a planning effort. We estimate fees for a consultant to take the lead to be around \$80,000. We realistically think it would take between 12 and 16 months to complete either way, although any project managed in house will be subject to possible delays by other priority projects.

Highway 93 South Corridor Plan Draft Scope of Work

1. Conduct an inventory of existing conditions for each of the three sections of the Highway 93 South corridor - East Sixth Street south to the Whitefish River; Whitefish River south to Highway 40, Highway 40 south to Stelle Lane.
 - a. Corridor boundaries
 - b. Existing land uses and current performance
 - c. Highway and street circulation systems
 - d. Patterns of land ownership
 - e. Development potential (based on existing lot size, zoning, accessibility)
 - f. Population distribution

- g. Proposed/approved land uses
 - h. Parks, public uses, open spaces, cultural resources
 - i. Transit, bicycle, and pedestrian routes (active transportation)
 - j. Topography and drainage
 - k. Existing access and utility easements, utility locations and extents
 - l. List of Stakeholders
 - m. Boundaries of existing Tax Increment Financing (TIF) district
2. Facilitate a Project Steering Committee appointed by the City Council made up of city staff, MDOT, City Council and Planning Board members, corridor business owners, property owners, and other stakeholders from the corridor and at large.
 3. Provide a vision of the future
 - a. Review existing South Whitefish Neighborhood Plan, Blanchard Lake Area Zoning District, North Valley Hospital Neighborhood Plan, 2010 Whitefish Urban Corridor Study 2009 Whitefish Transportation Plan, Downtown Master Plan, Bike-Ped Master Plan, and other relevant documents
 - b. Conduct neighborhood meetings with neighborhood surveys, visioning, alternatives and consensus building sessions with stakeholders and then a follow up meeting presenting summary and draft plan
 - c. Develop Goals and Objectives of proposed plan /an image of what the plan hopes to achieve.
 4. Establish a development policy
 - a. Review existing zoning and potentially revise existing Growth Policy Future Land Use designations
 - b. Determine appropriate mix of future uses for corridor while maintaining buffers for adjacent residential areas while complimenting uses downtown
 - c. Look at potential development opportunities for corners of Highway 40/93 intersection.
 - d. Look at potential for a divided highway with median in middle through corridor
 - e. Address what type of commercial uses are appropriate south of Highway 40, including evaluating existing non-conforming uses, and evaluating whether uses such as professional offices should be permitted, conditionally or otherwise, in certain sections.
 - f. Identify areas in central part of corridor where high density residential/mixed use would be appropriate per the Growth Policy 'General/Highway Commercial" future land use.

- g. Develop plan addressing land use, scale, future utility extensions, noise, screening, landscaping, urban design, and other issues that the 2007 Whitefish City-County Growth Policy states a Highway 93 South Corridor plan must address.
 - h. Plan must also address transportation function and modes, including active transportation and traffic safety, trip generation, function and highway access
5. Identify implementation activities
- a. Revisions of Growth Policy Future Land Use Maps
 - b. Potential changes to zoning code for each of the three sections, such neighborhood commercial, or limited highway business service, possible sign code or ARC standards revisions
 - c. Look at ways TIF could fund improvements in corridor
 - d. Identify possible public projects and coordinate public investment



A staff person will be available to answer questions at the council meeting.

David Taylor, AICP

MEMORANDUM



To: Mayor John Muhlfeld
City Councilors

From: Wendy Compton-Ring, AICP, Senior Planner

Re: Staff Report – Contract Amendment #3 for Downtown Master Plan Update –
options for additional work for Crandall Arambula

Date: September 9, 2014

Introduction/History

The City Council adopted the Downtown Master Plan on April 3, 2006 via Resolution No. 06-21. As a result of the Downtown Master Plan, a number of infrastructure improvements have been constructed, zoning regulations updated, architectural review standards updated and private investment made in the downtown.

At the March 12, 2012 worksession on Tax Increment Priorities, the City Council members present determined that an update of the Downtown Master Plan was desired and asked staff to contact the consultant, Crandall Arambula, for an estimated cost and scope of work for an update.

On April 16, 2012, the City Council approved Phase I of the proposed work program suggested by Crandall Arambula and approved a contract for \$13,558.

On November 5, 2012, the City Council approved Amendment #1 to the contract in the amount of \$56,096 for a total contract cost of \$69,654. That work was completed and an open house was held on the Downtown Master Plan update on May 2, 2013.

On September 19, 2013, the Whitefish City-County Planning Board held a public hearing on the Plan and recommended approval to the Council.

On October 7, 2013, the City Council held a public hearing, but tabled action until a worksession could be conducted. This worksession was held on November 4, 2013, the Council then requested Crandall Arambula perform additional work to complete the Plan Update and hold a community information session. The public hearing was left open at the November 4, 2013 meeting.

On February 3, 2014, the City Council approved Amendment #2 to the contract in the amount of \$37,300 to complete work and conduct two meetings – one with the public and one with the City Council. This amendment brought the total contract cost to \$106,954.

On March 12, 2014, a community information forum on the Plan was held at the O'Shaughnessy Center. At the forum, 60-80 people attended and a number of comments and suggestions were received. No subsequent meeting occurred with the City Council.

Current Report

Staff met with Mayor Muhlfeld and Councilors Barberis, Feury and Frandsen and the consultants in early August to review the highlighted items identified in the November 21, 2013 draft Master Plan Refinement scope of work (attached). We had the consultants describe to us the various work items. Afterward, staff sat down with other key city staff including the city manager and Councilors to review the scope of work. We considered the refinements and other possible suggestions. We wanted the consultants to provide more information on:

- Highway contra flow concept – consult with MDOT
- Wisconsin Avenue connection – redefine this connection
- Commercial south of E 2nd Street & Baker Ave – remove until the time is right for expansion
- Protected Bikeway along Spokane Avenue – consult with the Bike-Ped Committee

Crandall Arambula has submitted a proposed Amendment #3 for \$89,895 of work and three one person visits (attached). The consultants suggested two public meetings and one with the Council. Staff would recommend eliminating one of the three meetings, as funds are still available for the third meeting with Amendment #2. Items highlighted in red are new items suggested by staff. One item added that was not included in the November 2012 draft scope of work is a review of the City Hall design compatibility with the Downtown Master Plan (Task 5 - \$9,900). The update scope also includes an option for having an additional person attend the meetings for recording public comments. Staff is not recommending including this item, as we believe staff can provide this function and take minutes for the consultants during the public meetings.

Financial Requirement/Impact

The cost of amendment #3 as we recommend would be \$89,895 less one meeting. These costs will be paid from the Tax Increment Fund which has sufficient funds for this project (using TIF contingency funds). This amendment would bring the total contract cost to \$196,849 less one meeting.

Recommendation

Staff respectfully requests the City Council approve contract Amendment #3 with Crandall Arambula for \$89,895 less one meeting and authorize the City Manager to approve a contract amendment for those items.

Whitefish Master Plan Refinement

November 21, 2013 (Draft)
September 4, 2014 (Update)

SCOPE OF WORK - Master Plan Refinement (Phase Two)		Expenses	Total Labor Cost Per Task
Transportation Framework			
Task 1.1	Update Auto/Truck Framework Include Hwy 93 Contra Flow Information Consult with MDT on making Baker Avenue the main truck route (feasibility, costs, stop lights, etc)		\$6,960
Task 1.2	Update Pedestrian Framework Wisconsin Avenue Connection - Develop alternatives and preferred plans and sections Baker, 2nd to Railway - Develop alternatives and preferred plans and sections Remove commercial uses south of 2nd and west of Baker Refine connection to commercial uses north of viaduct		\$15,550
Task 1.3	Update Bicycle Framework (Protected Bikeway) Spokane/Railway/East on Second & Underpass - Develop alternatives and preferred plans and sections Consult with Whitefish Ped-Bike Committee Reference Active Transportation Plan for Detail		\$10,140
Total Costs			\$32,650
Implementation Framework			
Task 3.3	Anchor Retail Concept		
	Prepare conceptual plans		\$4,520
	Prepare photo realistic perspective sketch illustrating compatibility with downtown character		\$4,600
Total Costs			\$9,120
Executive Summary			
Task 4.4	Build-Out Concept		
	Develop illustrative plan of study area		\$4,600
	Prepare tables identifying potential development and square footages (retail/residential/other)		\$3,880
Total Costs			\$8,480
City Hall Design Analysis (Time and materials with a maximum for each phase)			
Task 5.1	Concept Plans and Elevations		\$3,960
Task 5.2	Schematic Plans, Elevations and Details		\$1,980
Task 5.3	Design Development Plans, elevations and Details		\$1,980
Task 5.4	Contract Documents		\$1,980
Maximum Cost			\$9,900
Updated Master Plan			
Task 6.0	Prepare Draft Plan (one electronic copy)		\$9,735
	Prepare Final Plan (1 paper copy, one word electronic copy)		\$6,600
Total Cost			\$16,335
LABOR			
Whitefish Meetings (Three one-person meetings)			
	Expenses and Labor For 1 CA Staff at Each Meeting		
	Rental Car @ \$100 per day x 6 days	\$600	
	Airlines @ \$500 per person x 3 trips	\$1,500	
	Hotel @ \$150 per night x 3 nights	\$450	
	Per Diem @ \$50 per day x 6 days	\$300	
	CA Labor for 6 days (1person for 2 days per visit = 48 hours)		\$7,920
	Meeting Preparation - 2 slide shows and handouts @ 8 hours per meeting = 16)		\$2,640
Total Costs (Three Visits)		\$2,850	\$10,560
TOTAL EXPENSES & LABOR		\$2,850	\$87,045
TOTAL PROJECT COST			\$89,895
Add one additional person to one meeting (Additional Service)			\$3,390

Whitefish Master Plan Refinement

November 21, 2013 (Draft)

SCOPE OF WORK - Master Plan Refinement (Phase Two)		Expenses	Total Labor Cost Per Task
Transportation Framework			
Task 1.1	Update Auto/Truck Framework Include Hwy 93 Contra Flow Information		\$3,040
Task 1.2	Update Pedestrian Framework Retail Loop - Develop alternatives and preferred plans and sections Baker, 2nd to Railway - Develop alternatives and preferred plans and sections		\$10,310
Task 1.3	Update Bicycle Framework (Protected Bikeway) Spokane/Railway/East on Second & Underpass - Develop alternatives and preferred plans and sections		\$7,280
Task 1.4	Perspective Sketch Prepare one photo realistic perspective sketch of a key roadway segment		\$3,740
	Total Hours		274
	Total Costs		\$24,370
Land Use Framework			
Task 2.1	Update Retail Framework Provide detail - Differentiate between 'neighborhood compatible' and 'historic storefront'		\$2,380
Task 2.2	Update Civic Framework Adjust graphics and text to reflect City Hall/parking structure concept and Depot Park		\$2,040
Task 2.3	Update Residential Framework SW Quadrant - Develop (WR-2) and (WR-4) zoning alternatives and preferred alternative		\$4,240
Task 2.4	Perspective Sketch Prepare one photo realistic perspective sketch of key plan component (Depot Park)		\$3,740
	Total Hours		144
	Total Costs		\$12,400
Implementation Framework			
Task 3.1	Refine Development Standards Provide additional detail including graphics and text for building siting/massing/height/ground floors Identify permitted uses and definitions if necessary		\$7,320
Task 3.2	Update Projects Diagram Provide additional refinement and detail, text and graphics		\$1,450
Task 3.3	Anchor Retail Concept Prepare conceptual plans Prepare photo realistic perspective sketch illustrating compatibility with downtown character		\$4,520 \$4,600
Task 3.4	Gateways Prepare sketch to illustrate typical gateway concept		\$4,240
Task 3.5	Design Guidelines Prepare guidelines to supplement existing archit. review guidelines and proposed standards		\$18,160
	Total Hours		394
	Total Costs		\$40,290
Executive Summary			
Task 4.1	Update Land Use Framework graphics and text to reflect changes		\$3,040
Task 4.2	Update Transportation Framework graphics and text to reflect changes		\$3,040
Task 4.3	Update Implementation Plan graphics and text to reflect changes		\$3,040
Task 4.4	Build-Out Concept Develop illustrative plan of study area Prepare tables identifying potential development and square footages (retail/residential/other)		\$4,600 \$3,880
	Total Hours		192
	Total Costs		\$17,600
LABOR			\$94,660
Whitefish Meetings (Two)			
	Expenses and Labor For 2 CA Staff at Each Meeting		
	Rental Car @ \$100 per day	\$400	
	Airlines @ \$500 per person	\$2,000	
	Hotel @ \$150 per night	\$600	
	Per Diem @ \$50 per day	\$200	
	CA Labor for 4 days (2 persons for 2 days per visit)		\$10,560
	Meeting Preparation - 2 slide show and handouts		\$8,640
	Total Hours (Two Visits)		160
	Total Costs (Two Visits)	\$3,200	\$19,200
	Other Expenses - Telephone, Printing, and Related Expenses @4% of CA Labor	\$3,786	
TOTAL EXPENSES & LABOR		\$6,986	\$113,860
Add one two person meeting			\$11,100



Downtown Master Plan Review of 11-21-13 Scope of Work Council/Staff Comments

Auto/Truck Framework: Task 1.1

The proposal to re-route truck traffic onto Baker Avenue continues to remain a question and a cause for concern. This change could trigger the requirement to revisit both the *Whitefish 2009 Transportation Plan* and the *2010 Urban Corridor Study of US 93*. There are a number of engineering and community reasons for leaving the truck traffic as planned including the considerable tax dollars that both the City and the state of MT have put into the design of the intersections that accommodate truck traffic on Spokane Avenue and not onto Baker Avenue. This proposed change has not been properly and fully vetted by the state of Montana or the citizens of Whitefish. As such, a change to the scope of work for Task 1.1 is to include consultation with Montana Department of Transportation. We would like this consultation to include a thorough investigation of this idea including feasibility and costs related to making such a change.

Pedestrian Framework: Task 1.2

There continues to be concerns with extending retail/commercial uses south of E 3rd Street and Lupfer Avenue. While there may be interest at some point in the future to expand commercial uses in this area, this is not the time. Is there a place in the plan where future ideas could be pursued when the time is right? This might be a place for these types of ideas.

The real focus and priority should be the Railway District and areas to the north of the viaduct. We want to protect the residential areas to the south of E 2nd Street and west of Baker Avenue until the time is right for expansion.

In the 2006 plan, there was discussion about connecting the downtown to the commercial areas on the other side of the viaduct. For some reason this has been removed from the current draft. Is there a reason for its removal or was it simply an oversight? We anticipate the city engaging in a corridor study for Wisconsin Avenue soon and want to make sure the two plans work together. Please address this matter.

Bicycle Framework: Task 1.3

The viability of the Whitefish Promenade remains a question. Any revisions should include the proper street sections, as MDT will be using these plans while they look to design the reconstruction of Spokane Avenue. We are especially interested in how this Promenade will connect north across E 2nd Street to the

viaduct/underpass. Task 1.3 has been amended to include consultation with the Whitefish Ped-Bike Committee. Contact Senior Project Engineer, Karin Hilding at 406-863-2450, to schedule a time for a conference call with the Committee. Their regular meeting is the first Monday of the month at 8:00AM.

The City will be updating its Ped-Bike Master Plan into an Active Transportation Plan in 2015. This plan will focus on pedestrians, bicyclists and public transit. That Plan will look at the details of different routes, which could include the Promenade concept.

Anchor Retail Concept: Task 3.3

No change.

Build-Out Concept: Task 4.4

No change.

Meetings

Change to three one-person meetings (public open house, planning board and city council)

Other Questions.

1. Why include the 'notable deviations' section? (page 6) The community made decisions that were the best at the time to locate or not locate certain facilities in a particular location. We think this section should be removed.
2. Second bullet under 'Growth Management' – delete ~~along the Highway 93 corridor~~. It's fair to identify the capacity of the downtown, but all the commercial areas have a function and should complement each other. This theme is in other areas of the plan. As described previously, the city will be starting corridor studies in areas of the community that include commercial areas and we would like to see these plans fit together.
3. Why is the 'snow lot' (northeast corner of Columbia Avenue and Railway Street) proposed for both a parking lot and multi-family? We suspect there wouldn't be much support for a parking lot in that location.
4. When this plan was adopted by the Council in 2006, the Growth Policy was amended to include Resort Residential along the 'Whitefish Landing' area. We understand that this idea is dead and now the land use is proposed to be Multi-family. However, our Resort Residential land use designations also permit multi-family. Couldn't we simply leave it as Resort Residential? Why change it?
5. As we have started to work on the city hall and parking structure with Mosaic Architects, another possible task would be for your firm to review the city hall design's compatibility with the Downtown Master Plan. When we have

another conference call, perhaps you could be prepared to discuss what that work might look like and costs associated with this work.

Scope of Work (with revisions):

<i>Transportation Framework:</i>		
Task 1.1	Update Auto/Truck Framework <ul style="list-style-type: none"> • Include highway contra flow information • <u>Consult with MDT on making Baker Avenue the main truck route (feasibility, costs, stop lights, etc)</u> 	
Task 1.2	Update Pedestrian Framework <ul style="list-style-type: none"> • Retail loop – <u>Wisconsin Avenue Connection</u> - develop alternatives & preferred plans and sections • Baker, 2nd to Railway – development alternatives and preferred plans and sections • <u>Future retail loop south of E 2nd Street/west of Baker Avenue, when the time is right</u> 	
Task 1.3	Update Bicycle Framework <ul style="list-style-type: none"> • Spokane/Railway/E on 2nd & underpass – develop alternative and preferred plans and section • <u>Consult with Ped/Bike Committee</u> • <u>Reference to Active Transportation Plan for details?</u> 	
<i>Implementation Framework:</i>		
Task 3.3	Anchor Retail Concept <ul style="list-style-type: none"> • Prepare conceptual plans • Prepare photo realistic perspective sketch illustrating compatibility with downtown character 	
<i>Executive Summary:</i>		
Task 4.4	Build-Out Concept <ul style="list-style-type: none"> • Develop illustrative plan of study area • Prepare tables identifying potential development and square footage (retail/residential/other) 	
Task X.X	City Hall Design Analysis <ul style="list-style-type: none"> • Analyze the compatibility of the city hall design with the Downtown Master Plan. 	
<u>Add one two person three one-person meetings (public open house, planning board & city council)</u>		

Deliverables:

Please describe the deliverables. We would expect to receive an electronic version and possibly some bound and printed. In the 2006 Master Plan, we also received some poster-sized maps, will this also be a part of the deliverables? Finally, we would like to get the final document in Word or some other editable type of electronic version.

CITY OF WHITEFISH
PAYMENT REQUEST SUMMARY

This sheet shows the status of the contract with Crandall and Arambula through the most recent payment.

Please provide the completed form as a cover sheet for all pay requests associated with contract survey, design, construction, or consulting services. At a minimum, attached information shall include a current billing statement and a current invoice which includes a brief progress report and a detailed accounting of pay items, tasks, quantities, or hours completed.

Date:	7/14/14
Project Name:	Downtown Master Plan Update - Phase II
Contract Date:	4/19/12
Pay Request Number:	17
Contract Amount (including amendments to date)	\$106,954.00
Total of Previous Payments Requested:	\$100,975.40
Current Payment Request:	\$457.50
Remaining Contract Balance:	\$5,521.10

Pay to the order of:	Crandall Arambula, PC
Address:	520 SW Yamhill, Roof Suite 4
Address:	Portland, OR 97204
Address:	

Submitted By: (signature)

Telephone:	503-417-7879
Fax:	503-417-7904

Payment Approved: (City signature)

Project Number:

Budget Account Number:	2310-470330-350
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September 8, 2014

Mayor Muhlfeld and City Councilors
City of Whitefish
Whitefish, Montana

Mayor Muhlfeld and Councilors

Annual Rate and Fee Adjustments for the Water, Wastewater and Solid Waste Utilities

Introduction/History

The City Council adopted Resolution 13-29 last October, providing for water and sewer rates to be automatically adjusted on October 1st of each year “based on the increase, if any, in the U.S. Department of Labor’s Water, Sewer and Trash Collection Services Consumer Price Index for All Urban Consumers for the twelve-month period ending the preceding December 31.” Resolution 13-29 also provides for solid waste collection fees to be automatically increased by 3% on October 1st each year through 2016, corresponding with our current service contract with North Valley Refuse. A copy of Resolution 13-29 is attached.

Current Report

Annual inflationary rate adjustments allow revenues to keep pace with steadily rising costs for many items such as labor, services and materials. Relatively small periodic increases can help mitigate the impact of abrupt rate hikes that might otherwise be necessary to catch up with inflation or to finance major capital projects.

A table from the Bureau of Labor Statistics’ report on the Consumer Price Index for All Urban Customers is attached, indicating the CPI for Water, Sewer and Trash Collection Services for the 12 month period ending December 2013 was 3.6%. In accordance with Resolution 13-29, water and wastewater services rates and charges will therefore be increased by 3.6%, as shown on the attached rate schedule, effective October 1, 2014.

These water and sewer rate increases will result an additional charge of approximately \$2.97 per month for a typical residential customer and are estimated to generate additional annual revenues of \$94,940 and \$76,915 for the Water and Wastewater Funds, respectively.

Similarly, and in accordance with Resolution 13-29, garbage collection services rates and charges will be increased by 3.0%, as shown on the attached rate schedule, effective October 1, 2014. This increase will result in an additional charge of approximately \$0.26 per month for a typical residential customer and generate roughly \$22,485 in additional annual revenue for the Solid Waste Fund.

A copy of the FY 15 Budget Summary is attached for reference purposes. Please note, the beginning cash, revenue, and ending cash values for the Water, Wastewater, and Solid Waste Funds do not reflect these increased rates and fees.

Financial Requirement

This matter does not involve a financial requirement for the Water or Wastewater Funds, although significant consequences could result if effective revenues were allowed to decline due to inflation.

Likewise, this matter does not involve a financial requirement for the Solid Waste Fund, although the 3% increase in user fees, corresponding to the 3% increase in payments to our contract hauler, will allow us to maintain cash reserves.

Recommendation

If the City Council accepts these automatic rate and fee increases for the Water, Wastewater and Solid Waste Funds, no Council action is necessary, in accordance with Resolution 13-29. If the Council chooses to reduce or forego any of these changes, they can so direct staff and a new resolution can be prepared for consideration at the October 6th City Council meeting.

Sincerely,



John C. Wilson
Public Works Director

RESOLUTION NO. 13-29

A Resolution of the City Council of the City of Whitefish, Montana, specifying rate increases for water, wastewater and garbage collection services beginning October 1, 2013.

WHEREAS, as established by Resolution Nos. 06-51 and 07-12, on October 1 of every year, the City water and wastewater rates and charges are to be automatically increased, based on the increase, if any, in the U.S. Department of Labor's Water, Sewer and Trash Collection Services Consumer Price Index for All Urban Consumers (Consumer Price Index) for the twelve-month period ending the preceding December 31; and

WHEREAS, as established by Resolution No. 11-52, beginning on October 1, 2012, and continuing through October 31, 2016, the four-year term of the City's agreement with Montana Waste Systems, Inc., d/b/a North Valley Refuse, the City garbage collection rates and charges are to be automatically increased by 3% annually; and

WHEREAS, during the September 16, 2013 Regular Meeting, the City Council was notified of the 5.7% rate increase in the Consumer Price Index and discussed whether to implement the 2013 automatic annual inflationary rate increases of 5.7% for water and wastewater services, and 3% for garbage collection services, in order to generate adequate funds to operate the utilities and charge each customer class their fair share of the costs; and

WHEREAS, under Title 69, Chapter 7 of the Montana Code Annotated, and under the terms of City Resolution Nos. 06-51, 07-21, and 11-52, the City of Whitefish is authorized to regulate the City's municipal water, wastewater, and garbage collection rates and charges and to change such rates and charges as may be deemed by the City Council to be reasonable and just; and

WHEREAS, at a lawfully noticed hearing on October 7, 2013, after receiving public comment and reviewing staff reports, and having considered the 5.7% increase of the Consumer Price Index, the study of the cost of water and wastewater services, and forecasted expenses, the Whitefish City Council determined that beginning October 1, 2013, the municipal water and wastewater rate increases would be 5.7%, and the garbage collection rate increase would be 3%; and

WHEREAS, beginning October 1, 2014, and continuing thereafter, the City water and wastewater services rates and charges will be automatically increased, based on the increase, if any, in the Consumer Price Index, as provided by Resolution Nos. 06-51 and 07-12.

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

Section 1: Those rates and charges as reflected on Exhibit "A", attached hereto and incorporated herein by reference, are hereby adopted and approved by the City Council of

the City of Whitefish and shall be implemented for water, wastewater, and garbage collection services billed after October 1, 2013.

Section 2: In addition to the rate increase reflected on the attached Exhibit, on October 1 of every year, beginning October 1, 2014, and continuing thereafter indefinitely, the City water and wastewater services rates and charges will be automatically increased, based on the increase, if any, in the Consumer Price Index, all as provided by Resolution Nos. 06-51 and 07-12. The City Council will be notified of the amount of the increase based on the Consumer Price Index.

Section 3: In addition to the rate increase reflected on the attached Exhibit, on October 1, 2014, and continuing through October 31, 2016, the term of the City's agreement with Montana Waste Systems, Inc., d/b/a North Valley Refuse, the City garbage collection services rates and charges will be automatically increased by 3% annually.

Section 4: This Resolution shall take effect immediately upon its adoption by the City Council, and signing by the Mayor thereof.

Section 5: Once this Resolution becomes final, the City Public Works Department is authorized and directed to implement the adjustments reflected in the attached Exhibit, and the automatic increases described in Sections 2 and 3 above.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF WHITEFISH, MONTANA, ON THIS 7TH DAY OF OCTOBER, 2013.



John M. Muhlfeld, Mayor

ATTEST:



Necile Lorang, City Clerk

Table 3. Consumer Price Index for all Urban Consumers (CPI-U): U.S. city average, detailed expenditure categories -Continued

(1982-84=100, unless otherwise noted)

Item and Group	Relative importance, December 2012	Unadjusted indexes		Unadjusted percent change to Dec. 2013 from—		Seasonally adjusted percent change from—		
		Nov. 2013	Dec. 2013	Dec. 2012	Nov. 2013	Sep. to Oct.	Oct. to Nov.	Nov. to Dec.
Expenditure category								
Other food away from home ^{1 3} .....	.363	171.608	171.467	2.2	-0.1	0.1	0.7	-0.1
Alcoholic beverages .....	.949	235.470	235.804	1.8	.1	.1	.3	.3
Alcoholic beverages at home .....	.568	195.436	196.080	1.5	.3	-3	.3	.5
Beer, ale, and other malt beverages at home .....	.272	212.933	213.561	2.3	.3	.6	.3	.3
Distilled spirits at home .....	.071	191.089	190.720	1.6	-2	.4	.2	.3
Whiskey at home ²	-	204.502	203.893	2.6	-3	.6	.5	-4
Distilled spirits, excluding whiskey, at home ^{1 2}	-	185.832	184.852	1.1	-5	.0	-4	-5
Wine at home .....	.225	166.857	167.757	.5	.5	-1.2	-1	1.1
Alcoholic beverages away from home ¹ .....	.381	321.386	320.953	2.3	-1	.4	.3	-1
Beer, ale, and other malt beverages away from home ^{1 2 3}	-	158.465	158.750	2.2	.2	.4	-1	.2
Wine away from home ^{1 2 3}	-	173.730	173.661	2.4	.0	.2	.4	.0
Distilled spirits away from home ^{1 2 3}	-	170.861	169.759	2.7	-6	.6	.5	-6
Housing	41.021	228.449	228.892	2.2	.2	.1	.2	.2
Shelter	31.681	265.310	265.881	2.5	.2	.1	.3	.2
Rent of primary residence ⁶	6.545	270.698	271.688	2.9	.4	.2	.2	.3
Lodging away from home ³ .....	.741	133.973	130.549	1.2	-2.6	-3.1	2.9	-3
Housing at school, excluding board ^{6 7} .....	.159	488.884	488.924	3.4	.0	.4	.3	.3
Other lodging away from home including hotels and motels .....	.582	271.652	262.821	.6	-3.3	-4.0	3.6	-5
Owners' equivalent rent of residences ^{6 7}	24.041	273.437	274.135	2.5	.3	.2	.3	.2
Owners' equivalent rent of primary residence ^{6 7}	22.622	273.413	274.112	2.5	.3	.2	.3	.2
Tenants' and household insurance ^{1 3} .....	.354	136.545	137.331	2.6	.6	.3	.4	.6
Fuels and utilities	5.300	223.566	224.407	2.7	.4	.0	.0	.4
Household energy	4.099	191.347	192.224	2.4	.5	-1	-1	.5
Fuel oil and other fuels ¹ .....	.332	334.213	345.274	2.9	3.3	.1	1.0	3.3
Fuel oil ¹ .....	.234	366.749	375.607	-1.8	2.4	-6	.4	2.4
Propane, kerosene, and firewood ⁸ .....	.099	341.321	359.010	14.0	5.2	-4	.3	4.1
Energy services ⁶	3.767	191.984	192.394	2.4	.2	-2	-2	.2
Electricity ⁶	2.850	197.442	198.043	3.2	.3	.1	.3	.4
Utility (piped) gas service ⁶ .....	.917	173.035	172.898	-1	-1	-1.0	-1.8	-4
Water and sewer and trash collection services ³	1.201	200.004	200.203	3.6	.1	.6	.3	.3
Water and sewerage maintenance ⁶ .....	.908	454.999	455.317	3.8	.1	.7	.2	.3
Garbage and trash collection ⁹ .....	.293	421.427	422.237	2.9	.2	.3	.4	.2
Household furnishings and operations	4.040	123.692	123.409	-1.4	-2	-2	-2	-2
Window and floor coverings and other linens ^{1 3} .....	.266	64.122	63.625	-3.6	-8	-2	-2	-8
Floor coverings ^{1 3} .....	.038	107.056	106.969	-2.9	-1	.0	-8	-1
Window coverings ^{1 3} .....	.076	73.803	73.934	-1.1	.2	-5	-7	.2
Other linens ^{1 3} .....	.152	51.392	50.653	-5.0	-1.4	-1	.2	-1.4
Furniture and bedding ¹ .....	.713	117.271	116.859	-2.3	-4	-1	-4	-4
Bedroom furniture ¹ .....	.232	135.388	134.516	-9	-6	.4	.4	-6
Living room, kitchen, and dining room furniture ^{1 3} .....	.337	89.429	88.970	-7	-5	.2	-3	-5
Other furniture ³ .....	.137	73.255	73.716	-8.7	.6	-2.1	-2.9	.5
Infants' furniture ^{1 2 5}	-	91.165	94.016	-	3.1	-	-	3.1
Appliances ³ .....	.285	84.499	84.061	-3.8	-5	.0	-5	-3
Major appliances ³ .....	.165	95.940	95.261	-5.8	-7	.6	-1.6	-6
Laundry equipment ²	-	110.305	107.840	-9.1	-2.2	.0	-1.5	-1.6
Other appliances ^{1 3} .....	.117	70.144	69.964	-9	-3	-9	.1	-3
Other household equipment and furnishings ³ .....	.481	62.004	61.571	-4.5	-7	-6	-3	-4
Clocks, lamps, and decorator items ¹ .....	.250	50.991	50.700	-7.1	-6	-7	-9	-6
Indoor plants and flowers ¹⁰ .....	.101	125.215	125.067	-7	-1	-1	-7	-7
Dishes and flatware ^{1 3} .....	.046	57.676	56.464	-3.2	-2.1	.6	1.1	-2.1
Nonelectric cookware and tableware ³ .....	.083	95.693	94.738	-2.2	-1.0	.1	-4	-7
Tools, hardware, outdoor equipment and supplies ³ .....	.675	91.086	90.914	-7	-2	-9	-5	-2
Tools, hardware and supplies ^{1 3} .....	.172	100.830	100.007	.4	-8	-2	-1	-8
Outdoor equipment and supplies ³ .....	.358	86.483	86.605	-1.1	.1	-1.2	-8	.0
Housekeeping supplies ¹ .....	.890	188.056	188.169	-1.0	.1	.3	-4	.1
Household cleaning products ^{1 3} .....	.360	120.114	120.335	-2.3	.2	-1	.0	.2
Household paper products ^{1 3} .....	.244	170.491	170.053	.6	-3	.7	-6	-3
Miscellaneous household products ^{1 3} .....	.286	119.315	119.532	-7	.2	.6	-6	.2
Household operations ^{1 3} .....	.730	159.075	159.228	2.0	.1	.2	.1	.1
Domestic services ^{1 3} .....	.251	151.609	152.971	3.2	.9	.4	.3	.9
Gardening and lawn care services ^{1 3} .....	.238	161.853	161.853	.9	.0	.0	.0	.0

See footnotes at end of table.

Exhibit "A"

Water & Sewer Rates

Rate Code Description	Proposed		Current	
	Base	Usage	Base	Usage
WATER				
Inside City				
IN .625"	\$24.53	\$3.87	\$23.21	\$3.66
IN .625" Low Income/Senior	\$6.13	\$3.87	\$5.80	\$3.66
IN .750"	\$36.21	\$3.87	\$34.26	\$3.66
IN .750" Low Income/Senior	\$9.05	\$3.87	\$8.56	\$3.66
IN 1"	\$51.39	\$3.87	\$48.62	\$3.66
IN 1" Low Income/Senior	\$12.85	\$3.87	\$12.16	\$3.66
IN 1.5"	\$157.69	\$3.87	\$149.19	\$3.66
IN 1.5" Low Income/Senior	\$39.43	\$3.87	\$37.30	\$3.66
IN 2"	\$260.49	\$3.87	\$246.44	\$3.66
IN 3"	\$311.88	\$3.87	\$295.06	\$3.66
IN 4"	\$515.13	\$3.87	\$487.35	\$3.66
Pressurized Zone				
PZI .625"	\$28.03	\$4.92	\$26.52	\$4.65
PZI .625" Low Income/Senior	\$7.01	\$4.92	\$6.63	\$4.65
PZI .750"	\$42.05	\$4.92	\$39.78	\$4.65
PZI .750" Low Income/Senior	\$10.52	\$4.92	\$9.95	\$4.65
PZI 1"	\$60.74	\$4.92	\$57.46	\$4.65
PZI 1" Low Income/Senior	\$15.19	\$4.92	\$14.37	\$4.65
PZI 1.5"	\$169.37	\$4.92	\$160.24	\$4.65
PZI 1.5" Low Income/Senior	\$42.34	\$4.92	\$40.06	\$4.65
Outside City				
OUT .625"	\$31.54	\$5.69	\$29.84	\$5.38
OUT .625" Low Income/Senior	\$7.89	\$5.69	\$7.46	\$5.38
OUT .750"	\$45.56	\$5.69	\$43.10	\$5.38
OUT .750" Low Income/Senior	\$11.38	\$5.69	\$10.77	\$5.38
OUT 1"	\$67.75	\$5.69	\$64.10	\$5.38
OUT 1" Low Income/Senior	\$16.93	\$5.69	\$16.02	\$5.38
OUT 1.5"	\$183.39	\$5.69	\$173.50	\$5.38
OUT 2"	\$303.70	\$5.69	\$287.32	\$5.38
SPRINKLER				
.625" IN	\$10.52	\$2.45	\$9.95	\$2.32
.625" OUT	\$14.02	\$4.32	\$13.26	\$4.09
.625" PZ	\$14.02	\$3.51	\$13.26	\$3.32
.750" IN	\$15.19	\$2.45	\$14.37	\$2.32
.750" OUT	\$19.86	\$4.32	\$18.79	\$4.09
.750" PZ	\$21.02	\$3.51	\$19.89	\$3.32
1" IN	\$25.70	\$2.45	\$24.31	\$2.32
1" OUT	\$32.70	\$4.32	\$30.94	\$4.09
1" PZ	\$35.04	\$3.51	\$33.15	\$3.32

Exhibit "A"

1.5" IN	\$64.24	\$2.45	\$60.78	\$2.32
1.5" OUT	\$82.93	\$4.32	\$78.46	\$4.09
1.5" PZ	\$64.24	\$3.51	\$60.78	\$3.32
2" IN	\$108.63	\$2.45	\$102.77	\$2.32
2" OUT	\$139.01	\$4.32	\$131.51	\$4.09
2" PZ	\$108.63	\$3.51	\$102.77	\$3.32
4" IN	\$218.43	\$2.45	\$206.65	\$2.32
SPRINKLER MAX (12,000 gallons per month)		\$2.45		\$2.32

Rate Description	Proposed		Proposed	
	Base	Usage	Base	Usage

SEWER

Inside City

SC-1 IN	\$20.69	\$3.47	\$19.57	\$3.28
SC-1 IN Low Income/Senior	\$5.17	\$3.47	\$4.89	\$3.28
LAUNDRY	\$20.69	\$3.47	\$19.57	\$3.28
SC-2 IN	\$36.19	\$6.17	\$34.24	\$5.84
SC-2 IN Low Income/Senior	\$9.06	\$6.17	\$8.57	\$5.84
SC-3 IN	\$42.20	\$8.66	\$39.92	\$8.19
SC-3 IN Low Income/Senior	\$10.55	\$8.66	\$9.98	\$8.19
GRINDERS	\$52.73	\$13.17	\$49.89	\$12.46
GRINDERS Low Inc/Sr	\$13.19	\$13.17	\$12.48	\$12.46
STEP PACK RAT	\$54.81	\$16.28	\$51.85	\$15.40
STEP PKRAT Low Inc/Sr	\$13.71	\$16.28	\$12.97	\$15.40

Outside City

SC-1 OUT	\$24.17	\$5.34	\$22.87	\$5.05
SC-2 OUT	\$40.55	\$8.51	\$38.36	\$8.05
SC-3 OUT	\$46.51	\$10.30	\$44.00	\$9.74
STEP REST HAVEN	\$58.83	\$20.99	\$55.66	\$19.86
BIG MOUNTAIN	\$70.95	\$8.51	\$67.12	\$8.05

Service Class (SC) is determined by number of lift stations and/or complexity of system.

Exhibit "A"

City of Whitefish Solid Waste Collection Rates

Rate increase effective 10/1/2014

RESIDENTIAL CONTAINER RATES

Type/Size	Frequency - # of Containers and/or # of Pick-ups				
	1	2	3	4	5
Curbside Recycle	\$4.12				
1 Container	\$9.02	\$16.37	\$23.46	\$30.55	\$37.64
1 Bear Cart	\$11.19	\$20.22	\$29.23	\$38.25	\$47.26

COMMERCIAL CONTAINER RATES

For commercial rates, add number of businesses multiplied by \$5.50 for the admin charge

All commercial accounts that contract directly for service with a licensed private hauler due to specific needs (such as

Type/Size	Frequency - # of Containers and/or # of Pick-ups				
	1	2	3	4	5
300 Gallon	\$24.10	\$48.21	\$72.31	\$96.41	\$120.52
300 Gal Shared	\$12.05	\$24.10	\$36.16	\$48.21	\$60.26
1.5 Yard	\$50.03	\$100.06	\$150.10	\$200.13	\$250.16
1.5 Yd Shared	\$25.02	\$50.02	\$75.04	\$100.05	\$125.06
2 Yard	\$56.28	\$112.56	\$168.84	\$225.12	\$281.40
2 Yd Shared	\$28.14	\$56.28	\$84.42	\$112.56	\$140.69
2 Yard Bear	\$62.05	\$124.10	\$186.16	\$248.21	\$310.26
2 Yd Bear Shared	\$31.03	\$62.06	\$93.08	\$124.11	\$155.14
3 Yard	\$60.04	\$120.07	\$180.11	\$240.15	\$300.18
3 Yd Shared	\$30.01	\$60.03	\$90.04	\$120.06	\$150.07
3 Yard Bear	\$66.30	\$132.59	\$198.89	\$265.18	\$331.48
3 Yd Bear Shared	\$33.15	\$66.31	\$99.46	\$132.62	\$165.77
4 Yard	\$82.54	\$165.08	\$247.61	\$330.15	\$412.69
4 Yd Shared	\$41.27	\$82.54	\$123.81	\$165.08	\$206.35
4 Yard Bear	\$89.30	\$178.59	\$267.88	\$357.18	\$446.47
4 Yd Bear Shared	\$44.64	\$89.29	\$133.94	\$178.59	\$223.24
6 Yard	\$110.06	\$220.11	\$330.16	\$440.22	\$550.27
6 Yd Shared	\$55.03	\$110.05	\$165.08	\$220.11	\$275.14
6 Yard Bear	\$117.88	\$235.75	\$353.63	\$471.51	\$589.38
6 Yd Bear Shared	\$58.94	\$117.88	\$176.83	\$235.77	\$294.71
8 Yard	\$140.08	\$280.16	\$420.24	\$560.32	\$700.41
8 Yd Shared	\$70.03	\$140.07	\$210.10	\$280.14	\$350.17

GENERAL FEES

Special Pick-Ups (Off Route)	
Standard Cart - Per Lift	\$7.93
Bear Cart-Per Lift	\$9.82
300 Gallon-Per Lift	\$25.15
1.5 Yard-Per Lift	\$25.15
2 Yard-Per Lift	\$33.21
3 Yard	\$49.28
4 Yard	\$53.05
6 Yard	\$57.29
8 Yard	\$61.53

Extra Pick-up on Site Outside of Container	
Standard-Per Lift	\$7.93
Bear Cart-Per Lift	\$9.82
300 Gal-Per Lift	\$14.21
1.5 Yard-Per Lift	\$14.21
2 Yard-Per Lift	\$15.91
3 Yards-Per Lift	\$17.32
4 Yards-Per Lift	\$21.07
6 Yards-Per Lift	\$27.33
8 Yards-Per Lift	\$33.58

Exhibit "A"

GENERAL FEES-CONTINUED

Change from Regular Cart to Bear Cart	\$49.88	
New or Additional Cart:	Regular Cart	\$66.95
	Bear Cart	\$110.21
Cleaning of Carts:	1st Cart	\$13.76
	Additional Cart	\$9.52
		each
Delivery Fee-Change out 300g thru 8Yd	\$31.67	not applicable to new construction
Damaged Containers:		
Standard Cart	\$107.00	
Bear Cart	\$190.81	
300 Gal	\$540.90	
1Yd to 8Yd Refurbished	\$482.56	
Bear 1 Yd - 8 Yd	\$800.83	

CARDBOARD RATES

Type/Size	Frequency - # of Containers and/or # of Pick-ups				
	1	2	3	4	5
1.5 Yard	\$18.20	\$36.40	\$54.60	\$72.80	\$91.00
2 Yard	\$18.20	\$36.40	\$54.60	\$72.80	\$91.00
3 Yard	\$24.31	\$48.62	\$72.92	\$97.23	\$121.54
4 Yard	\$24.31	\$48.62	\$72.92	\$97.23	\$121.54
6 Yard	\$30.32	\$60.65	\$90.97	\$121.29	\$151.62
8 Yard	\$36.44	\$72.88	\$109.32	\$145.77	\$182.21

Cardboard Special Pick-ups

2 Yard	\$4.20	
3 Yard	\$5.61	
4 Yard	\$5.61	
6 Yard	\$7.00	
8 Yard	\$8.42	
	\$0.00	
Concrete Units	\$11.60	per month per unit
Locks	\$1.55	per month per lock

MWS bills customers directly who have compactors and cardboard recycling

Grass clippings need to be bagged and placed in cart - up to 3 bags only (single carts not 300 gal)

All overnight or weekly residential rental units shall be charged at commercial rates.

An admin fee is included in the Residential rate. The admin fee of \$5.50 per business is not included in the Commercial rate.

Extra collection charges for garbage outside of containers, special pickups, and cleaning of carts are charged the cost of collection billed to the City plus a \$1.00 administration fee. The \$1.00 is included in rate schedule.

Extra Pick-ups charges will be waived for two weeks after December 25 for residential pickups.

All new accounts requiring service at a location not previously served or accounts requesting additional cart(s) will be assessed a one-time charge of the cost of the cart(s) billed to the city plus a \$5.00 set-up fee. The \$5.00 fee is included in the rate schedule above.

Change from regular cart to bear cart, delivery fee for change out 300g thru 8yd, and damaged containers will be assessed the charge of the cost to the city plus a \$5.00 admin fee. The \$5.00 fee is included in the rate schedule.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	Budget Summary by Main Revenue Source														
2	City of Whitefish Budget														8/11/2014 11:51
3	Fiscal Year 2015														
4	Resources					Requirements									
5		Beginning Available				Personal Services	Materials & Services	Capital Outlay		Debt Service		Total Approp Budget	Ending Available Cash	Total Approp. & Unapprop	Change in Cash
6	Fund	Cash	Revenue	Transfers	Total				Transfers	Conting.					
7															
8															
9	Property Tax Supported Funds:														
10	General	890,170	3,424,659	668,831	4,983,660	684,239	295,063	20,000	3,428,290	-	10,000	4,437,592	546,068	4,983,660	(344,102)
11	Library	59,348	174,667	34,371	268,386	148,241	62,560	-	-	-	21,799	232,600	35,786	268,386	(23,562)
12	Law Enforcement	38,541	543,643	1,885,000	2,467,184	1,901,443	518,473	31,800		3,400	2,000	2,457,117	10,068	2,467,184	(28,473)
13	Fire & Ambulance	299,865	2,348,438	1,319,547	3,967,850	2,242,579	851,014	574,547		69,500		3,737,640	230,210	3,967,850	(69,655)
14	Bldg Codes	1,670	461,500	-	463,170	303,641	45,359	50,000				399,000	64,170	463,170	62,500
15	Parks/Rec	325	1,004,084	693,919	1,698,328	787,586	666,910	85,000		32,239	10,000	1,581,735	116,593	1,698,328	116,268
16	Total	1,289,919	7,956,991	4,601,668	13,848,578	6,067,729	2,439,379	761,347	3,428,290	105,139	43,799	12,845,683	1,002,895	13,848,578	(287,024)
17															
18						Total Operating Budget =		8,507,108		Ending Cash as a % of Budget		10.6%			
19	Other Tax, Fee & Assessment Supported Funds:														
20	Resort Tax	1,888,666	2,092,995	-	3,981,661	-	-	2,527,214	708,631	-	-	3,235,845	745,816	3,981,661	(1,142,850)
21	Tax Inc Dist	2,325,543	4,895,465	129,365	7,350,373	228,194	2,036,473	965,633	2,379,988		500,000	6,110,288	1,240,085	7,350,373	(1,085,458)
22	Street Fund	1,104,618	1,366,611		2,471,229	741,721	988,212	433,623			50,000	2,213,556	257,673	2,471,229	(846,945)
23	Street Lighting #1	44,933	76,837		121,770	21,782	52,094	9,350				83,226	38,544	121,770	(6,389)
24	Street Lighting #4	30,843	67,334		98,177	21,782	61,223	7,650				90,655	7,521	98,177	(23,322)
25	Impact Fees	664,562	233,000	-	897,562				764,477			764,477	133,085	897,562	(531,477)
26	Sidewalk	130,285	750		131,035			131,035				131,035	-	131,035	(130,285)
27	Stormwater	1,102,520	74,600		1,177,120		47,267	840,000				887,267	289,853	1,177,120	(812,667)
28	Total	7,291,970	8,807,591	129,365	16,228,926	1,013,479	3,185,269	4,914,505	3,853,096	-	550,000	13,516,349	2,712,577	16,228,926	(4,579,393)
29															
30						Total Operating Budget =		4,198,748							
31	Enterprise Funds:														
32	Water	3,214,973	3,331,552		6,546,525	958,601	768,422	1,692,954	-	558,858	-	3,978,835	2,567,690	6,546,525	(647,283)
33	Wastewater	1,670,796	3,862,882		5,533,678	884,016	884,688	2,589,877	-	291,184	-	4,649,764	883,914	5,533,678	(786,882)
34	Solid Waste	110,522	766,796	-	877,318	72,220	695,423		-	-	-	767,643	109,674	877,318	(848)
35	Total	4,996,292	7,961,230	-	12,957,521	1,914,837	2,348,533	4,282,831	-	850,041	-	9,396,243	3,561,279	12,957,521	(1,435,013)
36															
37						Total Operating Budget =		4,263,370							
38	Other Funding Source Funds:														
39	Cty Hall Reserve	2,252,701	258,000		2,510,701			1,000,000				1,000,000	1,510,701	2,510,701	(742,000)
40	US93/2nd St TIGER	-	5,000		5,000			5,000				5,000	-	5,000	-
41	Housing Authority	4,818	527,500	-	532,318	-	532,318	-	-	-	-	532,318	-	532,318	(4,818)
42	WF Trail Construct	-	250,000		250,000			250,000				250,000	-	250,000	-
43	Park Acq & Dev	121,879	482,900	401,800	1,006,579	-	-	956,850				956,850	49,729	1,006,579	(72,150)
44	TIF Debt Svc	3,148,155	1,779,988	-	4,928,143	-	-	-	-	1,779,988		1,779,988	3,148,155	4,928,143	-
45	Victim/Wit	49	15,000		15,049		15,000					15,000	49	15,049	-
46	Misc. S.I.D.	124,153	140,304		264,457					139,604		139,604	124,854	264,457	701
47		5,651,755	3,458,692	401,800	9,512,247	-	547,318	2,211,850	-	1,919,592	-	4,678,760	4,833,488	9,512,247	(818,268)
48															
49	Total	19,229,936	28,184,504	5,132,833	52,547,273	8,996,045	8,520,500	12,170,533	7,281,386	2,874,772	593,799	40,437,035	12,110,238	52,547,273	(7,119,697)

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MANAGER REPORT

September 10, 2014



RESORT TAX COLLECTIONS

A copy of the Resort Tax report showing July collections is included with this packet. July's collections were up by \$7,367 or 2.45%. July is the first month of the new fiscal year, so it is also the same information for year-to-date collections. July is also our largest month of Resort Tax collections so an increase in July is significant.

However, the decrease in retail of \$1,152 or 1% is a little surprising given the anecdotal information we had heard about July. There is a delinquency of one retail vendor for July, which if paid, would have turned that retail decrease into an increase of probably somewhere near \$2,000. This vendor has never been a problem in paying on time, so we expect that it will be paid up soon.

REMINDER OF 5TH MONDAY MEETING IN KALISPELL ON FUTURE WASTEWATER TREATMENT DISCHARGE PERMIT REQUIREMENTS AND OPTIONS

The Flathead Regional Wastewater Management Group (FRWMG) is a consortium of local governments, special districts, other wastewater dischargers, and interested parties that was organized a number of years ago by Flathead County as part of a state grant they obtained to look at regional solutions to wastewater discharge permits and ways to improve the water quality of Flathead Lake and its tributaries. The FRWMG is holding a "5th Monday Meeting" of all the local governments and dischargers in Flathead County and Lake County on Monday, September 29th at 6:00 p.m. at the Red Lion Inn in Kalispell to inform elected officials about the septic system study they did, upcoming wastewater discharge permit requirements, and options to meet those permit requirements.

The agenda and press release for the September 29th meeting are attached to this report in the packet. Please mark your calendars to attend the September 29th meeting so that elected officials have the background information on this important and expensive topic so that different options can be pursued.

HWY 93 NORTH (WHITEFISH WEST) CONSTRUCTION PROJECT (Karrow to Mountainside)

The following information provides details about the Highway 93 West reconstruction project from Karrow Avenue to Mountainside in Whitefish during the weeks of September 1 and September 8. This update is presented on behalf of Schellinger Construction.

For the weeks of September 1 and September 8, crews will be working from 6 a.m. to 10 p.m. Schellinger recommends planning for delays and occasional one-lane traffic during these hours.

Over the next two weeks, Schellinger Construction crews will continue the installation of utilities and new systems, including storm drainage, sanitation and water lines.

Regarding the water line break on August 28, the break occurred when Schellinger crews hit a water line not located on current utility mapping. Schellinger apologizes for any inconvenience and extends its appreciation to the community for their patience.

We encourage you to visit <http://www.mdt.mt.gov/pubinvolve/karrow> or tune into 106.3 FM, 103.1 FM, and 880 AM for weekly updates. Additionally, a meeting will be held every Tuesday at 9 a.m. at 2005 Lion Mountain Road and the public is welcome to attend.

Those with questions or concerns are welcome to contact Project Manager, Marc Blanden, at 406-253-3730.

There was also another water line break on September 9th which caused a water outage to Grouse Mountain Lodge and other properties.

EAST 2ND STREET CONSTRUCTION PROJECT UPDATE

Knife River is 86 days into an estimated 116 day operation which equates to the project being about 74% complete. When looking at job costs to date (for items installed or billable to), the project is projected at 50% complete.

Last week:

Neumann Construction: Crews completed new storm drainage improvements up to Birch Drive. All storm drainage work east of Birch Drive is now complete. Crews installed the wing walls on the Cow Creek box culvert. Crews installed one remaining pressurized sanitary sewer service. The entire pressurized sanitary sewer system is now complete. Crews completed several water services east of Birch Drive. Only one water service connection remains east of Birch Drive.

Knife River: Crews worked on general grading within the area west of Armory Road. Crews prepared subgrade between the Wag Park approach and westward through the Dodger Lane intersection.

Week of September 8th:

Neumann Construction: Crews are expected to continue connecting water services to the new water main. Crews are expected to finish the Cow Creek Sewer Main. Crews are expected to continue with storm drainage improvements throughout the project. Crews are expected to complete sewer main (gravity and pressure lines) testing.

Knife River: Crews are expected to resume roadway construction activities (subgrade prep, fabric, edge drain and gravel) throughout the project corridor. Concrete crews are schedule to be onsite on Tuesday, September 9th.

MEETINGS

Whitefish Face Working Group (9/4) – This group of diverse people with many interests in the Flathead National Forest area of the Whitefish Face (south face of the Whitefish Range north of Whitefish) met last week to do a field trip to look at some areas in the Whitefish Face of Flathead National Forest for possible fuel reduction (thinning or burning) and recreation projects. We used the Stoltze Land and Lumber Company roads to get access near and to see the Whitefish Face forest lands.

Flathead Regional Wastewater Management Committee (9/8) – This group is organizing the September 29th meeting referenced above. We met on Monday to make the final arrangements for the meeting on the 29th.

911 Administrative Board (9/10) – I will attend the bi-monthly meeting of the 911 Administrative Board to discuss the educational and information efforts planned for the 911 Funding ballot issue this fall.

UPCOMING SPECIAL EVENTS

REMINDERS

Monday, September 29th – Fifth Monday meeting in Kalispell (location TBD) for work session with Flathead County and other cities on upcoming wastewater discharge permit requirements and options

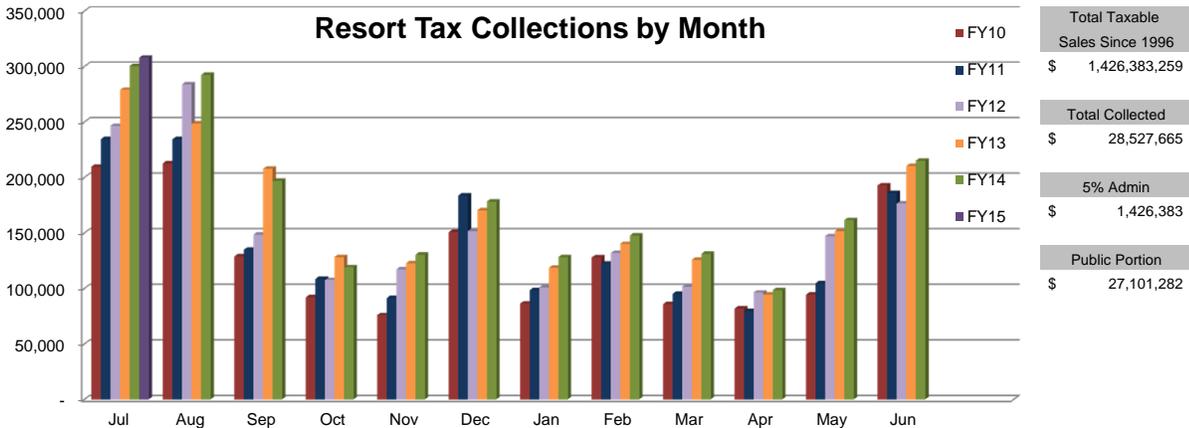
Respectfully submitted,



Chuck Stearns, City Manager

Resort Tax Report
Reported in the Month Businesses Paid Tax

Month/Year	Lodging	Bars & Restaurants		Retail	Collected	% Chng Mnth to Pr Yr Mnth	% Chng Quarter to Pr Yr Quarter	Interest	Total
		Restaurants	Restaurants						
Jul-11	56,106	90,212	100,325	246,642	5%		\$ 979	\$ 247,621	
Aug-11	85,621	91,408	106,860	283,889	21%		7,833	291,722	
Sep-11	28,154	58,830	61,535	148,519	10%	12.4%	593	149,112	
Oct-11	17,944	45,919	43,610	107,473	-1%		496	107,969	
Nov-11	14,351	39,054	63,758	117,162	28%		479	117,641	
Dec-11	16,531	51,195	84,000	151,726	-17%	-1.9%	526	152,252	
Jan-12	10,032	44,089	46,905	101,026	3%		515	101,541	
Feb-12	14,585	56,427	60,780	131,793	8%		578	132,371	
Mar-12	11,008	42,952	47,682	101,643	7%	5.9%	557	102,200	
Apr-12	9,353	39,367	47,657	96,377	21%		610	96,987	
May-12	15,461	51,207	80,526	147,194	40%		6,993	154,187	
Jun-12	35,584	68,403	72,472	176,460	-5%	13.44%	625	177,085	
Total FY12	\$ 314,731	\$ 679,063	\$ 816,110	\$ 1,809,903	Compared to Prv Yr		\$ 20,785	\$ 1,830,688	
FY11 vs FY12	15%	4%	9%	8%	or	8.1%	TaxableSalesFY12	\$ 95,258,076	
Jul-12	69,418	94,341	115,149	278,908	13%		\$ 643	\$ 279,551	
Aug-12	53,361	92,463	102,812	248,636	-12%		444	249,080	
Sep-12	57,000	77,503	73,232	207,734	40%	8.3%	533	208,267	
Oct-12	24,519	54,631	49,137	128,288	19%		434	128,722	
Nov-12	8,099	40,326	74,122	122,547	5%		379	122,926	
Dec-12	15,490	66,046	88,956	170,492	12%	11.9%	393	170,885	
Jan-13	13,152	51,930	53,396	118,478	17%		363	118,841	
Feb-13	18,023	55,180	66,995	140,198	6%		413	140,611	
Mar-13	16,171	56,231	53,318	125,720	24%	14.9%	405	126,125	
Apr-13	10,105	42,230	42,325	94,660	-2%		466	95,126	
May-13	19,009	52,303	80,090	151,402	3%		427	151,829	
Jun-13	41,222	74,833	94,085	210,140	19%	8.6%	488	210,628	
Total FY13	\$ 345,570	\$ 758,018	\$ 893,617	\$ 1,997,205	Compared to Prv Yr		\$ 5,388	\$ 2,002,593	
FY12 vs FY13	10%	12%	9%	10%	or	10.35%	TaxableSalesFY13	\$ 105,116,040	
Jul-13	81,828	98,642	120,028	300,497	8%		496	300,993	
Aug-13	77,809	108,131	106,422	292,362	18%		434	292,796	
Sep-13	50,377	77,416	69,328	197,120	-5%	7.4%	434	197,554	
Oct-13	16,851	48,015	54,271	119,137	-7%		434	119,571	
Nov-13	6,831	47,701	75,780	130,312	6%		2654	132,966	
Dec-13	21,782	64,884	91,585	178,251	5%	1.5%	404	178,655	
Jan-14	16,848	54,481	56,839	128,169	8%		404	128,573	
Feb-14	22,323	58,758	66,487	147,568	5%		404	147,972	
Mar-14	15,770	64,178	51,114	131,061	4.25%	5.8%	409	131,470	
Apr-14	10,065	41,894	46,458	98,417	3.97%		455	98,872	
May-14	18,993	58,791	83,683	161,467	6.65%		455	161,922	
Jun-14	44,865	69,190	101,053	215,107	2.36%	4.1%	455	215,562	
Total FY14	\$ 384,342	\$ 792,081	\$ 923,047	\$ 2,099,470	YTD Compared to Last Year		\$ 7,438	\$ 2,106,908	
FY13 vs FY14	11.2%	4.5%	3.3%	5.1%	or	5.12%	TaxableSalesFY14	\$ 110,498,402	
Jul-14	84,053	104,935	118,876	307,864	5%		440	308,304	
Total FY15	\$ 84,053	\$ 104,935	\$ 118,876	\$ 307,864	YTD Compared to Last Year		\$ 10,864	\$ 113,976,640	
YTD vs Last Year	2.7%	6.4%	-1.0%	2.5%	or	2.45%	TaxableSalesFY14	\$ 16,203,377	
FY15 % of Collections	4%	5%	6%			\$ 7,367			
Grand Total	\$ 4,823,316	\$ 10,089,936	\$ 12,188,030	\$ 27,101,282			\$ 750,406	\$ 19,510,104	
% of Total Collections	18%	37%	45%				2.8% Average i since '96		



Future Costs of Wastewater Treatment

Flathead Wastewater Regional Management Group

Monday, September 29, 2014

6:00 pm – 9:00 pm

Red Lion Inn

20 North Main Street, Kalispell

- 6:00 pm** **Flathead Wastewater Regional Management Group: Overview/Purpose**, Ned Cooney
- 6:15 pm** **Carver Engineering Report**, Tom Cowen, Carver Engineering
- 6:45 pm** **TMDL Status Update**, Jason Gildea, EPA
- 7:00 pm** **Nutrient Standards Update**, Tina Laidlaw, EPA
- 7:15 pm** **Costs/Benefits of meeting TMDL Standards for Point Sources**, Mike Shepard, City of Columbia Falls and Shari Johnson, City of Polson
- 7:45 pm** **Regulation of Non-point Sources** – Mike Shepard and Shari Johnson
- 8:15 pm** **Solutions:** Panel discussion with John Wilson, City of Whitefish Public Works Director; Tina Laidlaw, EPA; Ed Lieser, State Legislator; Susan Brueggeman, Environmental Health Director, Lake County; DEQ representative (TBD); and Tom Cowan, Carver Engineering.
- 8:45** **Closing Remarks/Next Steps**, Chas Cartwright, Flathead Basin Commission
- 9:00 pm** Adjourn

PRESS RELEASE

FOR IMMEDIATE RELEASE
September 9, 2014

Future Costs of Wastewater Treatment

In the Flathead Basin, cities are increasingly bearing the costs associated with improving water quality. For example, the City of Kalispell, expanded and upgraded its facility at a cost of \$18.25 million, rendering it an EPA-award winning Advanced Wastewater Treatment Plant (AWWTP). Similarly, over the last three decades, the City of Columbia Falls has spent over \$8.7 million in upgrades to its wastewater facility. Most recently, the Polson City Council was informed that by no later than December 2017, the City's facility would be required to install a process to disinfect its effluent at a cost of \$19 million, which could result in a water/sewer rate increase from about \$35.00 to \$95.00 per month per resident.

The operational and capital costs for wastewater treatment facilities continue to rise due to water pollution regulations requiring such facilities to improve the quality of water coming out of their plants. Jim Simpson, the Lake County Conservation District Supervisor, member of the Flathead Basin Commission, and member of the Flathead Regional Wastewater Management Group (FRWMG)¹ explained that while everyone wants clean water, the regulations requiring ever tightening standards often do not have the anticipated results. "The dollars spent on plant improvements do not necessarily equate to significant reductions in pollution levels."

Mike Shepard, a Columbia City Council member and member of the FRWMG agreed, noting that the cities are bearing the costs of facility upgrades with incremental improvements in water quality. Shepherd stated, "rural communities on septic systems, often contributing the lion's share of the pollution, are not under any obligation to reduce their pollution loads – leaving the cities holding the bag."

EPA/DEQ regulations for wastewater treatment facilities differ from that for rural septic systems. Municipal wastewater facilities are considered point sources, and operate under permits from DEQ. As DEQ ratchets down the amount of pollutants under the permits, municipal facilities are increasingly faced with incurring massive debt in order to meet permit requirements. However, as plants reach the limits of technology, the costly improvements often have marginal water quality benefits.

Conversely, rural residents on individual septic systems are not under the same EPA/DEQ regulations, as septic systems are considered non-point pollution sources. This situation is confounding since the report commissioned by the FRWMG and prepared by Carver Engineering indicated that the number, location and age of septic

¹ The FRWMG includes representatives from Lake County, Flathead County, the Cities of Whitefish, Kalispell, Columbia Falls, Polson, water and sewer districts, and other interested stakeholder groups.

systems are likely contributing significant pollution loads to Flathead Lake due to surface-groundwater interactions.

The members of the FRWVG reconvened in early 2014 to address the thorny issue raised by wastewater management. Rather than continuing to spend significant amounts of public dollars absent tangible results, the group is hoping to educate decision-makers regarding the issue. “Our goal is to identify unique solutions to bring some fiscal relief to City residents, while at the same time improving water quality,” said Shari Johnson, City of Polson engineering.

The first step in this educational process will include a workshop to be held on September 29, 2014 from 6:00 pm – 9:00 pm at the Red Lion Inn. The meeting agenda will include a review of the Carver Engineering Study; a TMDL and nutrient standards update; Costs/Benefits of Meeting TMDL Standards for Point Sources; and solutions for the future.

Chuck Stearns, Whitefish City Manager, is hopeful that more efficient and effective solutions to wastewater management can be found. “The City of Whitefish is currently studying nutrient trading options, and use of such a strategy basin-wide could significantly reduce costs for the Cities.” It is these types of solutions that will be discussed at the September workshop.

The September 29th workshop is free and open to the public. Invitees include: Flathead and Lake County Commissioners; City Council members; state legislators; congressional delegation; boards of public health; departments of public works and planning; and several key stakeholder groups. In addition, members of the public are strongly encouraged to attend. For additional information contact Caryn Miske at the Flathead Basin Commission at 240-3453.

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the City of Whitefish, Montana (the "City"), hereby certify that the attached resolution is a true copy of a Resolution entitled: "RESOLUTION RELATING TO FINANCING OF CERTAIN PROPOSED PROJECTS; ESTABLISHING COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE" (the "Resolution"), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Council of the City at a meeting on September 15, 2014 and that the meeting was duly held by the City Council and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Council Members voted in favor thereof: _____
_____; voted against
the same: _____; abstained from voting thereon: _____
_____; or were absent: _____.

WITNESS my hand officially this _____ day of September, 2014.

City Clerk

RESOLUTION NO. _____

RESOLUTION RELATING TO FINANCING OF CERTAIN
PROPOSED PROJECTS; ESTABLISHING COMPLIANCE
WITH REIMBURSEMENT BOND REGULATIONS UNDER
THE INTERNAL REVENUE CODE

BE IT RESOLVED by the City Council of the City of Whitefish, Montana (the “City”),
as follows:

1. Recitals.

(a) The United States Department of Treasury has promulgated final regulations governing the use of proceeds of tax-exempt bonds, all or a portion of which are to be used to reimburse the City for project expenditures paid by the City prior to the date of issuance of such bonds. Those regulations (Treasury Regulations, Section 1.150-2) (the “Regulations”) require that the City adopt a statement of official intent to reimburse an original expenditure not later than 60 days after payment of the original expenditure. The Regulations also generally require that the bonds be issued and the reimbursement allocation made from the proceeds of the bonds within 18 months (or three years, if the reimbursement bond issue qualifies for the “small issuer” exception from the arbitrage rebate requirement) after the later of (i) the date the expenditure is paid or (ii) the date the project is placed in service or abandoned, but (unless the issue qualifies for the “small issuer” exception from the arbitrage rebate requirement) in no event more than three years after the date the expenditure is paid. The Regulations generally permit reimbursement of capital expenditures and costs of issuance of the bonds.

(b) The City desires to comply with requirements of the Regulations with respect to certain projects hereinafter identified.

2. Official Intent Declaration.

(a) The City proposes to undertake certain projects generally described on Exhibit A hereto, which is hereby incorporated herein and made a part hereof (the “Projects”).

(b) Other than (i) expenditures to be paid or reimbursed from sources other than the Bonds (as hereinafter defined), (ii) expenditures permitted to be reimbursed under the transitional provision contained in Section 1.150-2(j)(2) of the Regulations, (iii) expenditures constituting preliminary expenditures within the meaning of Section 1.150-2(f)(2) of the Regulations, or (iv) expenditures in a “de minimus” amount (as defined in Section 1.150-2(f)(1) of the Regulations), no expenditures for the Projects have heretofore been paid by the City and no expenditures will be paid by the City until after the date of this Resolution.

(b) The City reasonably expects to reimburse the expenditures made for costs of the Projects out of the proceeds of debt in an estimated maximum aggregate principal amount of \$500,000 (the “Bonds”) after the date of payment of all or a portion of the costs of the Projects. All reimbursed expenditures shall be capital expenditures, a cost of issuance of the Bonds or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Regulations.

3. Budgetary Matters. As of the date hereof, there are no City funds reserved, allocated on a long-term basis or otherwise set aside (or reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside) to provide permanent financing for the expenditures related to the Projects, other than pursuant to the issuance of the Bonds. The statement of intent contained in this resolution, therefore, is determined to be consistent with the City's budgetary and financial circumstances as they exist or are reasonably foreseeable on the date hereof.

4. Reimbursement Allocations. The City's Finance Director shall be responsible for making the "reimbursement allocations" described in the Regulations, being generally the transfer of the appropriate amount of proceeds of the Bonds to reimburse the source of temporary financing used by the City to make prior payment of the costs of the Projects. Each allocation shall be evidenced by an entry on the official books and records of the City maintained for the Bonds or the Projects and shall specifically identify the actual original expenditure being reimbursed.

Passed by the City Council of the City of Whitefish, Montana, this 15th day of September, 2014.

Mayor

Attest: _____
City Clerk

EXHIBIT A

Description of Projects

River Lakes Force Main Project, consisting of force main extension at wastewater treatment plant, installation of electrical conduit for future controls and communications equipment and related improvements

MEMORANDUM

#2014-028



To: Mayor John Muhlfield
City Councilors

A handwritten signature in blue ink that reads "Chuck Stearns".

From: Chuck Stearns, City Manager

Re: Staff Report – Resolution regarding reimbursement of costs spent on a SRF loan project prior to construction of project

Date: September 8, 2014

Introduction/History

The FY15 Budget contains an appropriation of \$425,000 for a Riverside Force Main Extension which would be funded by a State Revolving Fund (SRF) loan over 20 years at an interest rate of 2.5%. The engineer's estimate has risen slightly to \$432,430 since that time. Also, the SRF loan program has some issuance costs and reserve fund requirements which will raise the cost of the project as well. Also, the project name is now changed to the "River Lakes Force Main Project".

The SRF program at the State Department of Natural Resources and Conservation (DNRC) is funded by the State of Montana issuing large amounts of tax-exempt bonds and using those proceeds to loan to municipalities and special districts for water or wastewater projects. Then as municipalities and special districts repay the loans, the State DNRC has those returned funds to loan out again.

Because the SRF program was initially funded by tax-exempt bond issues and replenished by other more recent bond issues, there are many federal tax-exempt bond regulations which apply. One of the regulations is that there is a limit on how much money can be spent prior to when the bonds are issued. There are federal "safe harbor" and "de minimus" regulations which allow spending before bond issuance for most engineering fees, but the way most bond issuers (state or cities) address using bond proceeds to "reimburse for prior expenditures" is to pass what is typically called a Reimbursement Resolution.

Current Report

Dorsey and Whitney, as bond counsel for both the State of Montana and the City of Whitefish, has prepared the necessary “Reimbursement Resolution” for the River Lakes Force Main Extension project and it is attached in the packet. At this point, to be conservative and to include allowance for issuance fees, we are using \$500,000 as the possible amount of the SRF Loan. The bids for the construction of the project and the SRF resolutions and other documents will come before the City Council in the next few months, but this is a Resolution which we can pass in advance. Passage of this Resolution will ensure that we can borrow funds for the engineering design costs that we have already paid and are currently paying.

Financial Requirement/Impact

This “Reimbursement Resolution” itself does not have any financial impact on the City, although it will allow us to borrow for the engineering costs we have spent and are currently spending. The future construction project and loan will increase debt service costs in the Wastewater Fund, but future memos will show and address those costs.

Recommendation

Staff respectfully recommends the City Council approve a Resolution relating to financing of certain proposed projects; establishing compliance with reimbursement bond regulations under the Internal Revenue Code.

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Warren Schweitzer and Ingela Schnittger
80 Why Worry Lane
Woodside, CA 94062

received
9-8-2014
City Clerk's Office

September 5, 2014

John Muhlfield, Mayor
Members of the Whitefish City Council
418 East 2d Street
Whitefish, MT 59937

RE: Petition for Exclusion

Dear Mayor Muhlfield and Whitefish City Council:

We own 100% in value of the property at 2154 Houston Drive in Whitefish, MT. We hereby petition the City of Whitefish to enact a resolution excluding our property from the boundaries of the City. The legal description of the property is Lots 28 & 29 Houston Lake Shore Tracts.

The exclusion of our property from the City will not alter the continuous boundary of the City, since our property lies outside said boundary and is wholly surrounded by Flathead County property. The only contiguity with the City is our west property line, which follows the shore of Whitefish Lake. We understand that the City represented at the time it annexed Whitefish Lake that it would not use the lakeshore for annexation purposes to claim contiguity with riparian properties. That being the case, for annexation purposes, our property shares no common property line with any property within the City of Whitefish. Nor is the separation only the width of a street or other narrow strip of land.

All Whitefish streets, avenues, alleys, or public places will remain unchanged. None are in the area sought to be excluded, because our property is entirely within and wholly surrounded by an area under the jurisdiction of Flathead County.

In 2005, at the time our property was annexed into the City of Whitefish, the City, by agreement with Flathead County, was exercising planning and zoning authority over the Houston Drive neighborhood. We were told that the City anticipated annexing the entire Houston Drive area within a few years. That would have been 2007. To date, nearly ten years later, the City has not issued an intent to annex the Houston Drive neighborhood.

Earlier this year, the Whitefish/Flathead County interlocal agreement that purported to authorize the City's jurisdiction over the Houston Drive neighborhood was terminated, and county planning and zoning was reinstated. We are now in the difficult position of having all properties on every side of us (other than the lake) under the planning and zoning jurisdiction of Flathead County. Our property is an island with different laws, regulations, and authorities. Because, different from everyone else in our neighborhood, we are subject to the jurisdiction of the City of Whitefish, we have been excluded from our homeowners' association, the Houston

Lakeshore Tract Property Owners Association. Thus, we can no longer participate in homeowner planning for the area in which our property is located.

Further, being "in" the City of Whitefish devalues our property, because it is subject to planning and building restrictions and taxes that do not burden other properties in our neighborhood.

In the nearly a decade during which we have been within the City of Whitefish, we have not used or had extended to us a single service of the City of Whitefish. We arrive at our home having traveled on federal, state, and county roads and highways. We do not have City water, sewer or solid waste pick up. Under an agreement with the county, Whitefish police and fire personnel respond to emergencies in our neighborhood, but they do not respond to non-emergencies. To our knowledge, the City does not provide winter maintenance on any roadway we use to access our property.

In fact, our only interface with the City is the payment of property taxes to it. The only impact exclusion of our property would have on the City is the loss of that revenue.

Accordingly, we pray that the Council of the City of Whitefish enact a resolution altering the boundaries of the City of Whitefish and excluding there from our property herein described.

Sincerely,

Warren Schweitzer and Ingela Schnittger
Warren Schweitzer and Ingela Schnittger

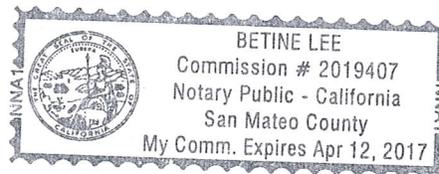
9/5/14

9-5-14

State of California
County of San Mateo

Subscribed and sworn (or affirmed) to before me this 5 day of September 2014

Betina Lee
(Signature of Notary)





FLATHEAD COUNTY 2013 REAL ESTATE TAX BILL

Adele Krantz, Treasurer
935 1st AVE W STE T Kalispell MT 59901
(406) 758-5680
http://flathead.mt.gov/property_tax



T WARREN SCHWEITZER TRUSTEE
80 WHY WORRY LN
WOODSIDE CA 94062

ASSESSOR NUMBER: 0340495
TAXBILL NUMBER: 201342817
SCHOOL DISTRICT: 74
GEO CODE: 07429223115110000

Parties with ownership interest as of January 1, 2013
Owner of Record.....SCHWEITZER TRUSTEE, T WARREN
EtalSCHNITIGER TRUSTEE, INGELA

Property Location:
2154 HOUSTON DR
WHITEFISH MT 59937
Property Description
23 31 22 HOUSTON LAKE SHORE TR LOT 29 23 31 22 HOUSTON LAKE
SHORE TR LOT 28 *and lot 29*

Type of Property	Taxable Market Value	Taxable Value
Real Estate	1,170,994	29,743.24
Improvements	273,117	6,937.17
Totals	1,444,111	36,680.41

Description	Percentage	Amount
County Functions	21.47%	4436.17
Education	55.98%	11565.33
City Functions	22.03%	4550.99
Other	0.50%	103.96

SUMMARY OF TAXES, LEVIES & FEES

COUNTY	.067330	2469.70	SHERIFF	.036200	1327.83
CO PERM MED LEVY	.005000	183.40	NOXIOUS WEEDS	.001650	60.52
COUNTYWIDE MOSQUITO	.000750	27.51	911 GENER OBLIG BOND	.002070	75.93
BOARD OF HEALTH	.005740	210.55	COUNTY LAND FILL		80.73
	SUBTOTAL - TAXES FOR COUNTY FUNCTIONS...			.118740	4436.17
STATE - UNIVERSITY	.006000	220.08	GENERAL SCHOOLS	.106430	3903.90
STATE - SCHOOL AID	.040000	1467.22	FLAT VAL COM COLLEGE	.014200	520.86
WHITEFISH HI SCHOOL	.060000	2200.82	WFSH CITY ELEM 74	.087070	3193.76
FVCC PERMIS MED LEVY	.001600	58.69			
	SUBTOTAL - TAXES FOR EDUCATION.....			.315300	11565.33
WHITEFISH CITY	.117174	4297.99	RESORT TAX RELIEF	-.031369	-1150.63
WF PERM MED LEVY	.010000	366.80	WF FIRE / AMBULANCE	.024000	880.33
WFSH LT 1		39.78	WFSH CITY STREETS		83.00
WFSH PRK/GRNMY MNT 1		21.19	WFSH STRMTR IMP&MNT		12.53
	SUBTOTAL - TAXES FOR CITY FUNCTIONS.....			.119805	4550.99
SOIL & WATER CONSERV	.001570	57.59	WF COUNTY WATER DIST	.000130	3.87
STATE FORESTER		42.50			
	SUBTOTAL - OTHER TAXES AND FEES.....			.001700	103.96
Total Mills Levied	0.555545				

Total Taxes and Fees . . . 20656.45

35508

1st Installment due 11/30/2013 = 10328.25
2nd Installment due 05/31/2014 = 10328.20

Tax paid receipts will be mailed only if a self-addressed stamped envelope is enclosed.
To pay or view taxes online, go to http://flathead.mt.gov/property_tax.
A 3% fee will be charged on all credit/debit card payments. There is no fee to pay by e-check.
Payments made or postmarked after the due date must include 2% penalty & monthly interest of 5/6 of 1% (0.008333).

Keep upper portion for your records.

Return this stub with 2nd half payment. Payment must be hand delivered or postmarked by:

MAY 31, 2014

Make checks payable to **FLATHEAD COUNTY TREASURER**

Please include your tax bill number on your check.

Pay by e-check, credit/debit card online at http://flathead.mt.gov/property_tax

DO NOT PAY THIS IF IT IS INCLUDED IN YOUR MORTGAGE PAYMENT

ASSESSOR NUMBER: 0340495

TAXBILL NUMBER: 201342817

SCHOOL DISTRICT: 74

If your address has changed, please make corrections below.

T WARREN SCHWEITZER TRUSTEE
80 WHY WORRY LN
WOODSIDE CA 94062

No additional notice will be sent for this installment.

Tax Amount Due: 10328.20



2ND 2013 REAL ESTATE

Return this stub with 1st half payment. Payment must be hand delivered or postmarked by:

NOVEMBER 30, 2013

Make checks payable to **FLATHEAD COUNTY TREASURER**

Please include your tax bill number on your check.

Pay by e-check, credit/debit card online at http://flathead.mt.gov/property_tax

DO NOT PAY THIS IF IT IS INCLUDED IN YOUR MORTGAGE PAYMENT

ASSESSOR NUMBER: 0340495

TAXBILL NUMBER: 201342817

SCHOOL DISTRICT: 74

If your address has changed, please make corrections below.

T WARREN SCHWEITZER TRUSTEE
80 WHY WORRY LN
WOODSIDE CA 94062

Tax Amount Due: 10328.25

Full year by 11/30/13 20656.45



1ST 2013 REAL ESTATE

April 19, 2010

said the City needs to do the same thing. He said page 2 scares him because they are already dealing with a \$720,000 deficit.

Councilor Kahle asked and Manager Stearns said this is only one side of the equation. They'll save \$50,000/year by moving the Planning Department to Depot Park. They need to take a holistic view of the budget. He said he and Finance Director Knapp will identify all the known big ticket items and they'll also have some bright spots for them. It is hard to take these five items and get a comprehensive picture of where the budget is going to be next year. He said the two retirements will hurt them next year, but the positions probably won't be replaced. He said he isn't sure the whole picture will look better, but he can't react just on four pieces of bad news without taking a look at the entire budget. Finance Director Knapp said they will probably have \$70,000 less in Resort Tax Rebate. He said there is the potential to leverage the full 24 mills. He said on page 48 they budgeted to spend down \$173,000 in Ambulance, and in Fire is another \$24,000; the full 24 mills would really help. Councilor Mitchell said they are off the budget 9% and took \$1,100,000 out of savings. Councilor Mitchell said he is just trying to do the big numbers. They can't continue to raise the taxes for local people. He said if they can come up with a budget that doesn't raise taxes; he'd like to see the suggestions. Councilor Friel said he shares the same concerns. He said he could wait a month if staff needed it. He has confidence the staff is working hard to mitigate the losses and re-build the reserves. Manager Stearns said he understands no one wants to raise taxes. They lowered taxes by 11% last year. They thought they could afford to do that, but they need to levy back those 12 mills. They will try to have as many options as possible. They want to come to the Council with a comprehensive picture.

9. COMMUNICATIONS FROM CITY ATTORNEY

9a. **Resolution 10-_____ ; A Resolution indicating the City Council's intention to exclude from the boundaries of the City of Whitefish Lots 28 and 29 of Houston Lake Shore Tracts (p. 50)**

Councilor Friel said he empathizes with people who don't want to pay higher taxes, but these people requested to be in the City and he wasn't inclined to de-annex them. Manager Stearns said he made the recommendation not to de-annex this property. He said the neighbors to this property are the Walton's who will probably connect to the City sewer system. This whole area is one they should consider for inclusion in the City limits rather than exclusion. Councilor Hyatt said if they allow one person out then others will want out and he didn't want to open that can of worms. Councilor Askew agreed. Councilor Askew asked and Director Wilson said bid prices have dropped and the individuals will probably recoup latecomer's fees from those who come after them. Mayor Jenson said Whitefish Lake benefits by getting more people on sewer systems and off septic systems; and noted the Council had just listed protecting water quality as one of their goals in the goal-setting workshop they had just held. Councilor Kahle said something seems counterintuitive to him. He said they are asking someone to pay a large amount of money via impact fees so they can then pay monthly for City water and sewer. He thought they should offer incentives to get people on public sewer and water. Councilor Mitchell said if they already have their own water and sewer then they don't have to hook-up unless their current system failed. Mayor Jenson agreed. Councilor Mitchell asked and Manager Stearns said he thinks the Walton's intend to hook up to City water because their septic permit was denied with the County.

Councilor Mitchell offered a motion, seconded by Councilor Hyatt, to reject the Resolution indicating the City Council's intention to exclude from the boundaries of the City of Whitefish Lots 28 and 29 of Houston Lake Shore Tracts. The motion passed unanimously.

OFFICE OF THE CITY ATTORNEY

John M. Phelps, City Attorney
jphelps@cityofwhitefish.org
(406) 863-2444

Keni L. Hopkins, Legal Assistant
khopkins@cityofwhitefish.org
(406) 863-2445

Post Office Box 158
Whitefish, MT 59937-0158
Facsimile (406) 863-1249



April 13, 2010

Honorable Mayor Jenson
and City Councilors
City of Whitefish
Whitefish, Montana

Dear Mayor Jenson and City Councilors:

Request to Consider Resolution of Intent to Exclude Lots 28 and 29 of Houston Lake Shore Tracts from the City

Introduction/History

Houston Lake Shore Tracts is an unincorporated area that is surrounded on all sides by the City of Whitefish. In 1987, before Whitefish Lake was annexed by the City, the Attorney General determined that property like Houston Lake Shore Tracts was "wholly surrounded" by the City for annexation purposes, because there was no land access to such property without traveling through the City. "Wholly surrounded" for annexation purposes means that the City can annex the territory, and that the property owners do not have a right to protest the annexation.

- 50 -

Despite the Attorney General's ruling, the City did not annex Houston Lake Shore Tracts. The City's current policy is to annex individual lots, as they connect to City utilities. Several such lots have connected to City utilities and also annexed. In years past, several lots in Houston Lake Shore Tracts connected to either City water or sewer, but were not annexed. They could be annexed, but the City has not yet proceeded with annexation. A map showing Houston Lake Shore Tracts, identifying the City limits, and identifying those lots currently on City utilities but not yet annexed, is attached to this report.

In 2005, the City annexed all of Whitefish Lake. The City did so in order to extend its Zoning Jurisdiction, and at the time the City Council stated that it would not use the annexation of Whitefish Lake as a means to annex properties bordering the Lake. Because the Attorney General had already determined that property like Houston Lake Shore Tracts is wholly surrounded for annexation purposes, however, the City would not need to rely on annexation of Whitefish Lake in order to annex Houston Lake Shore Tracts. It could be annexed at any time.

Current Report

In 2005 T. Warren Schweitzer and Ingela Schnittger, owners of Lots 28 and 29 of Houston Lake Shore Tracts, wanted to connect to City water and sewer. The City's current policy requires annexation in order to connect to City utilities. The owners therefore applied to the City for annexation, and they were annexed in 2005.

The owners of Lots 28 and 29 later decided that they did not need City utilities, and instead relied on water from Whitefish Lake, and on a septic system. They now wish they had not annexed to the City. The City recently received a petition from them, asking that they be allowed to de-annex from the City limits. They state that their property taxes are significantly higher in the City, and that they never connected to City water or sewer. A copy of their petition is attached.¹

State law requires that when a proper petition for de-annexation is received, the City Council must place the request on its Council Agenda and consider it. Whether or not to grant de-annexation is completely in the City Council's discretion. City Manager Stearns will provide a recommendation to the City Council in his City Manager's Report.

State law uses the word "excluding" to describe de-annexing of property from a city. The process begins with the adoption of a resolution of intent to exclude the property, and ends after a hearing has been conducted at a city council meeting approximately one month later. In case the City Council wishes to grant the property owners' request, a resolution of intent has been prepared and is attached to this report.

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Financial Requirement

According to the petition received by the City, the property owners would save, and the City would lose, approximately \$2,800 in property tax revenues in the first year. That amount would increase incrementally over the next five years, as the six-year property reappraisal cycle moves forward. City staff will need to invest a small amount of time in accomplishing the exclusion, and there will be a newspaper publication cost of approximately \$120-\$150.

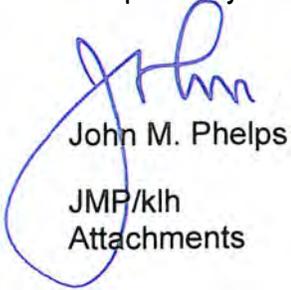
¹ Not everything in the attached petition is accurate. The petitioners report that water from Whitefish Lake was of a higher quality compared to City water or to bottled water. In fact, Whitefish Lake water requires extensive treatment in order to be potable. They also report that Thomas, Dean & Hoskins, Inc., estimated a cost of \$100,000 to connect to City utilities. TD&H's actual estimate, in the amount of \$67,980, is attached. The estimate was made in 2006 when construction costs were at an all-time high. TD&H estimates today the cost to connect to City utilities would be \$45,000-\$50,000. Any of those numbers, however, represent a significant expenditure.

Honorable Mayor Jenson
and City Councilors
April 13, 2010
Page 3

Recommendation

I respectfully recommend that the City Council consider City Manager's Report and determine whether or not to adopt the resolution of intent, thereby starting the process to de-annex Lots 28 and 29 of Houston Lake Shore Tracts.

Respectfully submitted,



John M. Phelps
JMP/klh
Attachments

RESOLUTION NO. 10-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WHITEFISH, MONTANA, INDICATING THE CITY COUNCIL'S INTENTION TO EXCLUDE FROM THE BOUNDARIES OF THE CITY OF WHITEFISH LOTS 28 AND 29 OF HOUSTON LAKE SHORE TRACTS.

WHEREAS, the City of Whitefish has received a petition from the owners of Lots 28 and 29 of Houston Lake Shore Tracts, requesting that the City exclude from its corporate limits both of such Lots; and

WHEREAS, the petition is signed by all of the owners of Lots 28 and 29 of Houston Lake Shore Tracts; and

WHEREAS, Lots 28 and 29 of Houston Lake Shore Tracts are currently within the corporate limits and on the border of the corporate limits of the City of Whitefish; and

WHEREAS, exclusion of Lots 28 and 29 from the City limits is in the best interests of the City of Whitefish, and its inhabitants, and will not materially mar the symmetry of the City; and

WHEREAS, it is the intention of the City Council of the City of Whitefish to exclude such land, subject to the notice and hearing requirements of §§ 7-2-4806 and 7-2-4807, MCA;

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

Section 1: All of the recitals set forth above are hereby adopted as Findings of Fact.

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Section 2: The City Council of the City of Whitefish, Montana, hereby indicates its intent to exclude from the boundaries of the City Lots 28 and 29 of Houston Lake Shore Tracts.

Section 3: The City Clerk is hereby directed and authorized to publish a notice in the *Whitefish Pilot*, as required by §§ 7-2-4805 and 7-2-4806, MCA, and a hearing shall be conducted at the May 17, 2010, City Council meeting for the purpose of receiving and considering any expressions of approval or disapproval with respect to the proposed exclusion.

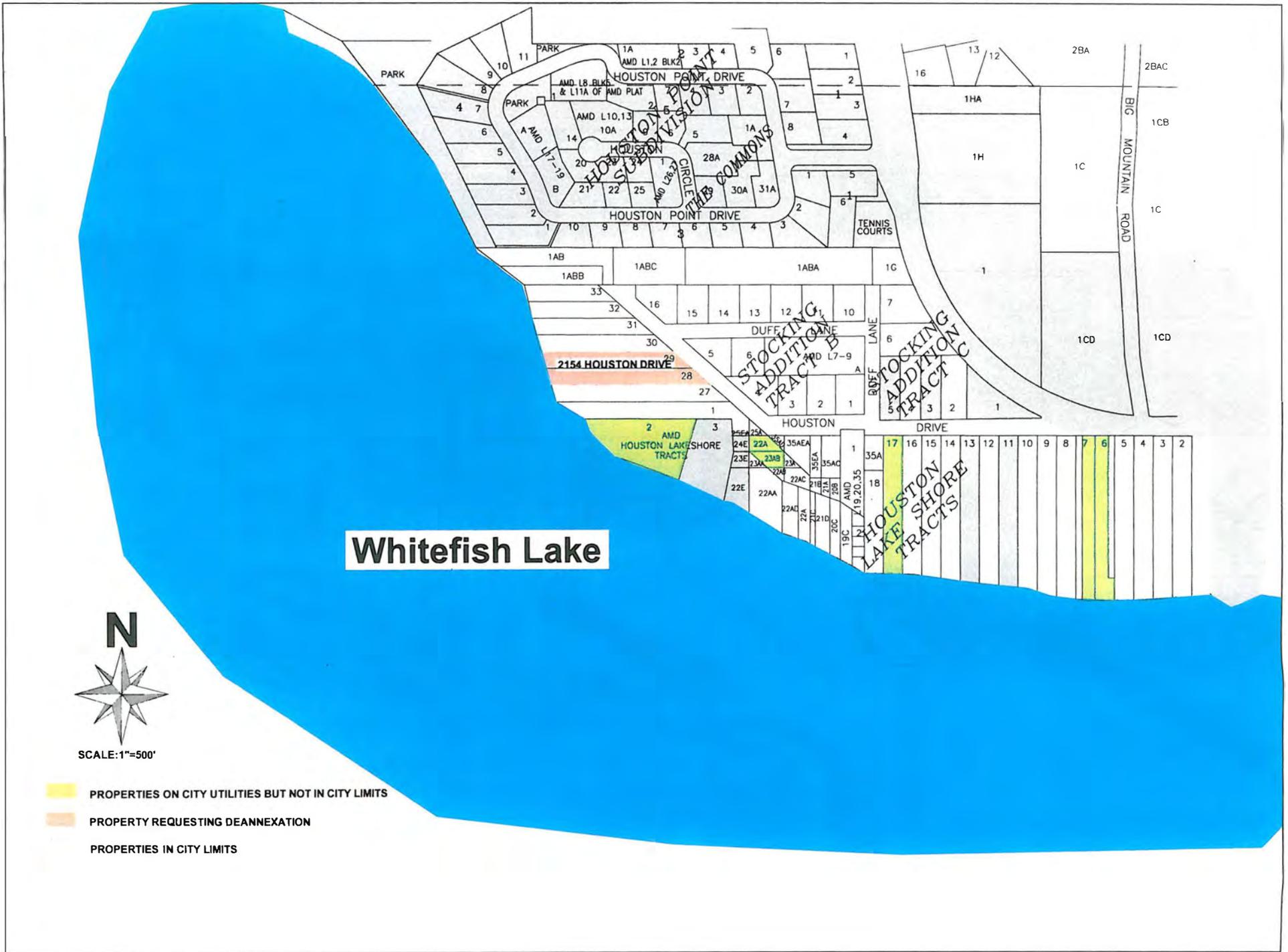
Section 4: This Resolution shall take effect immediately upon its adoption by the City Council, and signing by the Mayor thereof.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF WHITEFISH, MONTANA, ON THIS _____ DAY OF _____, 2010.

MICHAEL JENSON, MAYOR

ATTEST:

Necile Lorang, City Clerk

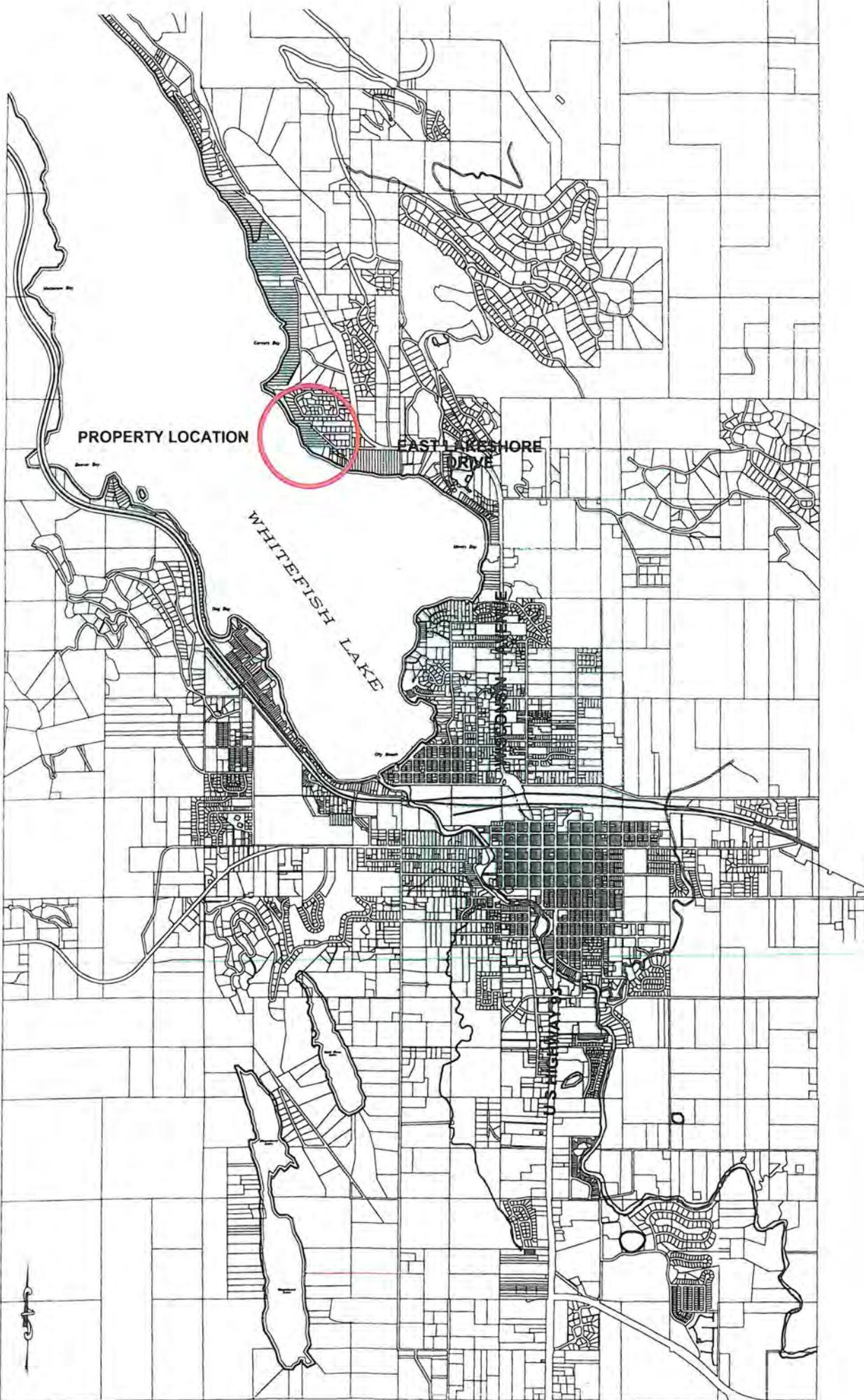


Whitefish Lake



SCALE: 1"=500'

- PROPERTIES ON CITY UTILITIES BUT NOT IN CITY LIMITS
- PROPERTY REQUESTING DEANNEXATION
- PROPERTIES IN CITY LIMITS



received
3-29-2010

T. Warren Schweitzer & Ingela Schnittger
80 WHY WORRY LANE
WOODSIDE, CA 94062-3654

Necile Lorang, City Clerk
City of Whitefish
P.O. Box 158
Whitefish, MT 59937-0158

Reason: Petition to De-annex from the City of Whitefish

In 2005 we were in the planning stage to rebuild our home on 2154 Houston Drive, Whitefish, MT. 59937. We owned Lot 28 & 29 Houston Lake Shore Tracts. Our selected contractor Casey Malmquist and his associate Bruce Boody convinced us to access the Whitefish City Services – City Sewer and Water. Our home on 2154 Houston Drive had a 4 bedroom septic system and water from Whitefish Lake. Their argument was based on the lower cost and higher quality of services provided by the City of Whitefish. Practically I could see that the service to water and sewer was a short distance away on flat land. The City of Whitefish required that we annex to get access to the services. We duly applied on October 20, 2005.

In early 2006, TD&H gave us an estimate of \$100,000.00 to allow them to extend the main line! To add to this we would incur monthly costs for City sewer, water and garbage. We compared to this with water from Whitefish Lake and a septic system. Flathead County honored our existing septic system permit and allowed us to move it. The tested water from Whitefish Lake was higher quality than provided by Whitefish or by the bottled water sold in the local stores. With this, we no longer needed any services from the City of Whitefish.

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In 2009, our property was reappraised with an increase in value by 5 times. The Flathead County mill levy is .447558. The Whitefish mill level is .525208. This is a 17% increase. Our combined taxes based on the Whitefish mill for the first year is \$14,259.60. If we paid taxes based on the County mill levy we would save approximately \$2800 in the first year. The tax value will increase over time -- 5 times. This means by the end of the cycle we will pay approximately \$14,000 per year more in taxes to belong to the City of Whitefish than if we paid taxes in the County.

Currently we do not pay monthly fees for sewer or water. We do not face the ongoing steady compounded increase in Whitefish Utility fees. At a whim, the City of Whitefish code can force us to connect to city services at such time as the main line passes our property.

What do we gain? Vote? We make our income in California. Please allow us to de-annex.

Sincerely,


T. Warren Schweitzer & Ingela Schnittger

John M. Phelps

From: "Ian Bailey" <Ian.Bailey@tdhkalispell.com>
Date: Monday, April 12, 2010 12:16 PM
To: "John Phelps" <jphelps@cityofwhitefish.org>
Attach: Engineers Estimate 5.18.06.pdf
Subject: Schweitzer construction estimate

John,

I got your voice message re: Schwietzer

We did do a construction estimate in 2006 for the work you described. I have attached a pdf of the spreadsheet. Please note that these are 2006 construction estimate prices. Today's construction prices are significantly lower.

Ian

Ian J. Bailey, P.E.
Vice President/Regional Manager

Thomas, Dean & Hoskins, Inc.
35 Three Mile Drive, Suite 101
Kalispell, MT 59901
ph: 406-751-5246
www.tdandh.com

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Confidentiality Notice:

This message, including attachments, is for the named person's use only. If you receive this message in error, please immediately delete it, notify me and accept my apology.

See <http://www.tdandh.com/confidentiality> for Thomas, Dean & Hoskins' Confidentiality Policy.

4/12/2010

**ENGINEER'S ESTIMATE OF CONSTRUCTION COSTS
 PREPARED FOR: WARREN SCHWEITZER & INGELA SCHNITTGER
 HOUSTON WATER AND SEWER EXTENSION
 WHITEFISH, MONTANA**

ITEM NO.	QUANTITY	UNITS	DESCRIPTION	Engineer's Estimate	
				Unit Price (Figures)	Total Price (Figures)
WATER AND SEWER EXTENSION					
1	440	LN FT	6" PVC Class 150 AWWA C900	\$40.00	\$17,600.00
	1	EACH	6" Gate Valve w/ Box	\$1,500.00	\$1,500.00
	1	EACH	6" Cap	\$500.00	\$500.00
	1	EACH	Air Release Type Fire Hydrant Assembly	\$4,000.00	\$4,000.00
	1	EACH	Connection to Existing	\$2,500.00	\$2,500.00
	2	EACH	1 1/2" Type 'K' Copper Water Service	\$2,000.00	\$4,000.00
	375	LN FT	2" HDPE SDR 11 Class 150 Sewer Force Main	\$25.00	\$9,375.00
	1	EACH	2" Sewer Force Main Cleanout	\$1,800.00	\$1,800.00
	2	EACH	1 1/4" HPDE SDR 11 Class 150 Sewer Service	\$1,250.00	\$2,500.00
	150	SQ YD	Separation/Stabilization Fabric	\$4.00	\$600.00
	150	SQ YD	Asphalt Remove & Replace	\$75.00	\$11,250.00
	70	SQ YD	Concrete Drive Remove & Replace	\$35.00	\$2,450.00
	1	LS	Traffic Control	\$2,000.00	\$2,000.00
	1	LS	Mobilization	\$2,400.00	\$2,400.00
SUB-TOTAL CONSTRUCTION					\$62,475.00
Construction Inspection & Engineer Certification					\$5,500.00
TOTAL ESTIMATE					\$67,980.00

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AS ENGINEER OF RECORD FOR THE HOUSTON WATER AND SEWER EXTENSION, I CERTIFY THAT THE ABOVE COST ESTIMATE REPRESENTS REASONABLE COSTS FOR COMPARABLE WORK, RECENTLY PERFORMED IN THE WHITEFISH AREA.

IAN J. BAILEY, 11137PE

Return to: Necile Lorang, City Clerk
City of Whitefish
PO Box 158
Whitefish, MT 59937-0158

RECORDED BY City of WFSH
DATE 11/20/08 TIME 10:47
\$ 14 PAGES 2 BY mg
PAULA ROBINSON FLATHEAD COUNTY MONTANA

RESOLUTION NO. 05- 53

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WHITEFISH, MONTANA, ANNEXING A CERTAIN TRACT OF LAND KNOWN AS 2154 HOUSTON DRIVE.

WHEREAS, the City Council of the City of Whitefish, Montana, has received a petition signed by 100% of the property owners of the property described below to annex said property to and include the same within the City limits of the City of Whitefish; and

WHEREAS, in the judgment of the City Council of the City of Whitefish, Montana, it will be in the best interests of the City, and its inhabitants, that the boundaries of the City of Whitefish shall be extended so as to include the property described below within the corporate limits of the City of Whitefish; and

WHEREAS, an Extension of Services Plan has been prepared with respect to such annexation, and such Plan consists of the Extension of Services Plan adopted by the City Council pursuant to Resolution No. 98-50 on November 16, 1998.

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

Section 1: That all of the recitals set forth above are hereby adopted as Findings of Fact.

Section 2: The City Council of the City of Whitefish, Montana, pursuant to Part 46 of Chapter 2, Title 7, MCA, does hereby annex to the City of Whitefish, Montana, Lot 28 and Lot 29 of Houston Lake Shore Tracts, according to the map or plat thereof on file and of record in the Office of the Clerk and Recorder of Flathead County, Montana.

Section 3: The City Council of the City of Whitefish, Montana, hereby approves as an Extension of Services Plan for this annexation the Extension of Services Plan previously adopted by the City of Whitefish pursuant to Resolution No. 98-50.

0368740,
0340485

Section 4: This Resolution shall take effect immediately upon its adoption by the City Council, and signing by the Mayor or Deputy Mayor thereof.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF WHITEFISH, MONTANA, ON THIS 7TH DAY OF NOVEMBER, 2005.

Doug Adams
DOUG ADAMS, DEPUTY MAYOR

ATTEST:

Necile Lorang
Necile Lorang, City Clerk



STATE OF MONTANA }
County of Flathead } SS
City of Whitefish

I hereby certify that the instrument to which this certificate is affixed is a true, correct and compared copy of the original on file in the office of the Clerk of the City of Whitefish.

Witness my hand and the seal of the City of Whitefish, Flathead County, Montana, this 9th day of November 2005 by Necile Lorang Clerk

PETITION FOR ANNEXATION
TO THE
CITY OF WHITEFISH

The undersigned petitioner, who owns 100 percent of the real property described below, hereby petitions the City Council of the City of Whitefish, pursuant to Section 7-2-4601(3)(a), for annexation of such real property into the City of Whitefish. Petitioner agrees that this annexation petition is irrevocable, and that the City may act on this petition, and actually accomplish the annexation of such real property, at any time in the future, without limitation. Petitioner has had an opportunity to review the City of Whitefish Plan for Extension of Services applicable to such real property, and petitioner is satisfied with such Plan. Petitioner states that there is no need to prepare any amended or revised Plan for this annexation pursuant to Section 7-2-4610, 7-2-4731, and 7-2-4732, MCA, since petitioner is satisfied with the provision of municipal services to such real property.

LEGAL DESCRIPTION OF PROPERTY TO BE ANNEXED:

LOT 28 & 29 HOUSTON LAKE SHORE TRACTS (LOT 29 is also 2154 Houston Drive)

Dated this 20 day of October, 2005.

[Signature]
Owner

[Signature]
Owner

STATE OF CALIFORNIA

County of San Mateo

On this 20th day of October, 2005, before me, the undersigned, a Notary Public in and for the State of California, personally appeared Ingela Schnittger

and Timothy W. Schweitzer, ~~known to me personally~~ (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he/she/they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year last above written.



(SEAL)

[Signature]
Notary Public for the State of California
My Commission expires: Feb 26th 2009