



**CITY COUNCIL WORK SESSION
CITY COUNCIL CHAMBER CONFERENCE ROOM
TUESDAY, JANUARY 22, 2013
5:30 to 7:00 PM**

1. Call to Order
2. Work session with Ad-hoc Cemetery Committee
 - a. Review questions City Council wanted researched
 - b. Review Ad-hoc Cemetery Committee report
 - c. Discuss other land options
 - d. Discuss whether to extend term of Ad-hoc Cemetery Committee which has now expired
 - e. Direction on how to proceed
 - f. Other topics
3. Public Comment
4. Adjourn

MEMORANDUM

#2013-002



To: Mayor John Muhlfeld
City Council Members

From: Chuck Stearns, City Manager

Re: Work session on site for new Cemetery

Date: January 10, 2013

On November 19th, the City Council decided to schedule a work session for January 22nd on options for a site for a new Cemetery, given that the groundwater levels at the two sites studied last year indicated that the water table was too high for burial vaults which would go six feet in the ground. A study which the Cemetery Committee found indicated that an additional three feet below a vault is needed where no groundwater occurs in order to prevent pollution, therefore the minimum depth for no groundwater for burial vaults is 9 feet. Both of the sites had groundwater within 9 feet of the surface with the exception of two holes at the Wastewater Treatment site which had one hole that recorded no groundwater (19 feet depth) and a second hold which was at 14 feet deep.

For the work session, the City Council requested research in the additional areas of:

1. How did City acquire Armory Park and what intent for a Cemetery at that location was there?
2. Are there privatization or free market models for cemeteries from other cities?
3. What would an O&M budget be for another municipal cemetery?

How did City acquire Armory Park and what intent for a Cemetery at that location was there?

Necile did extensive research on this question and her list of Council actions and discussions regarding a new Cemetery site since 1951 is attached. We are also attaching several of the most relevant documents related to those agenda items.

It appears that the land where the ball fields east of the Armory was originally purchased as a site for a new Cemetery – see attached minutes from 1956 and a 1957 deed from “Doc” Garretson. Necile said she found that the Hori family had sold the land to the Garretsons who then sold it to the City, although Necile has tried to find the acquisition price and has been unable to find it.

Then, interest in siting a new Cemetery was quiet until the 70's when the City began plans to put a Cemetery on the land east of the Armory. When "Doc" Garretson was Mayor in 1978, new water testing at the site revealed that the water table was too high for a Cemetery. Then discussion began in the late 70's about developing ball fields on the site. On March 2, 1981, one Councilman suggested selling the land to raise proceeds for a new Cemetery site. A committee was appointed, but then all attention turned to developing ball fields on the site.

In summary, it appears that the land east of town was originally purchased for a new Cemetery, but the groundwater levels prevented that from occurring. There is no deed restriction on the land limiting its use for a cemetery, therefore later City Councils developed ball fields on the site.

Are there privatization or free market models for cemeteries from other cities?

Both Karl Cozad and I have researched this issue and could not come up with definitive research. From my experience, municipally operated cemeteries are very prevalent in Montana. My experience in Colorado was that cemeteries were both private and sometimes operated by a municipality (e.g. Crested Butte).

It seems that the issue here is whether a private or non-profit entity would ever develop a new cemetery in Whitefish. Given our land values and opportunity cost of developing land for other uses, a private entity has not yet stepped forward to develop a cemetery in Whitefish. That leaves the choice as city development, waiting to see if private development of a cemetery occurs, or being resigned to having people buried outside Whitefish.

What would an O&M budget be for another municipal cemetery?

Both Karl Cozad and I also researched this topic. My research focused on two methods – one extrapolating the cost for maintenance at our current cemetery to a new site and looking at the City of Missoula's O&M cost.

Current Cemetery O&M – From our negotiations for the current golf course lease, if we were to take over maintenance of the Cemetery and Grouse Mountain fields, the Whitefish Lake Golf Club would have to pay us an additional \$10,000 per year. Thus the approximate cost of maintaining the current Cemetery and Grouse Mountain fields was imputed to be \$10,000. There are eleven (11) acres of land between the current, actively used cemetery (7 acres) and Grouse Mountain Park (4 acres). Thus, one could say that the current O&M cost is approximately \$1,000 per acre per season. Assuming that our burial fees cover the cost of our crews to excavate and do the burials, that is about another \$3,000 per year of O&M cost for a total Cemetery O&M cost of \$10,000 per year for the 7 acre City Cemetery.

In Missoula, they have 80 acres of Cemetery, although not all of it is developed. Missoula's total Cemetery budget is \$584,000 without capital outlays, so dividing \$584,000 by 80 acres equals \$7,300 per acre per year.

Missoula has a lot more staff with a Cemetery Director and other staff, so this figure is higher than we would face with another cemetery site. Therefore, I would think that an annual O&M cost for a new Cemetery would be between \$1,000 and \$2,000 per acre.

Karl Cozad prepared a memo with cost information from two municipalities in Oregon. That memo is attached with this memo in the packet. Karl found that those two small cities had costs of \$6,350 and \$5,200 per acre per year. This information might cause us to increase my estimate from above, but again their costs include staffing.

Cemetery Research from Minutes 1951 – 1981

- 3-19-51 pg 184 Discussed improving land adjoining current cemetery for expansion – to be considered further.....
- 4-9-51 pg 185 Clarification of discussion on 3/19; 'improving land' not 'purchasing land'
- 8-20-51 pg 200 Ask Park Committee to investigate the feasibility of expanding current cemetery.... Taking part of Golf Course ground....Committee to report later
- 9-4-51 pg 201 Park Committee report taking ground from Golf Course to expand cemetery only a temporary solution and more expansion would be needed in 10 years – they recommend the Council should plan to acquire sufficient cemetery space to last for at least fifty years.
- 10-20-52 pg 232 Suggest the Park Committee appoint a Cemetery Committee and work with County to create a cemetery district to purchase and maintain new grounds
- 10-27-52 pg 234 Cemetery committee appointed: Zimmer, Helm, Decker, Lindlief
- 9-20-53 pg 254 More discussion for City and County participate in setting up a Cemetery District so a mill levy can be assessed against a district to raise funds to purchase a cemetery
- 10-11-56 pg 337 Approve Resolutions providing for funds to purchase new cemetery ground
- 10-11-56 pg 122 Resolutions G-237, G-238 regarding funding for new cemetery
- 2-2-57 County Records Book 406, Page 69 Deed recorded from Garretson to City of Whitefish
- 6-11-73 pg 295 Approved tentative expenditure plan including fees to Plan for new cemetery
- 8-6-73 pg 300 General discussion regarding the new cemetery – (no specifics in minutes)
- 8-20-73 pg 301 Wm Plummer from Turnbull & Plummer Engineers to lay out plans for proposal of new cemetery if needed
- 12-3-73 pg 311 Morrison-Maierle will start study of the downtown storm sewers and the proposed new cemetery east of town
- 4-15-74 pg 325 Taking soil samples at proposed new cemetery – will dig holes soon
- 3-5-75 pg 357 Taking more water level tests at the proposed new cemetery
- 11-17-75 pg 382 Designate City Property east of the City for new cemetery – Morrison-Maierle to design the site

1-19-76 pg 386 City Engineer Carver showed plans and explained the proposed cemetery

3-6-78 pg 460 City Engineer Carver presented plans on the cemetery east of town

4-3-78 pg 464 Mayor Charles Garretson asked City Engineer Carver to take core samples at new cemetery

5-15-78 pg 469 Report that the water table at new proposed cemetery is too high

1-13-76 pg 386 Council motion to abolish new cemetery project east of town, keep & maintain present cemetery

4-16-79 pg 6 Discussion and approval to use the property east of town for softball complex

3-2-81 pg 112 Suggestion to sell land east of town to County – set up committee to study

5-5-81 Letter From Councilman Putnam to County Parks re: softball complex

6-15-81 pg 129 Reference to softball complex

7-6-81 pg 131 Reference to softball complex

7-6-81 pg 131 Administrative Authority of Cemetery – replace Park Committee with City Manager

5-3-82 pg 182 Public Comment: Ed Grogan announced the new Chamber of Commerce project would be a City Cemetery

6-6-83 pg 232 Council's special project goals #4 “....cemetery expansion...”

1-9-84 pg 266 Mayor Putman listed concerns: #5. Cemetery – much needed, thought the City should establish something whether private or sponsored by city.

THE FOLLOWING BILLS WERE ORDERED PAID.

19766-19804 City Payroll	2500.86	19835 Homer Akey	1.60
19805-19 Labor Payroll	864.00	19836 Sec. Fire Dept	100.00
19820 Postmaster	4.00	19837 N.W. Fire App. Co.	5.50
19821 George Brown	250.00	19838 Home Lbr. Co.	3.10
19822-26 M.S. Power Co.	402.96	19839 Glacier Motor Co.	8.70
19827 Leslie Cover	2.00	19840 Stedjie Bros	18.51
19828 Sallys Cafe	68.30	19841-2 McGinnis Motor	25.10
19829 Jack's Standard Sta.	120.50	19843 Kal. Merc Co.	9.03
19830 Jim Vallis	38.35	19844 Cons. Supply Co.	399.41
19831 Roy M. Duff	37.00	19845 M.S. Power Co.	17.70
19832 Whitefish Pilot	14.60	19846-8 Valley Motor	44.94
19833 A.C. McClurg Co.	129.56	19849-52 Knott Merc.	139.16
19834 Cincinnati Sub. Agency	11.50	19853-4 Westmont Tr. Co.	522.80
		19855 Spelling Fire Alarm	100.00

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A REGULAR MEETING OF THE CITY COUNCIL WAS HELD ON OCTOBER, 20, 1952.

The meeting was called to order by Mayor Carpenter at 7:00 o'clock PM. All members of the council were present. The minutes of the last regular meeting of October 6th. were read. LaBrie moved, Reeder seconded that the minutes be approved as read. All voted Aye.

City Health Officer Dr. Lees submitted his report for the third quarter of 1952 which was read before the council. LaBrie moved, Prindeville seconded that the report be accepted and filed. All voted Aye.

Water Supt. Arnold submitted his reports for August and September which were read before the council. Reeder moved, Frank seconded that these two monthly reports be accepted and filed. All voted Aye.

Four requests for building permits were presented by the following:

475	C. E. Garretson	111 Col. Ave.	Garage	300.00
476	Leslie Cornelius	12-13 Blk. 8 Orig.	Add. to Dw.	200.00
477	David Manary	Storm Porch	20 Fir Ave.	40.00
478	Fred Stacey	1/2 Blk 10-Riverside	Dwelling	5000.00

LaBrie moved, Reeder seconded that these permits be granted. All Ayes.

Mayor Carpenter informed the council that the fire truck recently ordered by the City had been shipped on October 16th. and that it would arrive in Whitefish in about a week. He said the necessary arrangements should be made now for payment of the truck when it is officially turned over to the city and this could be done by transfers of surpluses in some of the cash accounts and whatever balance is needed can be obtained from the First National Bank in the form of a short term loan.

Frank moved, Reeder seconded that Resolution No. G-107 be passed to transfer \$1000.00 from the sewer account to the General Fund. All Ayes.

LaBrie moved, Frank seconded that Resolution No. G-108 be passed to transfer \$3000.00 from the Gen. Equipmt. Fund to the Gen. Fund. Ayes.

Frank moved, Reeder seconded that Resolution No. G-109 be passed to transfer \$3000.00 from the Water Deprn. Fund to the Gen. Fund. All Ayes.

LaBrie moved, Swisher seconded that Resolution No. G-110 be passed to transfer \$7000.00 from the General Fund to the Truck Purchase Fund. Ayes.

Mayor Carpenter again warned the council that some action must be taken soon to provide for additional cemetery space before all of the lots in the Whitefish Cemetery are sold. He suggested that the Park Committee appoint a cemetery committee consisting of five members to take the necessary steps towards the creation of a cemetery district by the County against which a mill levy can be assessed to provide funds for the purchase of cemetery grounds as well as the maintenance of same.

LaBrie moved, Hamilton seconded that the building committee be authorized to purchase a flag and flagpole for the City Hall. All Ayes.

Hamilton moved, Prindeville seconded that all bills OK'd by the finance committee be paid and the vouchers filed by the Clerk. All voted Aye.

- (c) To give notice by publication and posting as required by law;
- (d) To cause ballots to be prepared for use in said election according to law;
- (e) To do and take such further action as required by him under the laws of the State of Montana.

SECTION 4 - It is hereby recited that the above named election judges are the same persons as those appointed as election judges for the General Election held on the above date at the above polling places.

PASSED by the City Council of the City of Whitefish, Montana, and approved by the Mayor thereof on the 24th. day of September, 1956.

ATTEST:

[Signature]
City Clerk

[Signature]
Mayor.

RESOLUTION NO G-237.

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF WHITEFISH, MONTANA DIRECTING THE CITY TREASURER TO SELL CERTAIN GOVERNMENT BONDS IN THE "PERMANENT IMPROVEMENT INVESTMENT ACCOUNT" AND CREDIT THE PROCEEDS THEREOF TO THE GENERAL FUND TO BE USED AS PAYMENT OF NEW CEMETERY SITE.

WHEREAS, the City of Whitefish have purchased a site to be used for cemetery purposed for which payment must be made,

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHITEFISH, MONTANA:

SECTION 1 - that the City Treasurer is hereby authorized and directed to sell the bonds now in the Permanent Improvement Investment Account and credit the proceeds therefrom to the General Fund out of which payment is to be made for the cemetery site.

SECTION 2 - that this resolution shall be effective from and after its passage by the City Council of the City of Whitefish, Montana and the approval by the Mayor thereof.

Passed by the City Council of the City of Whitefish, Montana and approved by the Mayor thereof on the 21th. day of October, 1956.

ATTEST:

[Signature]
City Clerk

[Signature]
Mayor.

RESOLUTION NO G-238.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WHITEFISH, MONTANA AUTHORIZING AND DIRECTING THE CITY TREASURER AND THE CITY CLERK TO TRANSFER \$1000.00 (ONE THOUSAND DOLLARS) FROM LIGHT DISTRICT NO. 1. ACCOUNT TO THE GENERAL FUND.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHITEFISH, MONTANA: that

SECTION 1 - the sum of One Thousand Dollars (\$1000.00) be, and the same is hereby ordered transferred from the Light District No. 1. account to the General Account and the City Treasurer and the City Clerk be and hereby are ordered to make such transfer.

SECTION 2 - That this ordinance shall be in full force and effect from and after its passage by the City Council of the City of Whitefish, Montana, and approved by the Mayor thereof.

Passed by the City Council of the City of Whitefish, Montana, this 11th. day of October, 1956. and approved by the Mayor thereof on the same day.

ATTEST:

[Signature]
City Clerk

[Signature]
Mayor.

WARRANTY DEED - 2M-7-46

Flathead Monitor Print

THIS INDENTURE, Made the 12th day of April in the year of our Lord one thousand nine hundred and fifty-six between CHARLES E. GARRETSON and JOSEPHINE K. GARRETSON, husband and wife, of Whitefish, Flathead County, Montana, parties of the first part, and THE CITY OF WHITEFISH, MONTANA, a municipal corporation, of Whitefish, Montana, the part Y of the second part.

WITNESSETH, That the said parties of the first part, for and in consideration of the sum of One and no/100 Dollars and other valuable consideration \$00.00 lawful money of the United States of America, to them in hand paid by the said part y of the second part, the receipt whereof is hereby acknowledged, do by these presents, grant, bargain, sell, convey and confirm unto the said part Y of the second part, and to its successors and assigns forever, all the certain lots, pieces, or parcel of land situate, lying and being in the County of Flathead and State of Montana, and particularly described as follows, to-wit:

That part of the East Half of the Northeast quarter (E 1/2 NE 1/4) of Section 32, Township 31 N., Range 21 West, M.P.M., Flathead County, Montana described as follows:

BEGINNING at a point on the South Boundary of said NE 1/4 which point is 160 feet due West of the SE corner of said NE 1/4; THENCE North parallel to the East boundary of said NE 1/4, 125 feet, more or less, to its point of intersection with the Southerly boundary of the Great Northern Right-of-Way; THENCE Northwesterly, 500 feet, more or less, along the Southerly boundary of said Great Northern Right-of-Way to its point of intersection with the West boundary of the County Road; THENCE Southwesterly along the westerly boundary of the said County Road to its point of intersection with the West boundary of the NE 1/4 NE 1/4 of said Section 32; THENCE South along the west boundary of said NE 1/4 NE 1/4 and of said SE 1/4 NE 1/4, to the Southeast corner of said SE 1/4 NE 1/4; THENCE East along the South boundary of said SE 1/4 NE 1/4, to the place of beginning, EXCEPTING THEREFROM rights of way for Public Roads.

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder or remainders, rents, issues and profits thereof, and also all the estate, right, title, interest, right of dower, right of homestead, property possession, claim and demand whatsoever, as well in law as in equity, of the said part, its of the first part, of, in or to the said premises, and every part and parcel thereof, with the appurtenances.

TO HAVE AND TO HOLD, all and singular, the above mentioned and described premises, together with the appurtenances, unto the said part, y of the second part, and to its successors and assigns, forever. And the said part, its of the first part and their heirs, do hereby covenant that they will forever Warrant and Defend all right, title and interest in and to the said premises and the quiet and peaceable possession thereof, unto the said part, y of the second part, its successors and assigns, against the acts and deeds of the said parties of the first part and all and every person or persons, whomsoever, lawfully claiming or to claim the same.

IN WITNESS WHEREOF, The said parties of the first part have hereunto set their hands and seals the day and year first above written.



of Charles E. Garretson (Seal)
Josephine K. Garretson (Seal)
(Seal)

Book 406 Page 70
Book 397 Page 96

STATE OF MONTANA,)
County of Flathead,) ss.

On this 27th day of April in the year one thousand nine hundred and fifty-six before me, the undersigned,
a Notary Public for the
State aforesaid, personally appeared Charles E. Garretson and Josephine K. Garretson
known to me personally to be the persons whose names are subscribed to the within 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 first above written.



Charles E. Garretson
Notary Public for the State of Montana, residing
at Whitefish, Montana

My commission expires April 25, 1956

Filed for record at the request of Flathead County Title Co.
February 2, 1957, at 11:12 o'clock A. M.
A. J. Shaw, County Clerk & Recorder, By Blanche Lanstrum, Deputy,
Reception No. 712 Fee \$2.00 Paid

Nov 3 cont.

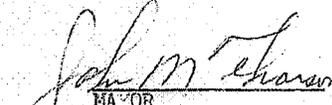
Motion by Engelter to approve the application for Business License for the Green Bauer Shop, 711 Spokane Ave. Owner, Hazel Newbauer. Seconded by Schreiber. All voted AYE.

Water hook-ups for Ronald Millard and Thomas Carroll both on South Karrow Ave. approved.

Meeting adjourned at 10.45 PM.

ATTEST


CITY CLERK


MAYOR

Nov. 17, 1975

The regular meeting of the Whitefish City Council was held on the above date with Mayor John Thorson presiding. All Aldermen were present except Newton. Also present were Building Inspector Card, Supt. Boyd, Police Chief Loser and City Attorney Fisher.

Motion by Engelter to approve the minutes of the previous meeting, seconded by Schreiber. All voted AYE except Stacey who abstained.

Mayor Thorson reported that the request for annexation by Kamp Carefree will be studied by City Engineer Carver.

City Attorney Fisher read and explained the Inter Local Agreement with Flathead County Board of Commissioners regarding the Golden Age project on W 2nd St.

Motion by Engelter to enter into an Inter Local Agreement with Flathead County Commissioners for the Golden Age project. Seconded by Schreiber. All voted AYE.

Pat Ripley again appeared to see if the Council had decided to participate in the Youth Guidance Home.

Motion by Stacey, that the City of Whitefish support the Youth Guidance Committee in the Foster Home Project and budget for the project \$1800.00 from Revenue Sharing funds for the fiscal year starting July 1976 and ending June 30th, 1977. Motion seconded by Fishel. All voted AYE.

Dr. Michael Allen, of Columbia Falls, made application for water hook-up with Waiver of Protest for the following property; Lot 7 Block 5 of Whitefish Townsite Company 5 acre tracts according to map or plat therefore on file and of record in the office of County Clerk and Recorder of Flathead County, Montana.

Motion by Mackey to refer this to the Water Committee with power to act. Seconded by Schreiber. All voted AYE.

Motion by Schreiber that a letter be written to the County Health Department stating that ~~the~~ Larry Bella and Kenneth Ross, are attempting to annex their property at the corner of Wisconsin Ave. and Reservoir Road, to the City of Whitefish, Montana. Seconded by Stacey. All voted AYE.

No bids were received for the sale of the old fire truck.

Motion by Engelter to annex the Russell Abell property described as follows; by Res. # 732, A part of Gov. Lot 4 of Sec. 24 E31N, R22W, Flathead County, Montana described as follows: The South 219.6 feet of all that portion of said Gov. Lot 4, lying West of the North and South Quarter section line produced of said Sec. 24 and parallel with the Southerly boundary of said Lot 4. Motion seconded by Mackey. All voted AYE.

Motion by Mackey to place a double parking meter in front of the Candlewick on Central Ave. Seconded by Engelter. All voted AYE.

Motion by Mackey to install a guard light at the City Water Compound at the North end of Park Ave. Seconded by Schreiber. All voted AYE.

Motion by Stacey to refer the Wm. Rocksund water permit hook-up to the Water Committee with power to act. Seconded by Engelter, all voted AYE.

Motion by Fishel to designate the City Property East of the City as a City Cemetery and instruct Morrison-Maierle to develop the site. Seconded by Stacey. All voted AYE.

DESIGN

Jan 19, 1976

The regular meeting of the Whitefish City Council was held on the above date with Mayor John Thorson presiding. All Aldermen were present except Fishel. Also present were City Attorney Fisher, Police Chief Loser, Supt. Boyd and City Engineer Carver.

Motion by Engelter to approve the minutes of the previous meeting, seconded by Newton. All voted AYE except Mackey who abstained.

Motion by Stacey to allow the Whitefish Winter Carnival to hold their two parades and Street games Feb. 6-7- and 8th. and to close Central Ave. to traffic and parking on Feb. 6 between the hours of 6 and 8 pm. Also to close Central Ave. between 6 am to 6 pm Feb. 7th. Motion seconded by Schreiber. All vote AYE.

There was a general discussion regarding answering service. Motion by Newton to pay the Cadillac Hotel \$700.00 a month for this service until July 1st 1976 at which time negotiations will be made for further service, with a letter of confirmation. Motion seconded by Engelter. All voted AYE.

Motion by Mackey to purchase 10 Parking Meters and two courtesy boxes. Seconded by Schreiber. All voted AYE.

Stacey reported on the activities of the Animal Shelter, also discussed the new Animal Release form. Motion by Stacey to adopt this form and that they be left with the Police Department and Poundmaster. Seconded by Newton. All voted AYE.

Stacey announced there would be a meeting of the Council, City Engineer and Tom Flynn auditor Jan. 27th to discuss increase in water rates and other Water Dept. activities.

Motion by Engelter to pay all bills approved by the Finance Committee and accept the report from the Fire Dept. Seconded by Mackey. All voted AYE.

Motion by Mackey to approve the business license for John Jakenbeck Rt. 1 Whitefish for a specialty vinyl repair service. Motion seconded by Schreiber. All voted AYE.

The Mayor announced there will be a public hearing of the Flathead County Comprehensive Plan Jan. 21st at the Central School Auditorium. He asked that the Council attend.

Mayor Thorson recommended Charles Kuehner to the Police Commission effective at once, term to expire May 1, 1978.

Motion by Newton to approve this appointment. Seconded by Schreiber. All voted AYE.

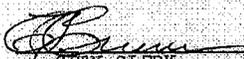
City Engineer Carver showed plans and explained the proposed Cemetery.

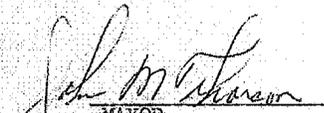
After some discussion, Newton moved to abolish this project and for the City to discontinue any future Cemetery development, but keep and maintain the present Cemetery. Motion seconded by Stacey. The vote was as follows, Mackey No, Stacey Yes, Newton Yes, Schreiber No and Engelter Yes. The vote was 3 for the motion and 2 against the motion. Motion Passed.

The Mayor stated that the Fish and Game Commission has proposed to the City permission to hook up the State Park to the City Sewer System.

Meeting adjourned at 10.30 pm

ATTEST


CITY CLERK


MAYOR

For the second hearing on Community Development Funds there were no protests. The City will apply for funds to upgrade the City Water System.

253
3/4/76
X

May 15, 1978 cont.

Motion Stacey to refer petition to annex Don Jensen property (2 tracts-21.26 acres) on highway 93 south, zoning requested to be General Commercial, to the City County Planning Board to have them check with the Comprehensive plan. Second Doyle. All aye.

Motion Stacey to refer petition to annex a tract of land bordering Karrow Ave. and Second Street, R-2 zoning requested, petitioner Gary Tallman, to the City County Planning Board. Second Doyle. All aye.

Jim Putnam requested his water meter be checked and also asked about having horses in the city limits.

City Attorney Fisher explained City had no Ordinance on animals in the city limits. Turned over to the Ordinance Committee to draft an ordinance.

Harold Sneider again asked Council about the sewer problems he had encountered at his property on 5th & Baker. Referred to the water committee for further investigation.

Brad Seeley and Bill Miller along with several people protested the ^{proposed} Glenwood - Bay Point annexation.

Motion Engelter to recind previous motion regarding Don Jensens annexation, as City County Planning Board had talked to Mr. Jensen and letter was supposed to be sent to council. Second Stacey. All aye except Doyle who voted no.

Motion Engelter to pass Resolution B-779 for intent of consideration of annexation, 2 lots on highway 93 south belonging to Don Jensen. To be advertised for four consecutive weeks commencing May 25th and hearing date to be June 19, 1978. All reports to be in the Clerks office 14 days before the hearing. Second Stacey. All aye.

Motion Stacey to accept Building permits 701-702, 704 thru 712. Second Engelter. All aye.

Motion Doyle to request a CEDA girl to replace the dispatcher Leah Mann. Second Stacey. All voted aye.

Motion Engelter to pay all bills authorized by the finance committee and to accept the clerks report. Second Bjorsness. All aye.

Motion Doyle to allow Alderman Engelter permission to leave the State for 10 days commencing May 20th. Second Bjorsness. All aye.

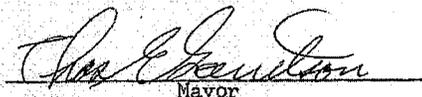
Alderman Ott reported the need for a mechanic in the street and alley department, and also commended Asst. Police Chief Lamb on the cabinet he built in the police dept.

Alderman Stacey reported the water table in the proposed new Cemetery too high suggested a letter be written to Will Akin-Dept. of Health and Environmental Sciences stating facts and asking State rulings on this matter.

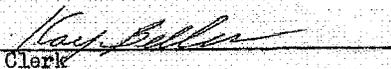
Two letters were read, one from Mrs. Abe Bronson presenting City with sewer bills for rodding their sewer-Council asked Clerk to write letter telling Mrs. Bronson bills are her responsibility as City line was not plugged.

Second letter was from Donna Maddux commending Council on their action in obtaining parking for the handicapped.

Adjourned 10:15 P. M.


Mayor

ATTEST:


City Clerk

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There was a general discussion regarding answering service. Motion by Newton to pay the Cadillac Hotel \$700.00 a month for this service until July 1st 1976 at which time negotiations will be made for further service, with a letter of confirmation. Motion seconded by Engelter. All voted AYE.

Motion by Mackey to purchase 10 Parking Meters and two courtesy boxes. Seconded by Schreiber. All voted AYE.

Stacey reported on the activities of the Animal Shelter, also discussed the new Animal Release form. Motion by Stacey to adopt this form and that they be left with the Police Department and Poundmaster. Seconded by Newton. All voted AYE.

Stacey announced there would be a meeting of the Council, City Engineer and Tom Flynn auditor Jan. 27th to discuss increase in water rates and other Water Dept. activities.

Motion by Engelter to pay all bills approved by the Finance Committee and accept the report from the Fire Dept. Seconded by Mackey. All voted AYE.

Motion by Mackey to approve the business license for John Jakenbeck Rt. 1 Whitefish for a specialty vinyl repair service. Motion seconded by Schreiber. All voted AYE.

The Mayor announced there will be a public hearing of the Flathead County Comprehensive Plan Jan. 21st at the Central School Auditorium. He asked that the Council attend.

Mayor Thorson recommended Charles Kuehner to the Police Commission effective at once, term to expire May 1, 1978.

Motion by Newton to approve this appointment. Seconded by Schreiber. All voted AYE.

City Engineer Carver showed plans and explained the proposed Cemetery.

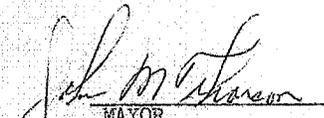
After some discussion, Newton moved to abolish this project and for the City to discontinue any future Cemetery development, but keep and maintain the present Cemetery. Motion seconded by Stacey. The vote was as follows, Mackey No, Stacey Yes, Newton Yes, Schreiber No and Engelter Yes. The vote was 3 for the motion and 2 against the motion. Motion Passed.

The Mayor stated that the Fish and Game Commission has proposed to the City permission to hook up the State Park to the City Sewer System.

Meeting adjourned at 10.30 pm

ATTEST


CITY CLERK


MAYOR

For the second hearing on Community Development Funds there were no protests. The City will apply for funds to upgrade the City Water System.

555
3/14/76
X

April 9, 1979

This special meeting was called on this date, the purpose, to canvas the returns of the recent City Election held April 3, 1979.

Mayor Garretson presided, Aldermen present were Doyle, Bjorsness, Ott, Markus, and Engelter. Absent was Stacey.

Motion Ott that all votes were canvassed and approved as reported by the Election judges. Motion was second by Doyle. All voted aye.

The results were as follows:

Aldermen 1st Ward;		Aldermen 2nd Ward		Aldermen 3rd Ward
Markus	106	Engelter	145	Ott
Putnam	147	Brockel	143	175
Fry	27			



 Mayor

ATTEST:



 City Clerk

APRIL 16, 1979

The regular meeting of the Whitefish City Council was held on the above date with Mayor Garretson presiding. All Aldermen were present except Markus. Also present were Supt. Manyx, City Engineer Carver and City attorney Fisher.

The minutes of the previous meetings were approved with one correction.

Councilman Bjorsness reported that the Park Committee and members of the Softball Association had checked the City field East of town and that it would be an ideal location for a 4 diamond softball complex and recommended the City set aside this land for this purpose.

Mayor Garretson told that a gentleman had offered to take his D-8 cat and level the ground on the proposed softball field across from the Golf Course, in exchange for a 5 year May lease on the field east of town. This met with disapproval from the softballers.

Richard Poepell spoke for the softball assn. , he stated if they could have the land they planned to build two (2) fields this year and add two more in the next two years.

Council wanted it understood that when and if the City found it necessary to use this property to better advantage they reserved the right to sell or use same at the the descretion of the City.

After lengthy discussion it was moved by Bjorsness second by Stacey that the City set aside the land for the 4 diamond softball complexes, and to fund \$3000.00 toward cost of the ball park, with a committee to be set up comprised of the Park Committee and a delegation from the Softball Assoc. to oversee all progress and finances. All voted aye.

Ron Olson told that the Little Leagues had also lost their playing field and were waiting for a commitment from the school on the field next to the Elimentary School, requested City help in purchasing a chainlink back stop costing approximately \$875.

Motion Bjorsness authorizing funding of the backstop if the Little League got permission to use the field next to the Elimentary School. Second Doyle. All aye.

Mayor Garretson reopened the hearing on the Proposed Bay Point Annexation. Protesters were: Mr. & Mrs. Dale McGarvey, Don Richardson and Gary Stevens. Protests were on sewer, pollution of the Lake, Concern over property owners not paying their fair share, zoning and need of an impact statement. After lengthy discussion the mayor declared the hearing closed. Decision to be Council meeting of May 7, 1979.



City of Whitefish

Baker & 2nd Street

Phone 862-2640

May 5, 1981

MR. ART SWARD
COUNTY PARKS AND RECREATIONS
COUNTY COURTHOUSE
KALISPELL, MT 59901

Dear Mr. Sward:

I appreciate your telephone call of last week. I feel that you and I are still in agreement as to our conversation of several months ago. I will attempt to enlarge on that conversation and answer the questions you asked.

Many years ago, the City of Whitefish purchased approximately sixteen (16) acres of land east of Whitefish for the purpose of a city cemetery. This land lay idle for many years and brought some revenue to the city through leases for hay crops, etc. About three or four years ago there was a water level test on this land and it was decided that the water table was not in favor of a cemetery. Approximately two and one-half years ago, Mr. Al Bjorness, a City Councilman, convinced the City Council to allow this land to become a hall complex. The Council agreed to this and also allowed a \$3,000.00 donation to the hall clerk to get the project started.

The City also made an agreement with the Hunnicutt Construction Company to level and seed the land in exchange for topsoil to be used in another area. The total outlay of soil and work performed was estimated at upwards of \$3,500.00.

I feel, as did the previous Council, that the City has donated land, which was not parkland, for this purpose. We have also donated approximately \$6,000.00 or \$7,000.00 in cash or exchange for labor. We do not, at this time, have any more monies available for this project.

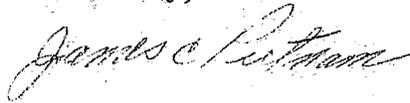
The reasons that there is no funds at this time is because of a G.S.A. Park west of town that must be completed. This park was originally offered to the hall clerk and would have been completed. The clerk turned it down and asked for the other land instead. Due to the delay in the

decision of the hall clerk, our time ran out. We were able to gain additional time by agreeing to complete the G.S.A. Park with two soccer fields, a horseshoe area, a possible jogging area, a picnic area, etc.

We do have money in lieu of park lands for this purpose. We expect that all this will be used to complete the G.S.A. Park. If there should be monies left, we will then be able to consider those funds for the hall field.

I hope this has explained our position and reasons for our actions in this matter. I do hope that you can appreciate our position and that we will be able to work together in the future.

Sincerely,



JAMES C. PUTNAM
COUNCILMAN, CITY OF WHITEFISH

JCP/kgs

Date: January 15, 2013

To: Chuck Stearns, City Manager

From: Karl Cozad, Director, Parks, Recreation, and Community Services

RE: Cemetery Information

I took the opportunity to contact a couple of communities in Oregon that I was familiar with in regards to their operations of public cemeteries. The first is Ontario, Oregon, a community in eastern Oregon with a population of roughly 11,000, and a climate similar to ours. The second city is Pendleton, Oregon, a community in northeast Oregon, with a population of approximately 17,000, and a climate that is somewhat mild in comparison to ours. I mention the climates only as a reference to growing seasons and what may be a longer period of time for turf maintenance.

City	Ontario, Oregon	Pendleton, Oregon
Population	11,366	17,535
Number of Cemeteries	2	1
Size of Cemeteries	19.95 acres 2.78 acres	55.00 acres
Total Acreage	22.73 acres	55 acres

Expenditures

Staffing	1.15 FTE*	2.65 FTE
Expense including Payroll burden	\$ 94,260	\$ 160,525
Materials & Supplies	\$ 50,092	\$ 101,150
Capital Outlay	0	0
Transfers	0	\$ 24,375
Total Annual Expenditures	\$ 144,352	\$ 286,050

Revenues

Transfers		
Perpetual Maint. Fund	\$ 15,000	\$ 25,000
Sales	\$ 73,000	\$ 121,550
Misc. Rev.	0	6,200
Beginning Balance	0	23,300
General Fund Support (Property tax)	\$ 56,352	\$ 110,000
Total Annual Resources	\$ 144,352	\$ 286,050

* City of Ontario, Oregon utilizes work crews from Snake River Corrections Facility for some maintenance tasks at their cemeteries. This support is not reflected in the FTE's but is reflected in related employee/volunteer expenses.

On a cost per acres basis this calculates out to \$ 6,350 per acre/ per year in Ontario, with a General Fund support of \$ 2,479 per acre/ per year.

The same calculation for Pendleton, Oregon works out to be \$ 5,200 per acre/ per year with a General Fund support of \$ 2,000 per acre/ per year.

Hopefully this gives some very general comparisons of cemetery operations by two municipalities in the Northwest. As with any comparisons, many variables will exist within each community and may cause varying degrees of disparity. I would be more than happy to research more communities if you wish.
Please let me know if you would more detailed information regarding these two cities.

Thank you

Ad Hoc Cemetery Committee Report
November 5, 2012

Original Cemetery
Committee report
without most
attachments

Mayor Muhlfeld and City Councilors:

Introduction and History

The City Council approved Resolution 11-05 on January 18, 2011, establishing the Ad Hoc Cemetery Committee and subsequently appointed its members on February 22nd. The Committee has held regular monthly meetings since April of 2011. The General Purpose of the Committee was to evaluate possible locations and development of a new cemetery located close to the city. As you know, the city cemetery was established in 1917, and as of a count done last December the cemetery has 3,115 interred on approximately 7 acres and the only vacancies are lots that are already owned. No new lots are available. It is interesting to note that the October 24, 2012 issue of the Whitefish Pilot reported that 60 years ago, in October 1952, the City Council was discussing “how to get more space to expand the Whitefish Cemetery and where to get the money.....” Our current cemetery seems to be built out to its boundaries.

The Committee widely publicized its search for new cemetery land and placed several articles in the paper (attached); and had a television spot on a local morning show. The Committee gave a status report to the Council on 10-31-11; and reported that since the budget did not include funding to purchase new lands for a cemetery, the Committee concentrated on public lands. Two city-owned properties came to the forefront and were identified as the City Shop Site off of W. 18th Street, and the River Site off of JP & Monegan Roads. At that time the Council directed the Committee to work with city staff to contract for soil percolation tests at both sites, and to hold a public meeting. City staff followed up by contracting with Applied Water Consulting, LLC for soil testing at a total cost of \$14,321.35.

While planning for the public meeting and waiting for the perc test results, the Committee continued its search for other lands and sought public comments through a survey sent out with city water bills. About 3,690 surveys went out and 480 (13%) were returned. Cost of that survey and mailing was \$370.00. Survey results have been previously distributed to the Council but they are attached with this report for your reference. To the Committee, the River Site seemed to be the property that kept coming up as a more appropriate site of the two city sites; and came up with the following attributes of the River Site:

- Intermittent reports from the water consultant were showing the River Site with a lower water table than the Shop Site.
- Close to town, funeral parlor and churches.
- Ample acreage.
- Topography lends itself to a natural separation of areas for conventional and green burials.
- Proximity to city services for water and sewer.
- Accessed by public roads.
- Beautiful property enhanced by trees, the river, the bike path/trail and bridge.

On a note regarding the bike path; the Committee gave a presentation to the Pedestrian and Bike Path Committee in January, 2012 and that committee approved a motion in support for the Cemetery Committee to move forward with their plans of proposing the River Site as a possible site for a new cemetery.

Also during this period of exploration, the Committee asked city staff about zoning requirements for cemeteries and City Attorney Mary VanBuskirk submitted information to the Committee via a memo that is attached. Three zones (WA, WCR and WSR) in Whitefish list cemeteries and mausoleums as a permitted use; the Shop Site is zoned WI and the River Site is zoned WA. So "appropriate zoning" can be added to the above list of attributes for the River Site.

The Committee held an Open House on September 13, 2012. Copies of the notice and press release that were published are attached. The notice was also mailed to about 72 property owners who were adjacent to either site, or had property along the roads that led to each site. And City Manager Stearns included the press release to his email list-serve. Nine members of the public, 6 Committee members and City Attorney VanBuskirk attended the meeting. The Committee provided maps, lists of the Committee's findings for each of the sites, survey results, and the consultants' report of findings of the soil testing for the public. Members of the public viewed all that was provided then sat down with the Committee in an informal discussion. The majority of the public attending voiced opposition to the River Site, they were opposed to a cemetery in their neighborhood. Shortly after that meeting the City Council and the Committee received a letter from a neighboring property; from Sandra D. Alessi and Tom Downing of the Riverwalk Association Inc., and the Riverwood Park Community Association Inc. This letter was received early enough to include in the Council's October 15, 2012 packet but is attached with this report for your reference.

During all this time, from the onset of the committee to now, members of the committee have talked to their family and friends and other people in the community about this effort. As chair of the committee I know I responded by email and phone calls to inquiries from property owners at the Rivers Edge Development as well as Debbie Peterson who lives on JP Road. The Committee also received a letter from a property owner on Armory Road (attached) regarding their property adjacent to the softball fields, expressing interest of selling their land to the city for a cemetery. Unfortunately, as owners of the softball fields and dog park there, the city knows the water table is too high for a cemetery.

Current Report

The Applied Water Consulting LLC Report, (attached), was submitted to the City in August. Graphs of the groundwater monitoring are shown on page 10 for the Shop Site and page 19 for the River Site. Each figure also indicates precipitation over the time monitored which was from December 2011 through July 2012 – incidentally one of our wettest springs on record. The water table is higher at the Shop Site, but at the River Site shows a level below 6 feet. The Public Works Department prepares burial sites down to 5 ½ or 6 feet. In the bottom paragraph on page 25 of the report, the consultant says: "Of the two sites evaluated, the River Site exhibits better potential for citing a new public cemetery. It

appears the groundwater discharges into the Whitefish River. Therefore, it is recommended that the embalming chemicals and other degradation byproducts be evaluated to discern their potential of contaminating the Whitefish River.”

Because of that last comment in that paragraph, Committee member Steve Thompson sent an inquiry to Joe Sehee of the Green Burial Council who replied in an **attached** email: “As a matter of course, the GBC defers to the expertise of a local hydrologist in these matters”. Joe Sehee from the GBC referred the Committee to the 1998 WHO (World Health Organization) Report, (**attached**), that says on page 10, #4: “The base of all burial pits on the site must maintain a minimum of one metre clearance above the highest natural water table.” (Meter is spelled metre in that report because it was printed in Europe). Please note; conventional burials, and the City’s current practice, is that caskets are enclosed in a cement vault.

At the last meeting of the Committee on October 11th, two new interesting proposals came forward from members of our community. One person went out personally to our current cemetery and wrote a suggestion that the city consider filling in spaces between rows with more burial plots. (The Committee had discussions during our exploration phase about expanding crematory inventory with a structure of some kind for cremains at our current cemetery). Another person came forward, proposing the city purchase their land to develop a new cemetery. Not all, but some of the members of the Committee accompanied the owner to their property and it looks like a promising possibility. At this time the committee cannot disclose the owner of that property and no sale price has been discussed at the time of this report, and the site should have the soils tested as done on the city-sites.

Recommendation & Financial Requirement

At this time the Committee cannot give a unanimous recommendation to any one location. The water table is too high at the Shop Site and some of the Committee have reservations about the River Site that had been considered early-on by part of the committee as the better of the two city-owned properties. Reasons for doubt are:

- Too close to river
- Does not meet recommendations and standards from the 1998 WHO Report
- Not large enough for a long-term plan
- Not enough of a buffer to the existing City Treatment Plant Facility
- Letters from the public have addressed the occasional unpleasant odor from the Treatment Plant
- Public input against the site

The Committee does agree on the following recommendations (costs to be determined depending on action):

- Pursue purchase of the private property that recently came before the Committee and followup with necessary soil testing.
- Recommend to city staff whether or not to add a crematory structure to current cemetery for expanded cremain inventory.

- Consider expansion by 'in-fill' in our current cemetery. Not all of the Committee agrees with this suggestion, some would like to keep our cemetery as it is. There would be a land-survey cost to this measure and the trade off of survey cost, amount of expanded use, and revenue of lot sales may or may not make this suggestion practical.
 - Design a cemetery to allow conventional, crematory and green burials.
 - Conventional plot sizes should be 5 X 10 to allow full burial and monuments.
 - With development, mark rows and sections clearly with intermittent markers for graves for better delineation for interment and monuments.
 - Design and construct in phases if necessary.
 - Design with space-saving measures. The Committee has discussed this with our cemetery maintenance personnel and other funeral officials and design consultants in the valley and the conventional lot and block design could be improved to get better use of available land.
 - Design with single and family plots.
 - If the River Site is selected: Keep a perimeter of the trees on the outside boundary to preserve the current view of the tree stand; and preserve as many trees as possible within the development. (From page 8 of the 1998 WHO Report "...water level beneath cemeteries will be decreased by trees..")
 - If the project continues to the point of requesting an RFP; include a requirement that the selected professionals evaluate whether or not embalming chemicals and/or other degradable byproducts regarding their potential of contaminating surrounding natural resources.
 - Determine if an EIS is required.
 - Council consider holding a public hearing, if and when it is appropriate.
 - Advise the Committee regarding its next step. Resolution 11-05 provides that the Committee disband by January 13, 2013 if not earlier. At this point the Committee feels like they are at a standstill unless the Council gives them further direction.

Thank you for your time and consideration of our report. Respectfully Submitted by these members of the Ad Hoc Cemetery Committee:

Nina Laird
 Bonnie Leahy
 Charlie Abell
 Ole Netteberg
 Steve Thompson
 Necile Lorang, Chairman
 Vanice Woodbeck, Secretary

CEMETERY SURVEY TOTALS

QUESTIONS	YES	NO	MAYBE
Does the City of Whitefish need a new cemetery?	294	164	4
Does your family have plans in place regarding burial?	185	300	
If a plot was available would you prefer to be interred in Whitefish?	70	247	98
If family plots were available would you be interested?	108	328	8
Does a new cemetery need to be close to town, churches and funeral homes?	175	257	
Are you willing to pay higher property taxes for a new city cemetery if necessary?	56	295	105
If family members or friends have had to be elsewhere, due to no availability in Whitefish would you be interested in moving them to a new Whitefish Cemetery?	21	334	46
Personal Preference on Burial		Cremation	Conventional
	351	46	59

There were only 16 that said site one which is the City Shops and 7 for site 2- off JP Road

Prices ranged from \$2.00 to \$1,000 for a single lot, 6 burial \$400 to \$6000 and for 10 burial \$1,000 to \$12,000.

Additional Comments listed on separate pages

April 2012

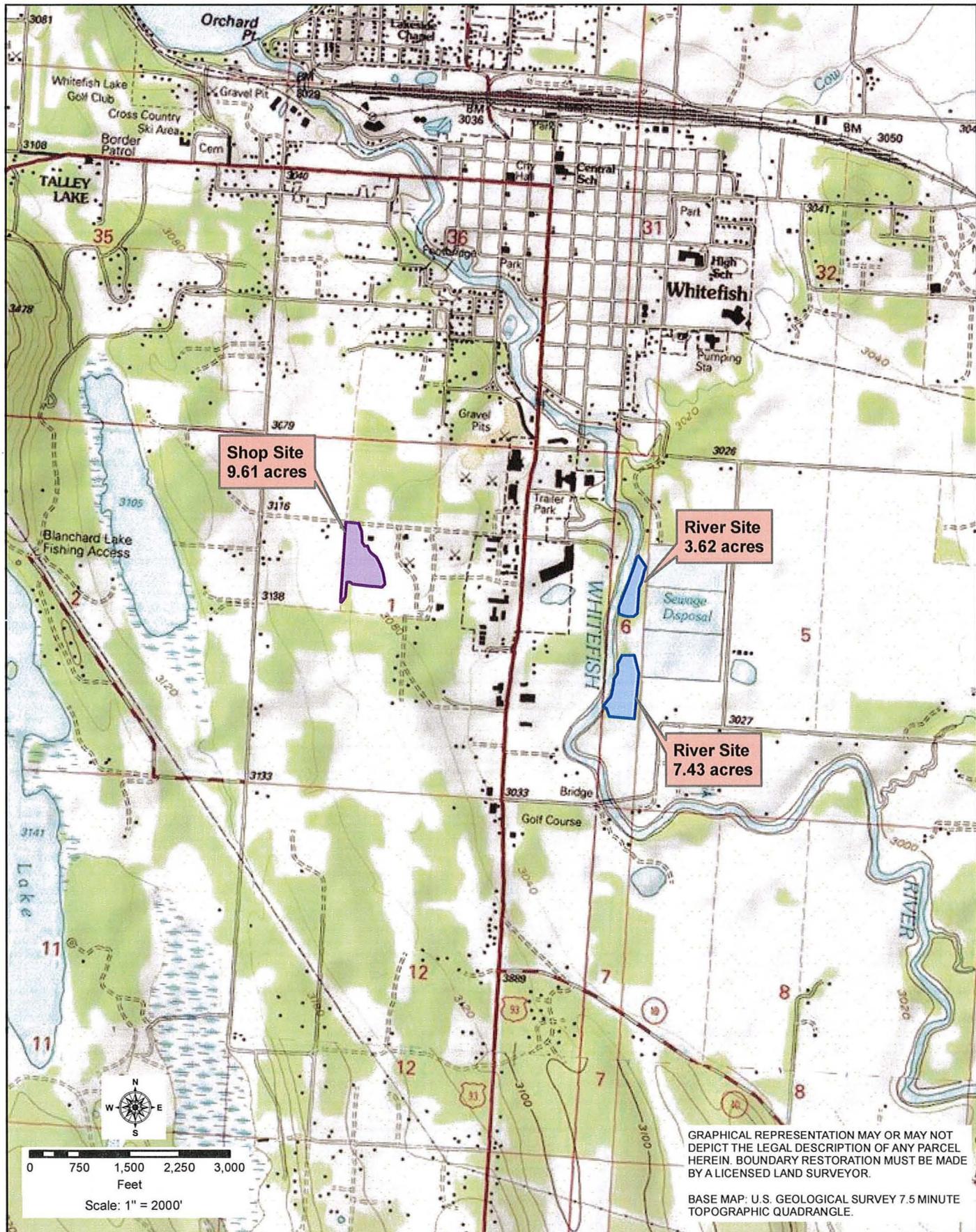


FIGURE
1
REV 0
August/2/2012

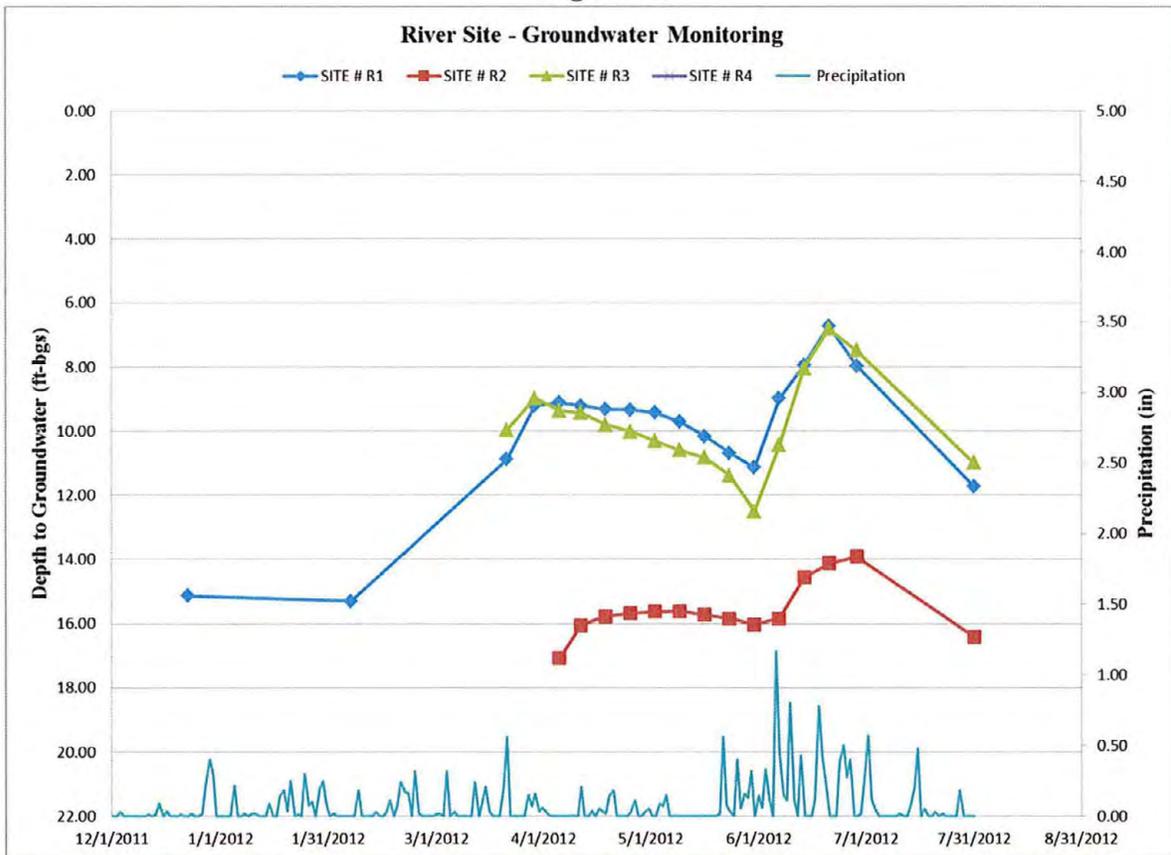


PROJ NO: AWC 482.11	DRAWN: J. HUTTEN
LOCATION: WHITEFISH MT	CHECKED: APPVD:
SCALE: NOTED	PROJ MGR: R. NOBLE
FILE NAME: FIGURE1_SITEVICINITY.MXD	

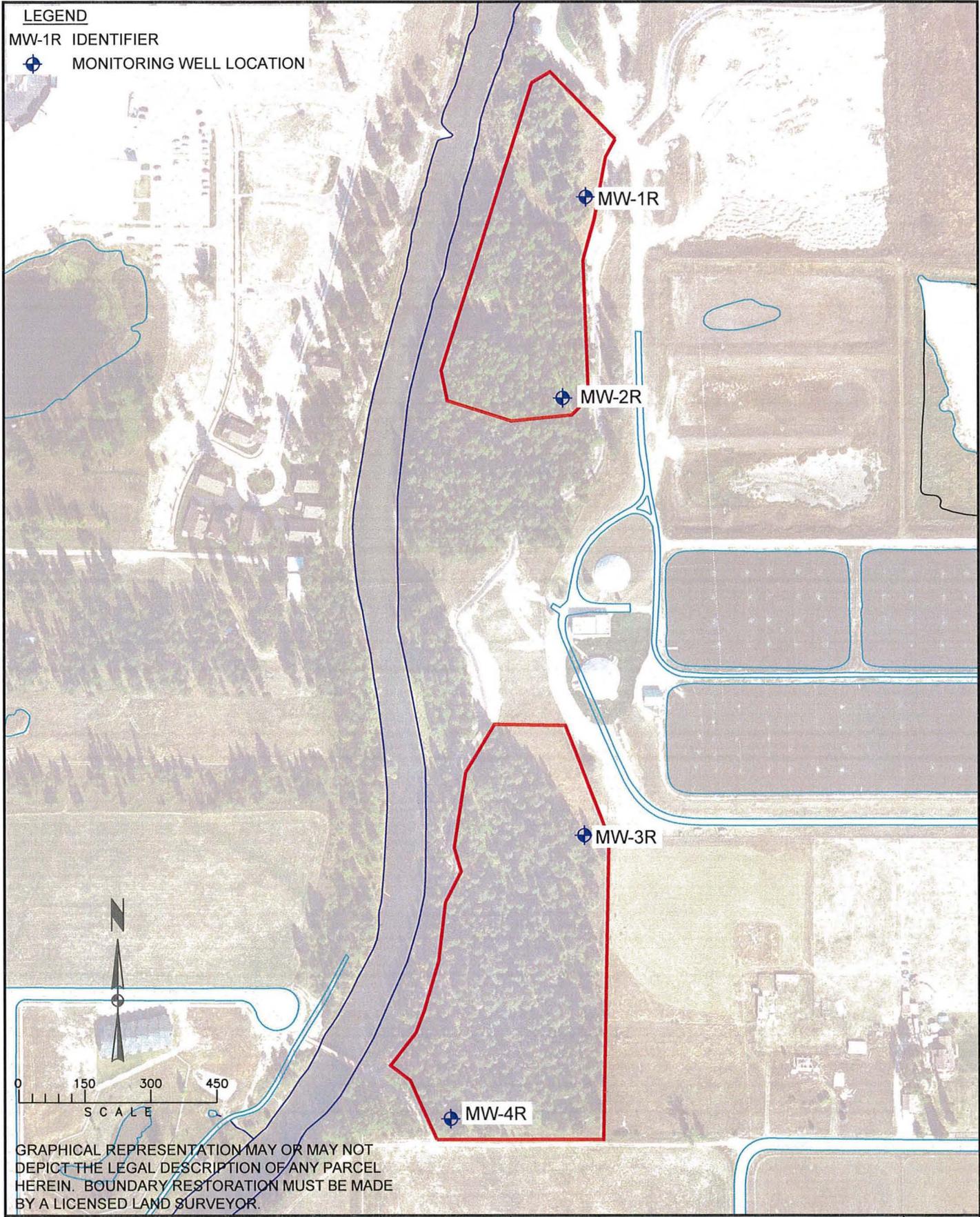
**WHITEFISH CITY
CEMETERY EVALUATION
SITE VICINITY MAP**

Hydrographs for each piezometer were developed from the SWL measurements and are provided on **Figure 10** with the exception of MW-4R because this piezometer was dry throughout the monitoring period. Daily precipitation (inches) is presented at the bottom of the graph. All three piezometers display similar trends in that there are dual peaks for each hydrograph. The water table began to rise in the spring (i.e. April) and continued this trend until it peaked in mid-May in response to snowmelt infiltration and then began to decline. As previously noted, there was very little precipitation from April 1 to June 1, 2012. However, a record amount of rainfall occurred in June, which resulted in a second and higher peak occurring near the end of June. The two main observations gleaned from this data are: 1) water levels in piezometers MW-1R and MW-3R were about 6.8 feet bgs on June 21, 2012; the typical grave depth ranges from 5.5 to 6 feet bgs; and 2) rainfall precipitation rapidly infiltrates through the soil profile indicating there is not a restrictive layer within the subsurface soils.

Figure 10



The other general observation is the shallower the water table, the greater the amount of water table fluctuation will occur, which is similar to the City Shop Site. In comparison, the deeper the water table, the more subdued the water-level changes are. It should be reiterated that this winter was warmer than normal and as a result, the amount of snowpack on the ground was less than normal. There was only 1 to 2-inches of snow on the ground when the piezometers



	PROJ NO: 482-11	DRAWN: RLH	WHITEFISH CEMETARY - RIVER SITE	FIGURE
	LOCATION: WHITEFISH, MT	PROJ MGR: R.NOBLE		PIEZOMETER LOCATION MAP
	SCALE: 1"=300'	CHECKED: APPVD:	REV -	
	FILE NAME: Whitefish.dwg	DATE: Aug/02/2012		

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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 **Tuesday**, January 22, 2013, at **7:10 p.m.** at City Hall, 402 East Second Street.

Ordinance numbers start with 13-02. Resolution numbers start with 13-01.

- 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 January 7, 2013 Council special session (p. 43)
 - b) Minutes from the January 7, 2013 Council regular session (p. 44)
 - c) Ordinance No. 13-01; An Ordinance amending Zoning Regulations in Whitefish City Code Section 11-3-11 regarding retaining walls (2nd Reading) (p. 61)
- 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) Recommendation from Impact Fee Advisory Committee to eliminate three Impact Fees established for city buildings – ESC, Park Maintenance Building, and future City Hall (p. 66)
- 7) COMMUNICATIONS FROM PLANNING AND BUILDING DIRECTOR
 - a) Review and discuss options for proceeding with a Hwy 93 North (Whitefish West) corridor study (p. 89)
- 8) COMMUNICATIONS FROM PUBLIC WORKS DIRECTOR
 - a) Consideration of an amendment to the engineering contract with Robert Peccia Associates for final design and construction inspection of the East 2nd Street road and trail project (p. 95)

- b) Resolution No. 13-___; A Resolution amending Rule X and Rule XV of the Rules and Regulations for the City of Whitefish Water, Wastewater and Garbage Utility to provide for an exemption from the monthly base rate billing for water or sewer services when properties have no foreseeable intent or capacity to use water or sewer services (p. 101)

9) COMMUNICATIONS FROM CITY MANAGER

- a) Written report enclosed with the packet. Questions from Mayor or Council? (p. 108)
- b) Other items arising between January 16th and January 22nd
- c) Consideration of awarding a contract for the Wayfinding Sign Project (p. 115)
- d) Mid-year financial report – Assistant City Manager/Finance Director (p. 118)

10) COMMUNICATIONS FROM MAYOR AND CITY COUNCILORS

- a) Standing budget item

11) 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

"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



January 16, 2013

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

Mayor Muhlfeld and City Councilors:

Tuesday, January 22, 2013 City Council Agenda Report

There will be special session on options for a new Cemetery with the Ad-hoc Cemetery Committee beginning at 5:30 p.m. We will provide food.

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 January 7, 2013 Council special session (p. 43)
- b) Minutes from the January 7, 2013 Council regular session (p. 44)
- c) Ordinance No. 13-01; An Ordinance amending Zoning Regulations in Whitefish City Code Section 11-3-11 regarding retaining walls (2nd Reading) (p. 61)

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

Items a and b are administrative matters. Item c is a legislative matter.

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) Recommendation from Impact Fee Advisory Committee to eliminate three Impact Fees established for city buildings – ESC, Park Maintenance Building, and future City Hall (p. 66)

From the Impact Fee Advisory Committee's report:

On November 3, 2011, the Impact Fee Advisory Committee voted 3-1 to recommend to the City Council to terminate Water, City Hall, Emergency Service Center, and Parks Maintenance Building impact fees and retain Wastewater, Storm Water, and Paved Trail impact fees. This recommendation as well as the justification for impact

fees was presented to the Council in February, 2012. The City Council decided to delay consideration of that recommendation to until the 5 year review of impact fees was complete.

On September 17, 2012, the Council held a work session regarding the 5 year review of impact fees and the Impact Committee recommendation. The 5 year update was accepted, however several questions arose that staff was not immediately able to answer, and consideration of the recommendation to eliminate certain impact fees was postponed. These questions were addressed during the November 19, 2012 Council work session. The Council also indicated they wanted to hear from Impact Fee Advisory Committee concerning the elimination proposal. On December 5, 2012 the Impact Fee Advisory Committee met for its annual meeting, and modified the original recommendation.

On January 7, 2013, the Impact Fee Advisory Committee representative, Myra Appel, presented their recommendation to discontinue 3 of the 7 impact fees. City Hall, ESC, and Parks Maintenance Building.

RECOMMENDATION: The committee unanimously voted to recommend to the City Council to discontinue City Hall, Emergency Service Center, and Parks Maintenance Building impact fees. This would keep intact Water, Wastewater, Storm Water, and Paved Trail.

Some of the justification for the recommendation included:

- More competitive with Kalispell and Columbia Falls
- The perception that Whitefish is too expensive
- Perception of too many small fees charged by the city—keep it simple to encourage growth

City staff does not think impact fees should be eliminated for the following reasons:

- The Florida study presented to the Council and the City's impact fee waiver program indicates that impact and building fees do not curb growth. The economy is the main factor to influence growth.
- As a matter of equity, growth pays for growth, or new development pays their proportionate share of increased demands on city services. If no impact fees, current residents subsidize new development.
- Impact fees collected for the ESC, City Hall, and Parks Maintenance Building have and will make more funds available for economic development in the TIF in the next 7 years.
- After the TIF ends, new expansion capital projects related to emergency services, city hall, and parks maintenance building will need to come from general tax dollars, making them more difficult to finance.

If the Council decides to eliminate any of the impact fees, please provide that direction and staff will prepare an ordinance for adoption at a subsequent meeting

This item is a legislative matter.

COMMUNICATIONS FROM PLANNING AND BUILDING DIRECTOR

- a) Review and discuss options for proceeding with a Hwy 93 North (Whitefish West) corridor study (p. 89)

From Planning and Building Director Dave Taylor's staff report:

At the City Council meeting of December 3, 2012, the council asked staff to put together a memo regarding options and a scope of work for a corridor plan for Highway 93 West. The recent Zinke B&B/Microbrewery project put the spotlight on the need for a corridor plan for that area, although it was previously identified in the 2007 Growth Policy long range planning priority list along with the Highway 93 South corridor plan and a Wisconsin Avenue corridor plan.

The Fiscal Year 2012/13 Budget set aside approximately 25K to pursue a Highway 93 South Corridor Plan. Although there is a strong interest from a number of property owners along Highway 93 south of Highway 40 for a plan, the area is bogged down with jurisdictional issues with Flathead County. It would seem imprudent to direct resources toward a plan for that corridor until we know the city will continue to oversee and regulate development there or it could be done and approved jointly with Flathead County. Flathead County has indicated no interest in working jointly with the city on planning until the lawsuit is settled.

With a Highway 93 South plan on hold and some major transportation improvements scheduled to begin on Highway 93 West, that area is a high priority for a land use and future development plan. The corridor plan boundary would likely all be inside City Limits, so there are no jurisdictional issues. The infrastructure and highway improvement/streetscape planning was done by MDOT for the Highway 93 West Improvement Project and can be incorporated into the plan. Attached to this memo is a draft scope of work which outlines what needs to be done. A timeline for such a plan is greatly dependent on whether the plan is done in house or using primarily outside consultants.

Using an outside consultant to complete the plan would likely get it done the fastest, however it would cost the most and probably require using another 25k in TIF or other funds in addition to the 25K set aside in the Community Development budget for contract services. The two planners the city has on staff are both experienced long range planners who were originally hired to use their expertise to focus on such tasks. They could easily do the plan in house, however they would not have the time to devote to such a plan unless an additional staff person or contract person was added to take some of the "current planning" and permitting workload, such as Lakeshore,

Floodplain, variances, CUP's, etc. Staff is currently stretched thin and needs additional help regardless, as project development and building permit numbers continue to exceed previous years. From the preliminary meetings we have had with developers and contractors, we see this growth trend continuing, including two or three major PUD/Growth Policy amendment type projects in the works that will be very time consuming to review and process on top of other duties.

At one time, there was some discussion about hiring a contract person just to handle the Lakeshore permits, and while that would provide some relief, the ability of the other staff to complete a corridor plan in a timely manner would be dependent upon the workload of the "paying" development project approvals such as subdivisions, PUD's, CUP's, variances, and other permits which have state time mandates on board approvals. A full time or a renewable one-year contract "current planner" that could do Lakeshore, Floodplain permits, CUP's, variances, and answer zoning questions over the counter and the phone would provide substantially more relief, and would be my preference. Depending on how quickly such a person could get up to speed on Whitefish's zoning rules and processes, a corridor plan could then be completed in 6-12 months. An outside consultant would likely take 4-6 months, depending on the size of the firm and how smoothly the process proceeds. Pros and cons and cost estimates are provided below for each option.

OPTIONS

A. Hiring a planning consultant for the Corridor Plan

Estimated Total Cost: \$50,000

Pros:

- Consultant typically utilizes a team of professionals, so work may be done more quickly and efficiently depending on other projects consultant is working on
- After the deliverables, no further expenditure by the city is required
- Outside firm may seem more impartial to stakeholders than the city
- 25K in consultant money is available in budget

Cons:

- Outside consultant may not be local and may not understand all issues/conflicts
- Engagement/collaboration with consulting firm more difficult for stakeholders or than with city staff
- City staff will still need to spend time assisting consultants and guiding process
- City planning office is still understaffed and will remain so after project
- Limited control over consultants
- Consultant cost can "run up" due to unforeseen issues, travel expenses, inability to get consensus from steering committee, etc
- TIF resources or a budget appropriate may need to be used to offset costs

B. Corridor Plan done in-house by planning staff after hiring one additional planner

Estimated Cost to hire Planner I position: \$60-80K (includes benefits)

Pros:

- Staff with existing expertise/training in long range planning can utilize skills
- New Planner I can assume permitting duties such as Lakeshore and Floodplain, freeing up Director to focus more on management/long range planning/economic development/code amendments, etc
- Newly hired support staff can help with time consuming administrative work of surveys/mailings/meeting coordination for plan
- Local expertise and knowledge of area and stakeholders
- New Planner could be GIS proficient and eliminate need/costs (5K/yr) for mapping consultant
- Provides better customer service and long term solution to increasing development workload

Cons:

- Plan will take a bit longer to develop (estimate 6-12 months), depending on experience of new planner (typically takes 8-12 months to get fully up to speed unless familiar with local codes and regulations) and when they can get on board.
- Commitment required for new staff hire, although it could be done on 1 yr renewable contract
- Cost will be carried beyond project, however that will be necessary for staff to continue to provide an acceptable level of service to the public
- Staff working on long range planning projects could get diverted to processing applications within state law guidelines, delaying long range planning projects

C. Contract for Lakeshore/Floodplain only, Corridor Plan done in house

Estimated Cost for one year contract: 180-240 hours (\$35/hr estimate), \$6-9K

Pros:

- Frees existing staff to work on long range planning projects
- Contractor can focus on Lakeshore/Floodplain issues and permits
- Would not require budget appropriation or TIF funds
- Could be contracted for rest of FY 12/13, then look at expanding role for FY 13/14

Cons:

- Corridor Plan may take longer to develop (estimate 8-14 months) than if the person was full time, depending on development workload of long range planners
- Contractor would be part time, so depending on whether they had another job during the day staff may still have to review Lakeshore applications, field questions

- This would be highly dependent on contracting with an experienced former Lakeshore Committee liaison planner.

RECOMMENDATION: Staff prefers B as an option. Option C could work until end of FY 12/13 then Option B could be considered during the budget cycle, depending on availability of experienced Lakeshore/Floodplain planner.

This item is an administrative matter.

COMMUNICATIONS FROM PUBLIC WORKS DIRECTOR

- a) Consideration of an amendment to the engineering contract with Robert Peccia Associates for final design and construction inspection of the East 2nd Street road and trail project (p. 95)

From Public Works Director John Wilson's staff report:

In May 2012, the City Council approved an engineering design contract with Robert Peccia and Associates for the East 2nd Street Reconstruction Project. This memo is to recommend Amendment No. 1 to that contract in an amount not to exceed \$341,500 for engineering design, construction management and related services through project completion in August 2014.

The scope of work for our initial contract included preliminary engineering, field surveys, public involvement, preparation of easements, design and coordination for the relocation of private utilities, and related tasks for a fee not to exceed \$86,500. A copy of our May 15, 2012 staff memo and an aerial photo of the project area are attached.

That work is essentially complete and we're now ready to move on to final design. Our plan is to clear trees and vegetation along the north side of East 2nd Street and relocate the natural gas main during the summer of 2013. The road reconstruction and other remaining work would occur during the summer of 2014. Our current construction cost estimate is \$2,273,540 for the reconstruction of East 2nd Street from the alley west of Cow Creek to the railroad crossing with new street lighting; private utility relocations; water, sewer and storm drainage improvements; a new bicycle/pedestrian path; and related work.

The proposed contract amendment provides for engineering and other professional services including:

- Project management
- Wetland delineation and permitting
- Final design for roadway, water, sanitary sewer, storm drainage, wetland mitigation, bicycle/pedestrian path and street lighting improvements,
- Preparation of construction plans, specifications and bid documents,
- Design and coordination to relocate private utilities,

- Public involvement and
- Construction management and engineering services

The Public Works Department has negotiated a cost not to exceed \$341,500 for this amendment, bringing the total amount of our East 2nd Street engineering contact to \$428,000. This overall total includes an engineering fee of \$360,560 plus \$67,440 for landscape architect, environmental and geotechnical services. The engineering fee falls within generally accepted guidelines at 16% of estimated construction costs.

The financial package for this project will include local Resort Tax funds and CTEP trail grant funds provided by the State. Approximately \$160,000 in CTEP funds will be used for construction. All other costs for project management, design and construction will be paid out of the Resort Tax fund over the next two construction seasons. The \$341,500 cost for the proposed contract amendment will be paid out of the Resort Tax Fund.

RECOMMENDATION: Staff respectfully recommends the City Council approve Amendment No. 1 to the engineering design contract for the East 2nd Street Reconstruction Project in an amount not to exceed \$341,500, which would be paid using Resort Tax funds.

This item is an administrative matter.

- b) Resolution No. 13-___; A Resolution amending Rule X and Rule XV of the Rules and Regulations for the City of Whitefish Water, Wastewater and Garbage Utility to provide for an exemption from the monthly base rate billing for water or sewer services when properties have no foreseeable intent or capacity to use water or sewer services (p. 101)

From Public Works Director John Wilson's staff report:

At their last meeting, the City Council considered a staff proposal to amend the Rules and Regulations for the Water, Wastewater and Garbage Utility. The point of concern was to provide relief from minimum monthly utility billing for those properties which have no foreseeable intent or capacity to use water or sewer services. This memo presents a resolution to revise the Rules as necessary to provide that relief.

Copies of the proposed Resolution and our staff memo from the January 7th Council meeting are attached. As suggested by the City Council, we have included provisions for an inspection fee and flexibility as to the means of abandoning service. We've also added an explicit statement that monthly billing will resume if staff finds evidence of water use on an abandoned account.

RECOMMENDATION: Staff respectfully recommends the City Council adopt the attached resolution amending Rule X and Rule XV of the Rules and Regulations for the Water, Wastewater and Garbage Utility.

This item is a legislative matter.

COMMUNICATIONS FROM CITY MANAGER

- a) Written report enclosed with the packet. Questions from Mayor or Council? (p. 108)
- b) Other items arising between January 16th and January 22nd
- c) Consideration of awarding a contract for the Wayfinding Sign Project (p. 115)

The City of Whitefish is collaborating with the Heart of Whitefish on a Wayfinding signage project. The Heart of Whitefish paid for a consultant, Vicky Soderberg of Cygnet Strategies along with her sub-contractors, Old Town Creative – Jen Frandsen and Jena Ponti from Bruce Boody Landscape Architects. Former Mayor Mike Jenson, Dave Taylor, Karl Cozad, Karin Hilding, Mayor Muhlfeld, and I have participated in the meetings and the development of the signage project.

On May 21, 2012, the City Council reviewed the project documents and authorized staff to proceed with bidding the project. On Wednesday, September 19th, we opened bids for the Wayfinding Sign project. At the October 1st City Council meeting, the City Council decided to reject the single bid, have staff work with the Wayfinding Committee and vendors to revise the bidding documents, and advertise a second time for bids.

We opened bids on the re-bidding of the Wayfinding Sign project on January 15th. There were four bids submitted. There were also two bids which arrived in the afternoon of January 15th after the bid opening which were submitted too late to consider (one from Ohio and one from Virginia).

The bid tabulation is attached to this report in the packet.

The four bids were:

	Total Bid without installation	Total bid w/ installation
Mild Fence Company, Kalispell	\$163,883.50	\$198,038.50
Montana Lines, Great Falls	\$170,490.00	\$244,660.00
Sign Products, Inc., Billings	\$146,144.00	\$293,750.00
Epcon Sign Co., Billings & Missoula	\$110,946.23	\$267,662.29

Additionally, Mild Fence company's installation cost was only \$34,155.00 compared to the range of installation costs for the other three vendors of \$75,000 - \$157,000.

Thus, I think it is in the City's best interest to award the Wayfinding Sign contract, without installation, to Epcon Sign Company in the amount of \$110,946.23 and

authorize me to negotiate the installation of the signs with Mild Fence Company. Any cost under \$50,000 does not have to be bid, so I could see what Mild Fence Company will charge for installation only. That would put the total cost of the project in the \$145,000 range.

The Tax Increment Fund will provide funding for this project. The cash balance in the TIF fund at December 31st was \$2,552,913 and there is plenty of budget authority to award the contract.

RECOMMENDATION: City staff respectfully recommends the City Council award the Wayfinding Sign project contract to Epcon Sign Company, without installation, in the amount of \$110,946.23 and authorize the City Manager to contract for installation of the signs locally with the total cost of project not to exceed \$150,000.00.

This item is a legislative matter.

d) Mid-year financial report – Assistant City Manager/Finance Director (p. 118)

Rich has a mid-year financial report in the packet. Our financial situation continues to improve significantly and there are no major expenditure issues on the horizon. Cash balance in the General Fund was \$1,019,903 on December 31st which is up 865% from our low point of \$105,630 two years ago.

COMMUNICATIONS FROM MAYOR AND CITY COUNCILORS

a) Standing budget item

Sincerely,



Chuck Stearns
City Manager

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WHITEFISH CITY COUNCIL MINUTES
JANUARY 7, 2013
SPECIAL SESSION, 5:00 TO 7:00 PM

1. Call to Order

Mayor Muhlfeld called the meeting to order and wished everyone a Happy New Year. Councilors present were Anderson, Sweeney, Hildner, Kahle, Hyatt and Mitchell. City Staff present were City Manager Stearns, City Attorney VanBuskirk and City Clerk Lorang.

2. Interviews for applicants:

Council conducted interviews and considered the following applicants.

- 5:00 Sandra McDonald – Whitefish Housing Authority
And Letter from Laura Rutherford, Resident at Mountain View Manor
- 5:09 Herb Peschel – Whitefish Lake and Lakeshore Protection Committee
- 5:18 Bick Smith, Board of Adjustment, Extra-territorial position
- 5:27 Mike Kelley – Board of Adjustment
Norm Nelson – Board of Adjustment. Not in attendance for interviews tonight, but still interested in the position and his letter of application was in the packet.
- 5:36 Rebecca Norton – City-County Planning Board and Board of Adjustment. Rebecca noted in her letter and during interviews, that, although she preferred a seat on the City-County Planning Board, she would agree to serve temporarily on the Board of Adjustment until another applicant was found to fill the position.
- 5:45 Zak Anderson – City-County Planning Board
- 5:54 Life Noell – City-County Planning Board
- 6:03 Scott Sorensen – City-County Planning Board. Scott noted during his interview that if not appointed to the City-County Planning Board, he would be willing to serve again on the Board of Adjustment.
- 6:12 Chad Phillips – City-County Planning Board
- 6:21 Scott Freudenberger – City-County Planning Board
- 6:30 Bobby Young – City-County Planning Board
- 6:39 Myra Appel – Impact Fee Advisory Committee
- 6:48 Don Kaltschmidt – Impact Fee Advisory Committee had contacted staff right before the meeting that he would not be able to attend interviews but was still interested in the position and his letter of application was in the packet.

3. Public Comment - None.

4. Appointments

Councilor Mitchell offered a motion, seconded by Councilor Kahle, to appoint Myra Appel and Don Kaltschmidt to the Impact Fee Advisory Committee. The motion passed unanimously.

Mayor Muhlfeld appointed Sandra McDonald and Laura Rutherford to the Whitefish Housing Authority with Council consensus.

WHITEFISH CITY COUNCIL MINUTES

January 7, 2013

7:10 P.M.

1. CALL TO ORDER

Mayor Muhlfeld called the meeting to order. Councilors present were Mitchell, Sweeney, Anderson, Hildner, Kahle and Hyatt. City Staff present were City Manager Stearns, City Clerk Lorang, City Attorney VanBuskirk, Assistant City Manager/Finance Director Knapp, Planning and Building Director Taylor, Senior Planner Compton-Ring, Public Works Director Wilson, Parks and Recreation Director Cozad, Police Chief Dial, and Fire Chief Kennelly. Approximately 60 people were in attendance.

2. PLEDGE OF ALLEGIANCE

Mayor Muhlfeld asked John Frandsen to lead the audience in the Pledge of Allegiance.

3. PRESENTATIONS - None.

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

Pat Jarvi, 1023 A Park Avenue, gave an update on the Oversight and Budget Committee and the High School building project. It has been broken into three bid packages and the gym has to be completed by June. The bid package will go out on the first of February. Construction will begin in March, which will add some challenges for the P.E. classes. The other two bid packages will go out later: the site foundation and structural steel package will go out about Feb. 26th. Package #3 will go out on the first of May. If anyone wants to see the day by day construction schedule they can get a copy from Councilors Sweeney or Hildner who are on the committee and dedicating intensive time to the project. During construction the student parking will be moved and students will enter through the east end of the High School.

Councilor Mitchell asked if there is any way for the public to get information online. Pat Jarvi said there is a construction link on the district web page and the High School web page. Councilor Mitchell said perhaps she could ask the school to post financial information in the paper so the public will be up to speed. He asked about the cuts and Pat Jarvi said this will not impact the 21st Century learning skills, but it may slow down the building of the center where video graphic work will be taught. Councilor Mitchell said he feels the public will be disappointed if those aren't completed because that is what the public was told they would have. Councilor Sweeney said the cuts aren't to the actual opportunities for the students, the cuts were to some proposed new types of programming that aren't necessarily available at any high schools today. They haven't been able to add them with budget right now. The proposed additions are over and above the original proposal. Councilor Mitchell said he disagreed.

Mike Prezeau, 320 Dakota Avenue, with the Bike/Ped Committee, spoke in favor of the Skye Park Bridge project. He said John Phelps is their chair and could not be here. He said they read that the Council rejected moving forward with Phase II and had questions for the Public Works Director. Those questions have been answered in a memo in the Council packet and the committee is in favor of the project. Over the past year they have identified all of the construction projects and prioritized them and this bridge project was their number one priority. The Committee would ask the Council to move forward with this project.

Jan Metzmaker, 915 Dakota Avenue, said she would also like to see them move forward with the bridge project. It would be good for visitors to the area.

Ron Brunk, 130 E. 4th Street, said he is on the Park Board and the Bike/Ped Committee and he is in favor of the bridge project. He said the BN Loop is incomplete because the intention is to connect it to City Beach. There is a section of gravel there and it wasn't completed because it will have to be dug up again with the construction of the Skye Bridge.

Life Noell, as a prior Park Board member and a member of the public, said the Skye Bridge project offers a safe alternative to getting downtown and to City Beach. He asked them to move forward on the project.

John Frandsen said it makes sense to move to the next phase on the Skye Bridge. It will provide extra access for emergencies and he thinks it is important.

Fire Chief Tom Kennelly introduced the new Assistant Fire Chief Joe Page. Mayor Muhlfeld thanked Chief Kennelly and the Fire Staff for taking up the slack for the past year and half as they worked without an assistant fire chief.

5. COMMUNICATIONS FROM VOLUNTEER BOARDS

5a. Report and Recommendation from Impact Fee Advisory Committee (p. 40)

Myra Appel, CPA of the Impact Advisory Committee said in 2007 Henderson, Young and Co. provided a study on the feasibility of impact fees in Whitefish. She was one of the original members of the original Impact Advisory Committee. Whitefish was in the midst of a large growth spurt. She referred to a copy of that study; on page 6 there is a decision tree and the #1 consideration was "Is significant new development anticipated in Whitefish?" Back then the answer was "yes." Page 7 of the study said growth was expected. Estimated population was expected to reach 8,598 by 2011 but Whitefish grew 2,214 less than what was projected. The permanent population decreased by about 900 people. If consultants reviewed the same data today, they would probably feel impact fees would not be a good decision. The Impact Advisory Committee recommends removing three fees: EMS fee, City Hall fee, and Park Maintenance facility fee. They recommend retaining the paved trails fees. The cash balance from these fees is a small percent of the budget (less than 1%.) They recommend the City abolish these fees in the future; that action could reduce an impact fee by \$1,557. There is the impression that you can build more for less in Kalispell or Columbia Falls or the County. There is a ghost market of foreclosed properties so many don't want to build. The economy has been slow to

recover. The predicted growth in Whitefish may not come for many years. The Impact Fee Advisory Committee recommends eliminating these fees.

Councilor Mitchell asked and Myra Appel said they report annually to the Council. Councilor Sweeney asked if the committee did any comparison to total impact fees in other towns and how Whitefish compares. She said they did. Their comparison showed \$6443 in Whitefish, \$6351 in Kalispell, and \$4700 in Columbia Falls

Mayor Muhlfeld said they need to decide whether they want to have this as a future agenda item. Manager Stearns said this wasn't set as an action item on the agenda so their discussion could wait until they hold a public hearing to decide whether they want to eliminate any of these fees.

Councilor Hildner said the Bike/Ped Committee met this morning and unanimously supported Skye Park Phase II. He said the bike path on E. 2nd was delayed while Flathead Electric dealt with the power lines, but that has been resolved and will move forward. He said this committee will take on a spring project to clean up the silt fence and debris along the trails. He said safe routes for school will probably get less federal money in the future.

Councilor Sweeney said the High School oversight committee is meeting on a regular basis and have work to do on the budget. They are in the bid phase and hope the bids will come in within budget. They are managing the best they can given the timing and circumstances. He said they need to inform the public better to eliminate confusion. There were some new opportunities proposed, and the goal is to provide the 21st learning environment and structure that was promised when the bond was sold. When they get the 2nd budget /bid in then they will know where they stand financially. He is conceptually comfortable with where they are, but feels they need to inform the public better. Councilor Mitchell said this is the biggest project going on in Whitefish for the next couple of years so communication is vital. Councilor Sweeney said he will be glad to give them an update at each of the Council meetings. He agreed that this is important to the community and they can't mess it up. He said he and Councilor Hildner have talked about creating the website so they can get information out to the public. Councilor Hildner agreed and said they've requested a special website.

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

6a. Minutes from the December 3, 2012 Council special session (p. 45)

6b. Minutes from the December 3, 2012 Council Regular session (p. 46)

Councilor Hildner offered an amendment on packet page 53, paragraph 3, to read “trail” not “trial.”

Councilor Kahle offered a motion, seconded by Councilor Anderson, to approve the consent agenda as amended. The consent agenda passed unanimously.

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

7a. Consideration of an application for a Conditional Use Permit from Michael Bode for a recreation facility within an existing warehouse type building at 5932 Hwy 93 South (p. 60)

Senior Planner Compton-Ring reported that Michael Bode is requesting an after-the-fact conditional use permit for a recreation facility, Big Mountain CrossFit, within an existing 4,000 square foot warehouse-type building at 5932 Highway 93 S. Recreation facilities (low and high-impact facilities) are conditionally permitted within the SAG-5 zoning.

On October 9, 2012, city staff notified the landowner and tenant that a Conditional Use Permit was required prior to opening the business. As such, the property owner is requesting an after-the-fact permit approval. The applicant is using the existing building, built in 1990, and paved parking area to serve the site. No other changes to the site or building are being proposed.

The property is zoned SAG-5 (Suburban Agriculture) which is a county designation. The Growth Policy designation for this area is 'Rural Residential'. A notice was mailed to adjacent land owners within 150-feet of the subject parcel on November 30, 2012. A notice was emailed to advisory agencies on November 30, 2012. A notice of the public hearing was published in the *Whitefish Pilot* on December 5, 2012. No comments have been received.

This application is evaluated based on the "criteria required for consideration of a Conditional Use Permit," per Flathead County Zoning Regulations. The subject parcel is 5.01 acres in size and adequate parking is being provided.

This particular location is within the Residential District for signage. One large wall/banner sign located on the east elevation of the building was placed without a permit and exceeds the standards for this sign district. This unlawful sign has been removed and a valid sign permit needs to be obtained prior to the installation of any lawful sign.

There is existing exterior lighting near the front door on the east side of the building and on the back of the building. These lights, known as 'wall packs', do not meet the city's outdoor lighting standards. These lights should have been brought into compliance before August 17, 2009; therefore, staff will recommend a condition of approval that all exterior lights be updated to meet the outdoor lighting standards.

This property is served by an on-site septic system. As this is a change in use, Flathead County Environmental Health Department requires an updated septic permit for the new use. Staff contacted Flathead County and found that this has not occurred with the current tenant. In 1989, the County approved a one-bedroom single family home septic. Staff will recommend that upon approval from the Council, the applicant will hire a consultant and meet with the County no later than February 1st. If the County is unable to approve the change in use, the applicant will either need to connect to city services, which are approximately 1,168-feet from the subject parcel, or abandon the use. Staff was contacted by Flathead County Environmental Health today and they met with the applicant and he is in process of hiring an environmental consultant.

Planner Compton-Ring said she talked to MDOT and they were satisfied with the existing access. The Planning Board held a public hearing on December 20th, and unanimously recommended approval subject to the conditions outline in the staff report.

Mayor Muhlfeld asked and Director Taylor said the business licenses are only required in the City limits and if the property is in the county they have to rely on the applicants to come to them.

Councilor Hildner asked and Planner Compton-Ring said staff gave the applicant a deadline to come in for a CUP and the applicant did. Councilor Hildner asked about the difference in the septic approval from when it was proposed to be a church to now. Planner Compton-Ring said the church wasn't able to get a septic permit. Councilor Hildner asked if there were fewer people getting exercise than attending church on one day. He said the map shows two drain field locations, but he doesn't see the location of the well. Planner Compton-Ring said the applicant could perhaps answer that for him. Councilor Hildner said he has some concerns about the traffic issue out there. Planner Compton-Ring said MDT did not think it would increase traffic significantly. Councilor Mitchell said the septic decision will be made by the county. Councilor Sweeney confirmed that the approval is conditional upon the applicant getting septic approval from the county and Planner Compton-Ring agreed.

Mayor Muhlfeld opened the public hearing.

Mike Bode, 915 Columbia Avenue, said he owns this property and he apologized for not getting the permit in sooner. He thought he was dealing with the county. He said their business is much smaller than the church. He said they hired a septic consultant and will put in a new septic if required. He said the sign has been taken down and the new lights will be up soon. Councilor Hildner asked and Mike Bode said the county said they can continue to operate until they get approval.

Mayor Muhlfeld closed the public hearing.

Councilor Mitchell offered a motion, seconded by Councilor Kahle, to approve a Conditional Use Permit (WCUO 12-13); Michael Bode's recreation facility within an existing warehouse type building at 5932 Hwy 93 South with the 7 conditions recommended by staff. The motion passed unanimously.

7b. Resolution No. 13 ____; A Resolution to establish an increase in the public usage fee schedule and the establishment of a new event support fee schedule for the public's use of City parks, facilities and grounds (p. 90)

Parks and Recreation Director Cozad said Doug Wise, the President of the Park Board, is present tonight. He said the parks fee schedule addresses all of the facilities they manage. They work to provide quality service and community experiences at these facilities. It is their objective to support these events; special events are a positive part of this community. The proposed fees are based on the impact to the facilities. The fee makes up about 4% of the Parks budget. They spend close to \$20,000 maintaining facilities and 55% comes from general funds, 41% is from greenway assessment and 4% is from event fees. They expect that the groups that use the facilities contribute to the support and rehabilitation of those facilities based on the impact. He said Depot Park is the crown jewel of the City parks system. Last year there were 11-12 major events that occurred at that sight in about 16 weeks. He said Councilor Sweeney once said they are loving this park to death. He said the challenge was how to

equitably charge each group. He said there is Farmer's Market that has 19 dates at 3 hours/date. Other events are 3-4 consecutive days. There isn't any one event that has a severe impact, but the accumulation of events doesn't allow for recovery time. He said this proposal was unanimously approved by the Park Board. The proposed Event Support Fee will be \$500.00 per event, regardless of the number of days of the event. The proposed Size Fee will be based on the number of even vendors (some require additional staff time and effort.) Some vendors and/or events have a negative impact to the infrastructure—driving stakes and/or running over sprinkler heads. Other communities charge by the number of vendors. He said the key point is that their charge is to maintain and protect these outstanding amenities in the community. He said that when the Park Board came up with this proposed fee schedule they forgot to include an hourly rate—they included half days and full days. He developed an alternative proposal that assigns an hourly rate to Depot Park that would bring the fees more in line with what they are used to, and he handed out a copy to the Council. He said Farmer's Market has a street closure and a per vendor charge that the City would only charge to the Farmer's Market once/year.

Manager Stearns clarified that Farmer's Market uses the park 3 hours/week. Director Cozad said it is exciting to have these events occur in Whitefish.

Councilor Mitchell asked about the fact that there is no impact fee for Farmer's Market and Director Cozad said it is because there are no additional staff hours required for the market—it is all handled by volunteers. Councilor Mitchell asked and Director Cozad said the electricity is included in the fee. Councilor Mitchell asked about the Special Events charge and Director Cozad said it is charged once/year by the administration. Councilor Mitchell asked and Director Cozad said the fees are in line with the other communities. Councilor Mitchell asked about the Master Plan and Director Cozad said the question is whether it is going to be an open green space or a place to host events. Councilor Mitchell said he knows grass won't work. He'd like to consider a fair amount of hardscape to allow them to have more events. Director Cozad said they identified using the street for hardscape, but some issues have come up that have changed that opportunity. Councilor Mitchell said he would like them to consider whether the Master Plan fits what the Council wants for the park. Councilor Sweeney said he is concerned that there is damage by some of the vendors and wondered if the City gets compensated. Director Cozad said they required a deposit to pay for damages in the past, but it is hard to determine where or when the damages occur. Councilor Sweeney talked about the fact that the tent occupies the park, but they aren't charged except for the days they use it. Councilor Kahle asked about the greenway assessment fee and Manager Stearns it is charged to all properties per front foot and goes toward park maintenance costs.

Councilor Hildner said they need to look at what the Master Plan says about Depot Park and its stated purpose. He appreciates that the new plan now includes at least some rest time for the park. Councilor Anderson said he also understood that the primary purpose was open space, with limited use. He said the management and maintenance plan is critical. He asked and Director Cozad said they propose to utilize a rotating system of layouts to give areas time to rest. The last thing the Park Board wants to do is be an obstacle to a successful event. Right now there are four multiple-day events planned in this park with rehabilitation time in between. Councilor Anderson asked and Director Cozad said there were 10-12 major events last year. Councilor Anderson asked what problems the fees are intended to solve. Director Cozad said the cumulative effect of events requires rehabilitation of facilities. Councilor Anderson said he understood that the use was causing higher maintenance costs. He said if the use goes down then perhaps the expense would be less.

Mayor Muhlfeld said the revised fee schedule from Director Cozad has hourly fees so the cost for Farmer's Market would be \$1140/year compared to \$5085/year. Director Cozad said the Farmer's Market got their application in early enough so they got to use the 2011 rate last year. Councilor Mitchell asked about the difference in fees and Director Cozad said the hourly rates give a more equitable rate for different events. Councilor Mitchell asked if Director Cozad thinks the park will grow grass and he said with proper management and care he hopes they can make it work. Councilor Kahle asked if the fee structure covers the actual impact to the Park and Director Cozad said they haven't broken down the parks budget by facility so it is difficult to assign a dollar value. He said they will bring the budget to the Council this year with a breakdown of where they spend their money by facility. Councilor Hyatt asked and Director Cozad said they spent about \$14,000 to re-sod Depot Park last year. He said it is about \$1/square foot prepped, installed and laid. He said the community may be willing to have a sod laying party, like they did in the Dog Park. Mayor Muhlfeld said from an equity point of view the alternative option is more appropriate.

Doug Wise, Park Board Chairman, said they have total support for Director Cozad and his staff for the jewels they provide and protect for the community. They have discussed how to maintain Depot Park as the crown jewel of this City. He said they are only asking a vendor to pay \$2.14/week. He said for Huckleberry Days or Whitefish Arts Festival they are only asking for \$19/vendor. These will help maintain the park. The board wants an equitable plan to maintain the park at a level the City wants.

Mayor Muhlfeld opened the public hearing and requested that each speaker hold their comments to the 3-minute limit as there is a large number in attendance who wish to speak.

Rhonda Fitzgerald, 412 Lupfer Avenue, said she has been the co-chair of the Downtown Farmer's Market committee. It is an incredible committee of volunteers and they partner with the City for this event. Economic Development offices may work to develop projects like this, but since Whitefish doesn't have an economic development department the volunteers have created this event. The market is a "third place," a desirable entity, an anchor for community interaction because it is free, highly accessible, offers food and drink, and is a meeting place for friends. There are three purposes to the market: proximity and synergy to businesses, social gathering place, and civic engagement that helps our community thrive. If the committee has funds left at the end of the year they help provide for money for the flower baskets, bike racks and other projects. She said there are 50 vendors on the lawn and it would be a \$500/hit. She said the Farmer's Market is a visible barometer and an emblem of community pride. She asked them not to raise the fees.

Jen Frandsen, 1648 West Lakeshore, said this will be her 3rd year volunteering for the market. She said the National Farmer's Market Coalition uses this market for their model. She said setting up the market downtown creates a place where the community wants to go. Farmers are able to bring their produce by trucks, park on the street, and because of the location near Depot Park it still allows a park-like atmosphere for those who attend. Locals sell their foods and crafts at the event. Children sell their painted rocks. This is a carefully orchestrated market that is highly organized by volunteers. If the fee is raised many of the locals, who often don't make very much money, will quit. She asked them not to break the market or the community.

Todd Kotila, Headmaster at Whitefish Christian Academy, said they run the Whitefish Arts Festival each year, but he wanted to speak as a member of the public. He said he agrees that the park is a wonderful asset. He said he understands that the term fee is a synonym for a tax and he doesn't think

that the fee at \$2/vendor is insignificant. He loves the Parks Department and Doug Wise. He asked, as Councilor Anderson did, what problem the fee structure solves. If the problem is money then he would ask the Council to fund the maintenance of the parks. He said resort tax revenue was up in town, so he suggested they use it to fund the maintenance. He said as a member of the public he opposes fees. He said to be equitable they would have to charge fees for dogs that poop in the dog park and wheel damage that occurs on the skate parks. He asked them not to raise the fees. Mayor Muhlfeld clarified that resort tax cannot be used for park maintenance; and only 5% of the revenues are allotted for park capital improvements.

Kevin Gartland, 307 Spokane Avenue, is the Director of the Chamber of Commerce and said if the intent of the policy is to kill off some of the seasonal events that bring people and money into Whitefish, then they are heading on the right track. He said they raised the fees 20% on Depot Park last year and now they want to raise it 50% and then add additional fees. He said the Council is looking at lowering impact fees because it impacts growth, then they are looking at raising fees for events that help bring people into the community. The City is digging into the pockets of the non-profits. He is disturbed that this project has come this far without more input from those affected. The Chamber urges them to reject the increase in fees and the maintenance plan fees. He said lower rates should be offered to the Chamber as well as to 501(c)3 organizations. He said the only additional staff time he is aware of is for wiring the park for electricity for special events. He asked whether the \$500 fee would go away when the park is updated and has electricity on site. He asked them to reject it.

Life Noell, 240 Dakota Avenue, said he speaks with full confidence in Director Cozad. He said when he worked on the Park Board he was discouraged that only about a dozen people attended Board meetings over the year. He said it is the second Tuesday of the month and people could attend. He asked for clarification if it is viable for the city to cover the \$20,000 for preserving the parks and the grass. He asked if they could use alternative locations for the Farmer's Market. He said there are 10 parks in town they could use. He said recreation is vital and he supports these events. He supports that they are a city of parks, but there is a cost to maintain them. He asked the community to keep an open mind about alternative locations. Depot Park is important and they need to take some of the burden off the Parks and Recreation Department.

Jan Metzmaker, 915 Dakota Avenue, said the Park Board has a lot of responsibilities heaped on them and they don't always get the funding they need. She said they have created a sustainable Farmer's Market committee and they are going to try to have a greener event. She hoped they wouldn't make the market unfeasible.

Shannon Fremont-Smith, 551 Haskill Basin, Whitefish Arts Festival director, said they are 100% volunteer run and they bring a lot to the community. She said the fee increase seems to focus on the damage to the park and not the benefits the event brings to the community. She said the new fees are terrible. They are already paying for 3.5 days and should not have to pay an additional fee. She said their applications went out in October and if she asked for an additional \$20 now, she would get calls. She said they would lose vendors. It is a substantial amount of money to the vendors. She said some organizations turned in their registrations today to avoid fees and she thinks to make it fair, new fees shouldn't go into effect until the first of a new year.

Ron Brunk, 130 E. 4th Street, said he is on the Park Board. He said they were asked to come up with a maintenance plan for the parks. Contrary to popular opinion they aren't out to shut down

Farmer's Market. He encouraged them to look at Director Cozad's hourly structure proposal. He said if they don't want to raise fees the Council could fund the budget so they can take care of \$14,000 worth of sod at Depot Park and all of the other parks. He said they asked Director Cozad how he came up with the fees and he said they are based on the events and the maintenance required for the events.

Rebecca Norton, 530 Scott Avenue, said she thinks they should keep talking about this after tonight. She doesn't think the fees are the best solution. She said Director Cozad started talking about this about 3 years ago. Maybe the people who are most impacted could work on the solutions to figure out how to finance the impact.

Tim Good, 230 Dakota Avenue, owner of the Cuisine Machine, said Farmer's Market is very busy for him. He said that is the only day of the week that they sell food to the public. He said the small vendors are part of what makes Farmer's Market special and the fees would affect them. He asked them not to make it hard for the little people to be there.

Ken Stein, 1495 Lion Mountain Drive, agreed with everyone about Farmer's Market. He said some of the other City facilities that are rented for birthdays need to be kept at a fee that is manageable for families or they will lose more revenue. He likes the idea of more hardscape.

Terry Feury, 930 Pack Rat Lane, said she is a volunteer for the Farmer's Market and raises money for the live music. She said the local businesses love to support live music for the community and for the children. She also sells her bread there and people come from as far as Eureka and Polson. They say they plan their whole trips into town based on the Farmer's Market event. She is opposed to the fee increase.

John Frandsen, 1648 West Lakeshore, read a letter from Marcus Duffy, who is in opposition. He said Jen spends 5 hours/week volunteering for the Farmer's Market. He said he doesn't know how this will be effective financially. He said it mixes up a process that works. He said the increase in fees may cause a net loss of revenue in the long run.

Judy Owsowitz, 6505 Farm to Market Road, said she appreciates the attempt Director Cozad has made to try to keep the fees reasonable. She said this is a great community-building event as Rhonda Fitzgerald said. She said businesses know they need to make the most money they can per square foot, but it doesn't happen everywhere in a store. There are some things that draw people into the business and some that make more money than others. She suggested that perhaps they charge more for people from out of state who launch their boats at City beach.

Sarah Lamb, 1545 Karrow Avenue, said she is a vendor at the market and her children are fourth generation Montanans. She said she is on the board for the Kalispell market and if they raise the fees 5x then they will not be comparable to the fees at the Kalispell or Columbia Falls markets. She said they will lose the local vendors who are the heart of the markets.

Pam Gerwe, 170 Blanchard Lake Drive, said she is a vendor at Farmer's Market and is involved in a lot of the agricultural events in the state. She said a lot of cities sponsor the infrastructure of the community's Farmer's Markets because they are a great asset to the community.

Ian Collins, 898 Blue Heron Drive, and Chair of the Heart of Whitefish, said Nancy Svenningsen and Rhonda Fitzgerald are the people who make the market happen. He said the Farmer's Market would have a \$14,000 increase if the original fees were charged. He was disappointed that this went on at the Park Board level without input from the people who run the Farmer's Market. It hurt the good will in the community. He hoped they would send a message to volunteer boards that when they are looking at serious issues like this that they include people who are being affected by them.

Matthew Smeltzer, 630 W. 3rd Street, said he runs competitive timing races and he has concerns about the fees he pays for his races. He said maybe they could break out the fees per event happening. He said if they sell beer, they pay \$10. If they break it down into individual items perhaps they could associate fees more equitably. He liked the ideas from Kevin from the Chamber. He hoped they would mull over ideas they've heard tonight. He agreed with Rhonda Fitzgerald that it is OK to treat different events differently. He said Director Cozad said this is 4% of the Parks budget and he doesn't think they need to make a big deal about this. He thought those who break something should pay for it. He thanked Director Cozad for working with them on events.

Chris Schustrom, 504 Spokane Avenue, read a letter, previously referred to, from Marcus Duffey. Marcus Duffey said Great Northern Brewing company has firsthand experience with the success and growth of the weekly downtown Farmer's Market. He said they've witnessed its growth and success and have been fortunate to have had its abundance overflow through their doorway. The Farmers' Market is a microcosm of what many want and believe to be right for Whitefish—a gathering of community to support one another and the businesses we operate here. He said the wear and tear on Depot Park is very apparent at times. He proposes that they allocate dollars that have already been collected by the businesses of Whitefish. He urged them to support events like the Farmer's Market and to exam current budget allocations.

Chris Schustrom said he thinks about raising funds for community events. He said you don't fund the Parks Department by raising fees in this manner. He served on the Park Board in the past. The Parks have grown and flourished and he urged the Council to provide better funding for the parks. He believes there should be fees based on whether it is a community event or a commercial event. He asked them to send this back to the Park Board to get community input on funding the parks and maintenance. He said they have had a lot of great community events and have improvements that need to take place, but those take maintenance money.

Mayor Muhlfeld closed the public hearing.

Mayor Muhlfeld called a recess from 9:30-9:40.

Councilor Anderson thanked everyone for their input. He said he appreciates the intense public opinions. Councilor Hyatt said he is on the Park Board and he has addressed this issue at the last few meetings. They know that 20,000 people impact Depot Park and there is a financial impact. They know there is a need to make sure the parks are maintained and funded. They keep adding projects to the Parks Department. This plan is the attempt to deal with maintaining the parks. He thinks they need to figure out how to fund this as a community. They know they need to have green grass. Councilor Sweeney said this brings up the reality that if they are going to have parks they need to figure out how to pay to maintain them. This provides a good discussion point. The fee increases may change the character of the events.

Councilor Sweeney said he would like to table this issue and find different ways to fund this. Councilor Kahle said he loves the public process. He loves the Farmer's Market. He thinks the fees are vital and have to be based on the impact to the park. He said perhaps Director Cozad could help them with that information. Councilor Mitchell said he doesn't go to Farmer's Market, but he is glad they have it. He said they are trying to deal with a usage fee. He questions the Master Plan's call for green space, because he would like to see this park used more. He said they can fund this with taxes. He said at some point the City budget is going to break because they keep trying not to raise taxes, but they will need to. He said it will hurt families. He said they feel like some of their venues should be treated differently. He read a comment from an attorney who said it is violating the basics of law to treat one group differently than another. He said it is wrong to prefer one over another. He also thinks the Park Board has been open about these meetings and Councilor Hyatt has been telling them this was an issue they were dealing with. He said if Farmer's Market is a boom for downtown then the businesses should chip in to help Farmer's Market with the fees. He said they have to have usage fees or raise taxes. He would like the public to come to the budget meetings as they try to figure out how to pay for things.

Councilor Hyatt offered a motion, seconded by Councilor Kahle, to postpone action on this Resolution No. 13-____; A Resolution to establish an increase in the public usage fee schedule and the establishment of a new event support fee schedule for the public's use of City parks, facilities and grounds until after the work session on the third Tuesday in February to bring the Council and Park Board together to figure this out.

Councilor Mitchell asked and Director Cozad clarified that current applicants pay the fees that are established at the date of their application, so everyone can come in at the rate they have right now, without a rate increase, if the Council postpones their action tonight. Councilor Kahle asked if they have the discretion to stop taking applications until the rate is determined. Manager Stearns said they can, but it will have an affect on all of those organizations that are trying to plan their events this year. Councilor Kahle said the Park Board didn't just pull this number out of their hat. The proposal was reached after a lot of discussion and thought by the Park Board. He thinks they need to decide on this sooner than later. Councilor Anderson said they can keep the fees where they are for a year, get more information from the staff on the actual impact and costs, and continue to take applications for this year. The businesses need some certainty moving forward. He would prefer that the Park Board analyze these things with robust public input. Councilor Hildner said he appreciated the input. If they postpone the decision it gives them time to consider the alternative proposal Director Cozad came up with at the beginning of his presentation. He said some people slipped their applications in today so it was under the old fee schedule, so he would like to see them hold the fee steady for a year so it is fair to all organizations.

Councilor Mitchell said if this gets postponed would it affect the number of events and Director Cozad said it would not because the Park Board makes the operations policies. They have already decided on a schedule that limits use to protect the park. Councilor Mitchell said the Park Board spent months on this. Councilor Kahle said if they use the previous fee schedule for this year, they need to create the new schedule and give everyone plenty of notification. He would like a work session in February. Councilor Sweeney said the key to this thing is the new Park Board management plan.

The motion passed 5-1 with Councilor Mitchell voting in opposition.

7c. Ordinance No. 13-01; An Ordinance amending Zoning Regulations in Whitefish City Code Section 11-3-11 regarding retaining walls (1st Reading) (p. 101)

Senior Planner Compton-Ring said staff identified some issues regarding retaining walls and proposed some amendments. In the field, staff has encountered a lot of confusion about the 24" height, the required setbacks and where to measure the height. Staff would recommend that all retaining walls be regulated through building permits unless it is clearly landscaping. They've had neighbors who wanted to share a retaining wall to create a parking area on a steep lot, but they couldn't under the current zoning regulations due to required setbacks. There is also a height requirement that limits walls to 4' in height. She isn't sure where that came from or what it meant – it is poorly written. Staff believes it is intended to protect the natural topography. One of the issues is where the 4' is measured, so staff recommended changing it to the wall from the downhill side on finished grade. Staff would recommend a setback requirement, equal to the height of the wall, if the Council thinks it is appropriate.

The Whitefish City-County Planning Board held a public hearing on October 18, 2012 that was continued until November 15, 2012 and then continued until December 20, 2012. Following this hearing, the Planning Board recommended approval of the amendments (4-3, Konopatzke, Blake and Smith voting in opposition) and adopted the supporting findings of fact in the staff report. No comments from the public were received. The draft includes a purpose and intent statement. The goal is that the retaining walls should retain some of the natural topography. A building permit is required for all retaining walls unless it is clearly for landscaping purposes. They developed clearer standards on where to measure, including the standards if terracing will happen. Retaining walls for traffic access can be up to 8' in height. They added an administrative section so folks will not have to go to the expense and time to go to the Board of Adjustments.

Councilor Mitchell asked and Planner Compton-Ring said that they are proposing these changes because some things are not working. She gave the example of two folks who wanted to share a retaining wall for shared parking. She said for steep lots they have to exceed the 4' height limit to have vehicular access. Councilor Mitchell asked about page 103, B2, about terracing. He said sometimes the applicant will need to do a wall without terracing and he thinks the homeowner should be able to decide. Mayor Muhlfeld said Section 3 allows a Zoning Administrator waiver to provide for flexibility. Councilor Mitchell said he disagrees with it. Councilor Hyatt said page 112 from the Planning Board meeting talks about the retaining walls and what the community wants. He didn't like that the people have to come back to the City for permission. He said the building permit would require an engineer. Planner Compton-Ring said without this resolution people would have to go to the Board of Adjustment, so this saves people time and money. Councilor Hyatt asked and Planner Compton-Ring said if the past Councils didn't care about the visual impact of retaining walls there wouldn't be a regulation like this. Councilor Kahle said if someone wants to appeal what do they do and Planner Compton-Ring said they would appeal to the Board of Adjustment.

The public hearing was opened and no one wished to speak, and the public hearing was closed.

Councilor Anderson offered a motion, seconded by Councilor Sweeney, to approve Ordinance No. 13-01; An Ordinance amending Zoning Regulations in Whitefish City Code Section 11-3-11 regarding retaining walls (1st Reading) (WZTA 12-05). The motion passed 4-2 with Councilors Hyatt and Mitchell voting in opposition.

8. COMMUNICATIONS FROM PUBLIC WORKS DIRECTOR**8a. Consideration of an amendment to the engineering contract with TD&H Engineering for Phase II design of the Skye Park pedestrian bridge (p. 139)**

Public Works Director Wilson said he reviewed the questions and concerns from the December 3rd Council meeting and staff recommends and hopes they'll approve the recommended amendment to the contract. Staff respectfully recommends the City Council approve an amendment to the engineering contract with Thomas, Dean and Hoskins, providing detailed design and related services for the Skye Park Bridge Project in an amount not to exceed \$62,500. This cost would be paid with \$10,000 from line item 930 of the Wastewater Fund and up to \$52,500 from the Tax Increment Fund.

Mayor Muhlfeld said the staff report was very beneficial to the Council and he thanked Director Wilson for the report. He said the report showed that there are potentially some additional funding sources up to \$375,000 that could be available and he wanted to be sure the Councilors had noted that information. Councilor Anderson thanked Director Wilson for the report. He asked if there was a time requirement for beginning construction based on the grant standards. Director Wilson said this item wouldn't trigger a timeline, but on the \$210,000 grant they should submit the paperwork so the money doesn't go back to the federal government. It puts the funds on hold for 2-3 years. Councilor Mitchell said they asked staff to talk to BN about the right-of-way for the property. Director Wilson said the consultant has been talking to BN and they expect this will be a straightforward process that will take about 90 days. Councilor Mitchell asked what will happen if they say no. Director Wilson said staff has to proceed on many projects like this and they don't see any reason to expect failure. Councilor Mitchell said he hates the idea that they might waste money on the design work without the easement in place.

Councilor Hyatt asked about the timing and Director Wilson said the first phase was the topographical survey, but he figures the application will occur within the next couple of weeks. Councilor Kahle thanked Director Wilson for the staff report and said it was a good template for future reports.

Councilor Anderson offered a motion, seconded by Councilor Sweeney, to approve an amendment to the engineering contract with Thomas, Dean and Hoskins, providing detailed design and related services for the Skye Park Bridge Project Phase II in an amount not to exceed \$62,500.

Councilor Hildner asked about the \$200,000 in TSEP funds. Director Wilson said there was some confusion on that. On the state's books there is \$140,000 that is not committed right now from Second Street, but the other \$200,000 in the federal money is available.

The motion passed unanimously.

8b. Discussion of options to amend Utility Rules and Regulations for minor changes to base rate water and wastewater charges (p. 151)

Director Wilson said there have been some issues raised about billing procedures. Staff feels this is a straightforward way to address the monthly base rate billing. If plumbing fixtures are removed then

there are no charges. It would be useful to state that if there is any use of water it will return to regular billing. Councilor Mitchell asked if the owner could just cap the line. Director Wilson said he thought this would be more user-friendly so they wouldn't have to do excavation. Councilor Hildner said this is a good compromise. He said there is probably some cost involved with inspection. He thought it should be equal to one month of the base rate. Director Wilson said with most of their other fees they try to estimate staff time involved. He said they can figure that out and include it in the resolution. Councilor Kahle said it would be great if staff had discretion to address situations when moving the plumbing fixtures was impossible, but it was clear that no water was being used. Councilor Sweeney said discretion has to be based on some standards so it isn't arbitrary and capricious. Mayor Muhlfeld said it appears there is consensus so they will see it at a future Council meeting.

9. COMMUNICATIONS FROM CITY MANAGER

9a. Written report enclosed with the packet. Questions from Mayor or Council? (p. 163)

Councilor Hyatt asked if there was a new packet for the way finding sign bidding and Manager Stearns said it was about 95% the same. They are bidding two alternatives—one where the vendor installs the signs, the other where City staff installs them.

9b. Other items arising between January 2nd and January 7th

Manager Stearns reminded the Council that there is a joint work session with the City County Planning Board scheduled on January 17th to work on sign issues. Mayor Muhlfeld said he would like to postpone this until they get some direction from the Planning Board. Councilor Anderson said if they're not seeing any issues then he doesn't see any reason to meet. Mayor Muhlfeld said he read the Planning Board meeting minutes and he didn't see anything significant. The Councilors agreed to the postponement.

10. COMMUNICATIONS FROM MAYOR AND CITY COUNCILORS

10a. Standing budget item - None.

10b. Appointments to Boards and Committees not made during tonight's Special Session.

Mayor Muhlfeld said three applicants were appointed to the Board of Adjustments and they had several applicants for the City County Planning Board.

Councilor Sweeney offered a motion, seconded by Councilor Anderson, to appoint Zac Anderson to the City County Planning Board. The motion passed unanimously.

Mayor Muhlfeld appointed Chad Phillips for the City County Planning Board, Mayoral appointee.

Councilor Mitchell said it isn't customary to hear from staff about applicants. Councilor Anderson said he appreciated the memo from Director Taylor. Mayor Muhlfeld said he is looking for a balanced Planning Board and he was pleased with Chad Phillips' skill set.

Councilor Kahle offered a motion, seconded by Councilor Mitchell, to appoint Scott Sorensen to the Board of Adjustment. The motion passed unanimously.

Councilor Hyatt said Scott Sorensen applied for the Planning Board and wanted to be sure if it was OK for him to be appointed to the Board of Adjustment instead. Mayor Muhlfeld noted that they also have an incumbent who applied for this board. Councilor Kahle said the incumbent, Rebecca Norton, only reapplied because she wanted to be sure there was a quorum at the meeting this month. If there was another interested applicant she was willing to step aside. Councilor Kahle said Rebecca Norton said she would also take a temporary appointment. City Attorney VanBuskirk said she didn't see any reason why they couldn't appoint Scott Sorensen to the Board of Adjustment. She said the Council may act as a temporary member of the Board, so they could appoint a Councilor to attend as a temporary member to assure a quorum. The Council appointed Councilor Mitchell to the Board of Adjustment for this week's meeting.

10c. Email from Jay Erickson regarding enforcement of shoveling of downtown sidewalks and City's shoveling of sidewalks along Hwy 93 South (p. 168)

Councilor Hildner said he thinks Dr. Erickson deserves a comment on this issue and the City's policy for clearing sidewalks. He said Central Avenue and Second Street really ice up sometimes, too. Director Wilson said he doesn't want to make excuses, but he will write Jay Erickson a letter explaining the City's policies.

10d. Letter from Lucretia Duncan that came with her water bill regarding base rate minimum billing (p. 170)

Councilor Hildner thinks a letter of response is important. She needs to know the Council took action on it. Mayor Muhlfeld said at prior Council meetings they decided staff does not have time to respond to every letter. Assistant City Manager Knapp said he called her and addressed her concerns.

Councilor Kahle offered a motion, seconded by Councilor Mitchell, to extend the meeting to 11:10. The motion passed.

Councilor Hildner said he is concerned about the sandwich boards that have grown in girth by Cooper's, Casey's and the Red Caboose. It creates single lane pedestrian traffic. At the last Council meeting the issue was raised about the Ethics Committee and he would like to see that issue raised and reviewed again. Councilors Sweeney and Anderson agreed to put it back on the agenda, but it takes four Councilors in agreement when adding agenda items, so it will not come back to the agenda at this time. Councilor Hildner said there is no contingency fee for construction of the High School and that concerns him.

Councilor Hyatt said the Impact Fee Advisory Committee has been working on this since 2011 and they want to remove several things from the impact fees including: City Hall, the EMS building and the Parks Maintenance building. Mayor Muhlfeld said they need four Councilors to add this as a future agenda item. The majority of the Council agreed to add this as an agenda item.

Councilor Hyatt said he got a phone call about snowplowing. Councilor Anderson said this was the most rewarding meeting since he's been on the Council because of the community input. He said

January 7, 2013

Mike Prezeau was speaking to him from the podium instead of the other way around and that was fun. Councilor Kahle said he is continually reminded of what a great town they live in. He attended a Feet by Feet dance show and the variety of talent was incredible. Tonight's meeting was another reason he loves to live here. Councilor Mitchell asked and Councilor Hildner said there is no 5% contingency fund. Councilor Mitchell said he serves 6000 people in Whitefish and 1/3 of the crowd present tonight is not from the City itself. He said he gets frustrated that 98% of the people aren't involved. Councilor Mitchell said he is concerned about the Spencer Mountain project. He is worried about insurance and the legality of it because it is in the county. He is not opposed to what they are doing out there; he just wants to be sure they are crossing their t's. He has asked Attorney VanBuskirk to look into this for him.

Mayor Muhlfeld said he attended the Land Board meeting about the Spencer Lake Timber Sale South which was approved by the Land Board. They were well received. It was a win-win for the City and the DNRC. He thanked Assistant Fire Chief Joseph Page for attending the meeting and welcomed him on staff.

Mayor Muhlfeld asked and Manager Stearns said at the first work session in March they will complete a performance review of the City Attorney and City Manager. He handed out a confidential review form and said they are due Feb. 19th in Mayor Muhlfeld's box. He said Don DuBeau purchased the NV Hospital site for a potential educational facility. Mayor Muhlfeld asked about the issue of tablets for the Council and Assistant City Manager Knapp said he is waiting for better versions to come out.

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

Mayor Muhlfeld adjourned the meeting at 11:10 p.m.

Mayor Muhlfeld

Jane Latus Emmert, Recording Secretary

Attest:

Necile Lorang, City Clerk

Councilor Mitchell offered a motion, seconded by Councilor Hyatt, to appoint Herb Peschel to the Lake and Lakeshore Protection Committee. The motion passed unanimously.

Councilor Mitchell offered a motion, seconded by Councilor Hyatt, to appoint Bick Smith, Mike Kelley and Norm Nelson to the Board of Adjustment. The motion passed unanimously.

The remainder of the appointments will be made during the Regular Council Session – Agenda #10b.

5. Adjourn

Mayor Muhlfeld adjourned the Special Session at 7:00 p.m.

Mayor Muhlfeld

Attest:

Necile Lorang, City Clerk

ORDINANCE NO. 13-01

An Ordinance of the City Council of the City of Whitefish, Montana, amending Zoning Regulations in Whitefish City Code Section 11-3-11 regarding retaining walls.

WHEREAS, the City of Whitefish initiated an effort to amend the Zoning Regulations to address minor issues associated with various sections of Section 11-3-11, Special Provisions: Fences and Retaining Walls; and

WHEREAS, in response to the proposal to amend Title 11, Chapter 3, Section 11B, in the Whitefish City Code, the Whitefish Planning and Building Department prepared Staff Report WZTA 12-05, dated October 11, 2012, and updated November 8, 2012; and

WHEREAS, at a lawfully noticed public hearing on October 18, 2012, the Whitefish City-County Planning Board received an oral report from Planning staff, reviewed Staff Report WZTA 12-05, invited public comment, and thereafter recommended amendments be made by the Whitefish Planning and Building Department; and

WHEREAS, at a lawfully noticed public hearing on November 15, 2012, the amendments were tabled until December 20, 2012, due to time constraints of the meeting; and

WHEREAS, at a lawfully noticed public hearing on December 20, 2012, the Whitefish City-County Planning Board received an oral report from Planning staff, reviewed amended Staff Report WZTA 12-05 dated November 8, 2012, and thereafter voted to recommend approval of the proposed text amendments, attached as Exhibit "A"; and

WHEREAS, at a lawfully noticed public hearing on January 7, 2013, the Whitefish City Council received an oral report from Planning staff, reviewed Staff Report WZTA 12-05, invited public input, 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 adopt the proposed text amendments.

NOW, THEREFORE, BE IT ORDAINED 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: Staff Report WZTA-12-05 is hereby adopted as Findings of Fact.

Section 3: Amendments to Whitefish City Code Section 11-3-11B, RETAINING WALLS, as provided in the attached Exhibit "A," with insertions shown underlined and deletions shown with strikethrough, are hereby adopted.

Section 4: 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 5: 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 _____, 2013.

John M. Muhlfeld, Mayor

ATTEST:

Necile Lorang, City Clerk

EXHIBIT "A"

Whitefish City Code Title 11, Chapter 3 ZONING REGULATIONS - SPECIAL PROVISIONS

11-3-11: FENCES AND RETAINING WALLS:

B. Retaining Walls: Retaining walls help facilitate development of lots with steep terrain by leveling certain areas or inhibiting sloughing. Retaining walls can help reduce the steepness of slopes enabling the development of a lot. The purpose of these retaining wall standards is to ensure the natural topography is maintained to the greatest extent possible, that exceedingly tall walls are not constructed, that landscaping is implemented to mitigate the effects of terracing and that the scale and texture of the retaining wall compliments the character of the neighborhood.

1. Retaining walls twenty four inches (24") in height or less, above the original grade, shall be exempt from the terms of these regulations. All retaining walls in the city limits shall require a building permit unless clearly a wall installed for landscaping purposes.

2. Retaining walls over twenty four inches (24") in height above the original grade shall be considered and regulated as an accessory structure and shall require a building permit. For the purpose of preserving the natural terrain, no individual retaining wall or combination of retaining walls shall exceed four feet (4') in height above the preexisting ground contour. Retaining walls shall not exceed four feet (4') measured from adjacent finish grade on the downhill side. Where greater heights must occur, the project shall use a series of terraced or stepped walls. The width of a retaining terrace shall be no less than three feet (3') and shall incorporate landscaping.

a. Retaining walls necessary to accommodate vehicle or pedestrian access to a building may be up to eight feet (8') in height from finished grade. Such retaining walls are not subject to the terracing described above.

3. If the retaining walls needed for a particular project are unable to meet the standards in subsection 2 due to extreme topography or other unique land features, a proposal may be submitted to the zoning administrator for a waiver to these standards. Such a request shall include the following information:

a. A grading plan;

b. A draining plan;

c. Section drawings;

d. A landscaping plan;

e. An elevation showing the proposed materials; and

f. Any other items needed to show the full extent of the proposal.

34. Retaining walls in the lakeshore protection zone shall be exempt from these regulations and shall be regulated by the appropriate lake and lakeshore protection regulations.

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Staff Report



To: Mayor John Muhlfeld and City Councilors

From: Impact Fee Advisory Committee

Date: January 15, 2013

Re: Committee Recommendation to Discontinue Certain Impact Fees

History

On November 3, 2011, the Impact Fee Advisory Committee voted 3-1 to recommend to the City Council to terminate Water, City Hall, Emergency Service Center, and Parks Maintenance Building impact fees and retain Wastewater, Storm Water, and Paved Trail impact fees. This recommendation as well as the justification for impact fees was presented to the Council in February, 2012. The City Council decided to delay consideration of that recommendation to until the 5 year review of impact fees was complete.

On September 17, 2012, the Council held a work session regarding the 5 year review of impact fees and the Impact Committee recommendation. The 5 year update was accepted, however several questions arose that staff was not immediately able to answer, and consideration of the recommendation to eliminate certain impact fees was postponed. These questions were addressed during the November 19, 2012 Council work session. The Council also indicated they wanted to hear from Impact Fee Advisory Committee concerning the elimination proposal. On December 5, 2012 the Impact Fee Advisory Committee met for its annual meeting, and modified the original recommendation.

On January 7, 2013, the Impact Fee Advisory Committee representative, Myra Appel, presented their recommendation to discontinue 3 of the 7 impact fees. City Hall, ESC, and Parks Maintenance Building.

Current Report

The committee unanimously voted to recommend to the City Council to discontinue City Hall, Emergency Service Center, and Parks Maintenance Building impact fees. This would keep intact Water, Wastewater, Storm Water, and Paved Trail.

Some of the justification for the recommendation included:

- More competitive with Kalispell and Columbia Falls
- The perception that Whitefish is too expensive
- Perception of too many small fees charged by the city—keep it simple to encourage growth

City staff does not think impact fees should be eliminated for the following reasons:

- The Florida study presented to the Council and the City's impact fee waiver program indicates that impact and building fees do not curb growth. The economy is the main factor to influence growth.
- As a matter of equity, growth pays for growth, or new development pays their proportionate share of increased demands on city services. If no impact fees, current residents subsidize new development.
- Impact fees collected for the ESC, City Hall, and Parks Maintenance Building have and will make more funds available for economic development in the TIF in the next 7 years.
- After the TIF ends, new expansion capital projects related to emergency services, city hall, and parks maintenance building will need to come from general tax dollars, making them more difficult to finance.

If the Council decides to eliminate any of the impact fees, please provide that direction and staff will prepare an ordinance for adoption at a subsequent meeting

Background documents include the following:

1. Minutes from Committee December 2012 meeting
2. Comparison of Impact Fees with Kalispell and Columbia Falls
3. Florida Study
4. Excerpts from Impact Fee Update 2012—presented to the Council
5. July 2007 Adoption of Impact Fee Minutes

Impact Fee Advisory Committee Agenda

City Hall Staff Conference Room
Wednesday, December 5, 2012, 2:00 p.m.



1. Call to order – Don K, Myra Appel, Chris Hyatt, Bill Halama
2. Review Report – rich discussed report. State and city code requirements for reporting . last column (gray) cash balances discussed what projects money has been spent on. Chris Hyatt thanked rich for his report. Need to figure out when the advisory committee meets and presents something to council they need to find a way to do it quicker. Don K doesn't know where to go with impact fees, not spending the money collected and there doesn't seem to be support by staff/council to not have impact fees.

Chris - Discussion concerning maintenance of new facilities/infrastructure and using impact fees for that.

Rich – impact fees are used for capital, we don't use until there is growth. More taxpayers equals additional maintenance funds for maintenance of facilities.

Chris asked if the ESC impact fees were used for the garage doors recently purchased at the esc.

Donk questioned about the water/sewer impact fees – discussed how the fees are used/collected etc.

Donk asked what the purpose of all the other fees are for. Once you develop property taxes are being paid forever on the property.

Chris feels like you are being penalized for building/living here.

Rich - Esc was overbuilt for what is currently needed. Perfect example of new growth will pay for the new construction that is required to serve the public.

Bill – committee needs to make recommendation to council and it's up to them to make decision regardless of what/how the committee feels.

Rich – city hall buy in fee to new development or higher tax. Either way someone is paying for the project.

Chris – getting money from TIF that could be used vs. impact fee.

Myra – esc has been built and won't need expansion in many years. Will impact fees collected be used to pay down TIF...rich said yes. TIF will be done in 2020.

Rich stated base rate wat/sew could be reduced and each fixture unit price could be reduced.

Chris stated council will be working on changing the regulations to reduce fees for some projects like building apartment above garage, adding a sink or bathroom to a garage etc.

Discussed possibility of capping the impact fees for small project at a certain percentage.

3. Review Minutes

Chris moved/Myra second. Minutes approved unanimously

4. Recommendations to City Council.

Myra motioned – amend original suggestion to council, remove esc paved trail, city hall parks maintenance building. Keep water/sewer and stormwater. Seconded by bill. Chris keep paved trail because we have areas to connect trails. Myra- other funds can pay for paved trail. Rich said very little available from other funds. Myra how much left to build, Chris said there are a lot of trails that don't connect. Rich said easements are required for some trails. Bill discussed with Karin Hilding about trail by Walgreens. She suggested building the trail himself.

Donk what would the reason be for keeping paved trail in. Chris- only funded by resort tax and impact fees and grants. Rich – rate services provided and paved trails here are at the bottom. Don k stated there is a lot of philanthropy out there that would pay for trails.

Chris said the philanthropy people are not happy with Whitefish. Money goes where money is happy. They may give money to private development but not city.

Myra amended her motion to suggest add back in the paved trails. Motion will be to remove esc, city hall, parks maintenance building keep paved trails,

water, sewer and stormwater. Don K asked if there was any additional discussion. Don asked for a vote. Motion approved unanimously.

Don stated committee needs to have hard reason why committee wants to get rid of some of the impact fees. Chris stated the comparison to other cities is a strong one. Growth in original impact fee and level of service is much different than what was original projected. Myra -The perception whitefish is too expensive. Myra that you have to have growth. Bill - perception of small junk fees that are charged, keep it simple and concise to encourage growth. Bill – look into reducing fees or relief for small projects (studios in garage, apt above garage, coffee kiosk).

Don k when will council be able to address this. Chris – send recommendation with reasoning to council and have committee come back. Don k wants to see a vote on this for resolution.

5. Comments from Committee members.

6. Items for next agenda.

Proposal to council for removing some impact fees - worksession
Want to meet if they get a no vote with council?

7. Adjournment.

Committee Members:

William Halama	Development Community
Myra Appel	CPA
Chris Hyatt	City Councilor
Rich Knapp	City Finance Director
Don Kaltschmidt (Chair)	Member at Large

7-6-1604. Impact fee advisory committee. (1) A governmental entity that intends to propose an impact fee ordinance or resolution shall establish an impact fee advisory committee.

(2) An impact fee advisory committee must include at least one representative of the development community and one certified public accountant. The committee shall review and monitor the process of calculating, assessing, and spending impact fees.

(3) The impact fee advisory committee shall serve in an advisory capacity to the governing body of the governmental entity.

Single Family Residence - Impact Fees 2012

	Kalispell	Whitefish	C. Falls
Water	\$ 2,213	\$ 2,314	\$ 2,391
Wastewater	\$ 2,499	\$ 1,864	\$ 2,340
Stormwater	\$ 1,121	\$ 210	
Police	\$ 41		
Fire	\$ 483		
ESC		\$ 813	
City Hall		\$ 771	
Paved Trails		\$ 442	
Park Maintenance		\$ 29	
	<hr/>	<hr/>	<hr/>
	\$ 6,357	\$ 6,443	\$ 4,731

Impact Fee Reductions and Development Activity: A Quantitative Analysis of Florida Counties¹

With the collapse of the housing bubble starting in 2006, many communities in formerly high-growth areas found their economies, which were heavily dependent on housing construction, begin to slow and even contract. These same high-growth communities had been using development impact fees as a way to raise funds for growth-related infrastructure needs, particularly for roads but also for other facilities such as parks, schools and fire stations. Impact fee revenues began to shrink, and the development industry began to call for impact fee reductions or suspensions as a way to rekindle development and stimulate the local economy. Many jurisdictions have heeded these calls. Now that we have had several years of experience with such efforts, it should be possible to measure their affects.

This paper focuses on the experience of Florida counties from 2007 to the present. Florida provides an appropriate setting for this analysis, given the widespread use of impact fees and the severity of the housing downturn in the state. A focus on counties is appropriate because of the relative dominance of counties in the provision of non-utility infrastructure, including roads and schools.² There are 64 Florida counties, and about 40 of them have used impact fees.

The Public Debate

Prior to the housing downturn, impact fee opponents in Florida generally used a two-pronged attack: residential fees were resisted on the grounds that they would drive up home prices and hurt housing affordability, while fees on nonresidential developments were resisted on the grounds that they would make the jurisdiction less competitive for economic development projects. Rarely was it claimed that high residential fees would deter homebuilders, who presumably would be able to pass through these costs to buyers. Since the housing downturn, however, the nature of the discourse has changed. Now, reducing or suspending fees for residential development is sometimes promoted as a way to spur residential construction, which in turn will create jobs and revitalize local economies.

Even proponents of impact fee reductions or suspensions sometimes admit the effort may be little more than window dressing. For example, a member of Sarasota County's impact fee advisory committee was quoted in 2008 as saying of a proposed impact fee suspension: "Even if it is just a gesture, I think it's extremely important to encourage the community, because I don't think we've seen the bottom of the well yet."³ Others contend that while there is no assurance that lowering fees will stimulate growth, "If

¹ Draft of analysis by Clancy Mullen, Executive Vice President of Duncan Associates, Austin, Texas and Dr. James C. Nicholas, Professor Emeritus of Florida State University, to be presented at the annual conference of the Growth and Infrastructure Consortium, November 4, 2010.

² While school boards have independent taxing authority, their boundaries are coterminous with counties and they rely on counties to enact and collect school impact fees on their behalf.

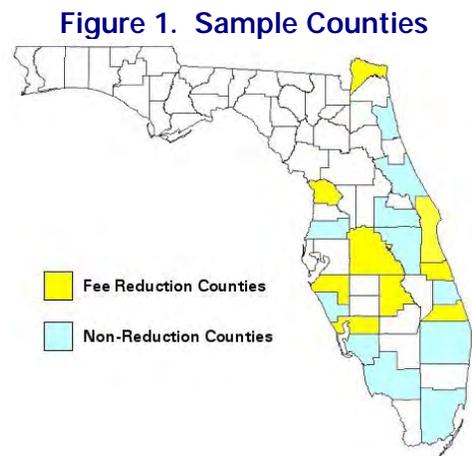
³ *Sarasota Herald-Tribune*, "Sarasota Looks at Impact Fees," November 15, 2008

don't try it, we won't know.”⁴ Even in the face of continuing declines in permits after a year of reduced fees, the chair of the Indian River County Commission argued that there is no way to tell how much further building would have dropped off under the full amount of the fees.⁵

Are impact fee reductions simply a way for local officials to signal to developers and builders that they “feel their pain,” or do they actually stimulate construction that would not have happened in the absence of such action? While a full exploration of this question for both residential and nonresidential construction would be desirable, analyzing the effect of fee reductions on nonresidential development poses some significant difficulties.⁶ In this paper, we confine the analysis to residential development.

Research Design

The method employed was to define a period of time during which a number of counties reduced their impact fees significantly, and compare the number of single-family permits issued the year before and the year after for a set of counties that include some that reduced their fees and others that did not. The first fee reductions occurred in January 2008. In order to define a large enough sample, while still allowing a year of subsequent building permit history, the fee reduction period was defined as the 19-month period of January 2008 to July 2009. The year before was 2007, and the year after the 12-month period of August 2009 to July 2010.



The starting point was to identify Florida counties that charged impact fees in 2007. Using the *2007 National Impact Fee Survey*, 42 Florida counties were identified as charging impact fees.⁷ The *2009 National Impact Fee Survey* was used, along with an updated survey of Florida counties, to identify counties that had reduced their impact fees significantly between January 2008 and July 2009. Nine fee-reduction counties were included in the analysis: Brevard, Charlotte, Citrus, Highlands, Indian River, Manatee, Martin, Nassau and Polk. Eleven “non-reduction” counties were identified that charged impact fees of at least \$4,000 per single-family unit in 2007 and did not reduce them during the period: Collier, Lee, Orange, Osceola, Palm Beach, Pasco, St. Lucie, St. Johns, Sarasota and Volusia. Characteristics of the 20 counties utilized in the analysis are summarized in the following table. A number of counties had to be excluded for a variety of reasons (the excluded counties, their characteristics and reasons for exclusion are provided in Table 2 at the end of the paper).

⁴ Mike Secor, President, Highlands County Builders Association, CentralFloridaPolitics.com, posted on June 17, 2009 by Heath.Whiteaker

⁵ TCpalm.com, March 16, 2010

⁶ There is no “standard” unit of nonresidential development comparable to the single-family house for residential, fees vary significantly for various types of nonresidential development, and building permit data is much more difficult to acquire.

⁷ Wakulla County was identified as charging impact fees, but was not included in the 2007 survey.

Table 1. Summary of Sample Counties

County	2008 Population	2000-08 Change	Pop. Growth	Single-Family Fees Before	Single-Family Fees After	Fee Change	Single-Fam Permits Before	Single-Fam Permits After	% Change
Fee Reduction Counties									
Brevard	556,213	79,983	17%	\$9,187	\$4,834	-\$4,353	2,039	1,129	-45%
Charlotte	165,781	24,154	17%	\$8,380	\$4,002	-\$4,378	932	271	-71%
Citrus	142,043	23,958	20%	\$9,314	\$6,920	-\$2,394	933	154	-83%
Highlands	100,207	12,841	15%	\$5,218	\$0	-\$5,218	918	68	-93%
Indian River	141,667	28,720	25%	\$9,877	\$8,185	-\$1,692	1,130	269	-76%
Manatee	317,699	53,697	20%	\$15,529	\$5,499	-\$10,030	1,086	1,181	9%
Martin	143,868	17,137	14%	\$11,511	\$9,839	-\$1,672	318	143	-55%
Nassau	71,915	14,252	25%	\$6,211	\$3,726	-\$2,485	626	288	-54%
Polk	585,733	101,809	21%	\$13,415	\$9,765	-\$3,650	3,854	1,199	-69%
Average	247,236	39,617	19%	\$9,849	\$5,863	-\$3,986	1,315	522	-60%
Non-Reduction Counties									
Collier	332,854	81,477	32%	\$24,428	\$28,416	\$3,988	1,069	760	-29%
Lee	623,725	182,837	41%	\$15,503	\$15,310	-\$193	4,356	1,118	-74%
Miami-Dade	2,477,289	223,510	10%	\$6,157	\$7,999	\$1,842	3,246	913	-72%
Orange	1,114,979	218,635	24%	\$12,217	\$18,067	\$5,850	4,053	2,199	-46%
Osceola	273,709	101,216	59%	\$17,941	\$18,173	\$232	2,389	784	-67%
Palm Beach	1,294,654	163,463	14%	\$11,367	\$11,367	\$0	2,101	1,279	-39%
Pasco	438,668	93,900	27%	\$11,686	\$16,828	\$5,142	2,052	1,006	-51%
Sarasota	276,585	83,890	44%	\$12,203	\$12,203	\$0	1,129	535	-53%
St. Johns	393,608	67,647	21%	\$9,605	\$10,122	\$517	2,139	1,225	-43%
St. Lucie	426,413	61,214	17%	\$8,729	\$9,602	\$873	1,690	269	-84%
Volusia	510,750	67,407	15%	\$9,108	\$9,108	\$0	1,520	654	-57%
Average	742,112	122,291	20%	\$12,631	\$14,290	\$1,659	2,340	977	-56%
All County Avg.	519,418	85,087	20%	\$11,379	\$10,498	-\$881	1,879	772	-58%

Notes: Some "after" fees changed in 2010 as follows and are not reflected here: Citrus suspended road fees 5/26/2010 (\$1,577 reduction); Martin suspension of all fees except roads and schools ended 10/1/2010 (\$4,749 increase); Collier reduced road and park fees in 10/2010 (\$3,671 reduction); St. Lucie increased some fees on 10/1/2010 (\$1,662 increase)

Source: Population from University of Florida, Bureau of Economic and Business Research, *Florida Population Studies*, Vol. 42, Bulletin 154, June 2009; single-family fees "before" from Duncan Associates, *2007 National Impact Fee Survey*, August 2007; single-family fees "after" from Duncan Associates survey, October 2010; single-family building permits issued from U.S. Census, <http://www.census.gov/const/www/permitsindex.html> ("before" is 2007 calendar year, "after" is August 2009 through July 2010).

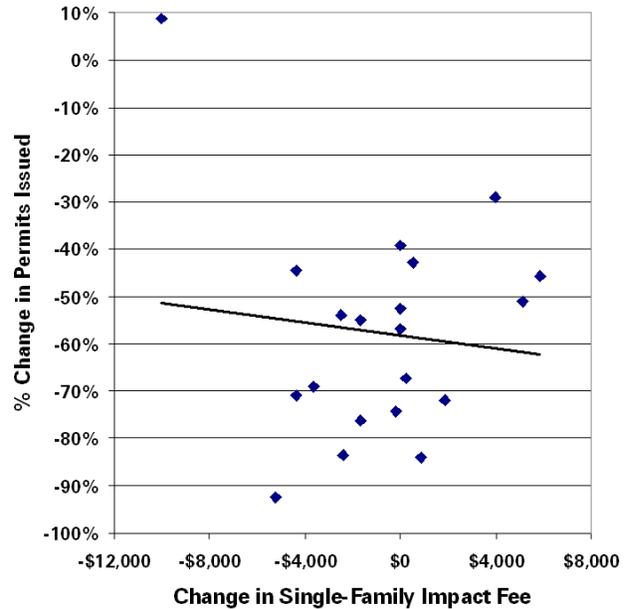
All of the sample counties experienced significant population growth between 2000 and 2008. The fee-reduction counties tend to be considerably smaller than the non-reduction counties (average population of 247,236 versus 742,112). All of the counties had relatively high impact fees in 2007, averaging almost \$10,000 per single-family unit in the fee-reduction counties, and over \$12,000 in the non-reduction counties, with none of the counties charging less than \$6,000 per house. The fee-reduction counties reduced their single-family fees by an average of almost \$4,000 from 2007-2010, while the non-reduction counties on average increased their fees by about \$1,600. Consistent with the state-wide trend, annual single-family permit issuance declined from 2007 to the 12-month August 2009-July 2010 period in all counties but Manatee, with the average decline among fee reduction counties slightly higher than among the non-reduction counties (60% versus 56%).

The average percentage change in permit issuance between fee reduction and non-reduction counties does not suggest a strong correlation between fee reductions and an increase (or a lower decline) in building permit issuance. However, the averages conceal large variations between counties. To take into account those variations, it is necessary to employ linear regression analysis. Regression analysis plots a line that most closely fits the data, and produces statistics that indicate the percent of variation explained (r-square), and the level of confidence that the relationship is not a random one (f-statistic).

Regression Analysis Results

If fee reductions do stimulate increased development (or at least slow declines in permit issuance), one would expect to see a negative correlation between fee increases and changes in building permit issuance. In other words, an increase in impact fees should be associated with a greater percentage decline in permit issuance, while a reduction in impact fees should be associated with an increase (or a lower decline) in the rate of permit issuance. To test this hypothesis, a linear regression analysis was performed, with the independent variable equal to the absolute change in the amount of impact fees and the dependent variable equal to the percent change in building permit issuance. The results indicate that there is no significant relationship between the two variables. While the coefficient has the predicted sign (negative, indicating an inverse relationship), it is very small (a \$1,000 decrease in impact fees is associated with 0.7% more building permits), explains only 1% of the variation, and has a 64% chance of being a random relationship.⁸ Plotting the data, as shown in Figure 2, reveals the extent to which Manatee County is an outlier.

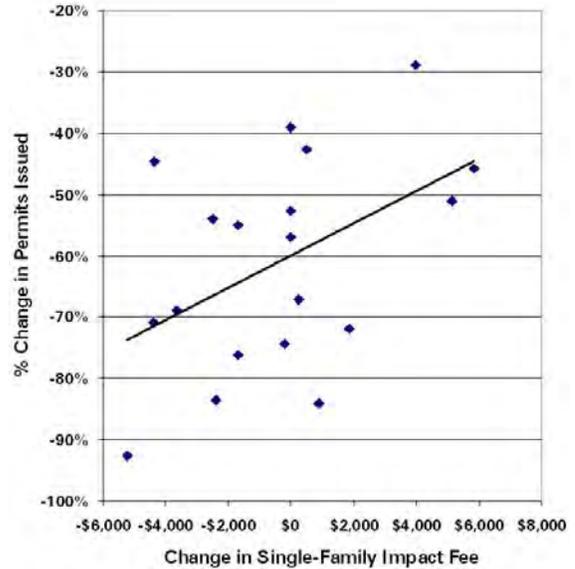
Figure 2. Fee Change vs. Permit Change



⁸ The linear regression equation is $y = -0.00000694x - 0.582$, the r-square is 0.0126, the f-statistic is 0.637 and the t-statistic for the x coefficient is -0.480

Running the regression analysis without Manatee County results in a weak but statistically significant relationship in the opposite direction. The equation explains 22% of the variation, and there is only a 4% chance of a random relationship. The equation indicates that a \$1,000 increase in impact fees is associated with 2.6% more building permits being issued.⁹ The researchers do not suggest that the results of this regression analysis indicate causality (i.e., increases in impact fees stimulate development), particularly since it was necessary to exclude the one county that reduced its fees the most and experienced an actual increase in building permits in order to achieve this result. Nevertheless, it clearly shows that the opposite relationship is not supported by these data.

Figure 3. Fee Change vs. Permit Change (Excluding Manatee County)



Conclusion

This analysis has been unable to confirm any statistically significant relationship between impact fee reductions and higher rates of building permit issuance for single-family development. This finding will certainly not end the debate about the effects of impact fees on development activity, but hopefully it will inject some rationality into a discourse that up to now has been largely dominated by wishful thinking.

⁹ The linear regression equation is $y = 0.00000262x - 0.600$, the r-square is 0.2225, the f-statistic is 0.041 and the t-statistic for the x coefficient is -2.206

Table 2. Impact Fee Counties Excluded from Analysis

County	2008 Pop.	Growth 2000-08	Single-Family Fees		Notes
			2007	2010	
Counties that both adopted and suspended fees during the period					
Clay	185,168	31%	\$7,034	\$7,034	rd fee adopted 1/1/09, suspended 2 yrs eff. 1/1/2009
Columbia	66,121	17%	\$0	\$0	fees adopted 2/2008; suspended 1/1/2009
Counties that reduced fees during period, then increased them					
Wakulla	30,717	34%	?	?	1 yr suspension 9/2008, fees reinstated 3/17/2010
Counties that reduced fees after the period					
Hernando	164,907	26%	\$9,238	\$4,862	rollback all fees to 2001 levels for 1 yr eff. 12/1/2009
Lake	288,379	37%	\$10,026	\$10,127	rd fees suspended 1 yr eff 3/1/2010
Marion	329,418	27%	\$5,714	\$4,254	road fees suspended for 1 yr eff. 1/1/2010
Counties with relatively low fees in 2007					
Alachua	252,388	16%	\$2,508	\$5,776	
Broward	1,758,494	8%	\$2,718	\$5,731	road fee could not be determined
Gilchrist	17,256	20%	\$3,500	\$3,500	
Hillsborough	1,200,541	20%	\$3,878	\$5,878	
Levy	40,817	18%	\$1,249	\$1,249	
Santa Rosa	181,180	47%	\$1,801	\$0	1 yr suspension eff. 2/19/2009, later extended thru end of 20
Seminole	144,136	22%	\$2,635	\$6,251	
Sumter	93,034	74%	\$2,393	\$2,997	
Low-growth counties					
DeSoto	34,487	7%	\$9,212	\$0	suspended all fees 1/1/2008
Glades	11,323	7%	\$8,143	\$0	suspended all fees on 11/24/2008 until 12/1/2010
Hardee	27,909	4%	\$2,628	\$2,628	
Monroe	76,081	-4%	\$1,534	\$1,534	
Pinellas	938,461	2%	\$2,066	\$2,066	
Putnam	74,989	6%	\$7,023	\$0	all fees suspended for 2 yrs eff. 3/1/2009
Counties for which building permit data not available					
Flagler	95,512	92%	\$5,307	\$5,307	
Hendry	41,216	14%	\$7,591	\$0	all fees suspended c 9/2008, extended 2/24/09 until 1/1/2011

Definition of Impact Fees

“...monies collected formally through a set schedule, or formula, spelled out in a local ordinance ... fees are levied only against new development projects as a condition of permit approval to support infrastructure needed to serve the proposed development. They are calculated to cover a proportionate share of the capital cost for that infrastructure.”

—International City Management Association

Another Definition

Impact fees are one-time charges paid to local governments by new development for the capital cost of public facilities that are needed to serve new development and the people who occupy the new development.

Three Types of Capital Spending

- Repair and replacement of facilities (i.e., standard periodic investment in existing facilities such as replacing a leaky fire station roof). These costs are not impact fee eligible;
- Betterment of facilities, or implementation of new services (e.g., development of a fire training center for the first time). These costs are generally not impact fee eligible; and
- Expansion of facilities to accommodate new development (e.g., construction and equipping of new fire stations in growth areas). These costs are impact fee eligible.

Why Impact Fees

- Improvements are designed and built to accommodate growth
- Existing customers pay more than immediate need. Higher initial cost, higher O&M & higher interest if debt financed
- Places burden on existing rate/tax payers so service is available for future customers
 - Examples: Water & Sewer Plants, City Buildings, etc.

Background

- Utility Plant Investment Fees 1987
- Impact Fee Feasibility Evaluation 2000 p.52
- Level of Service Report 2002 p.63
- Initial Capital Improvement Plan 2003
- Impact Fee Rate Studies 2007 p.20 & p.38
- Impact Fees adopted in 2007

Current Impact Fees

Impact Fee	Amount	% of Valuation (\$200,000 Valuation)
Water	\$2,150	1.1%
City Hall	\$771	.4%
ESC	\$813	.4%
Parks Maint. Bldng	\$29	.01%
Wastewater	\$1,833	.94%
Storm Drain	\$200	.12%
Paved Trail	\$442	.23%
Total Impact Fees	\$6,238	3.2%
<i>Building Permit Fees</i>		<i>About 1.1% more</i>

Utility impact fees are approximations.

ESC & City Hall have a non-residential rate calculated per square foot and not per dwelling unit

There are no Paved Trails and Park Maintenance Building impact fees for non-residential

The higher the valuation, the lower the % of valuation.

Affordability

Will development become unaffordable?

Experience in Other Cities:

- Market prices affected very little by impact fees because impact fees are very small % of total cost
- Major factors affecting affordability:
 - Costs of land, materials and labor
 - Overall market and economy

Economy

Shouldn't impact fees wait until the economy recovers?

Experience in Other Cities:

- Forbearance has not jump-started construction (2010 Florida study). p.14
- All development should pay its share, even during slow development.
- Need rates in place when market recovers.
- Real causes of weak economy: high unemployment and tight credit.

Development

Will development slow, or stop?

Experience in Other Cities:

- Robust development continued after impact fees adopted and/or increased:
 - Numerous studies.
 - Building permit data.
 - Impact fee revenue.
- Development passes on the cost of impact fees to those who are demanding new services

Fairness and Equity

Doesn't development already pay?

Experience in Other Cities:

- Property taxes & other fees paid by development do not pay for needed infrastructure.
- If new development paid for itself, it would not be necessary to charge impact fees.
- If development doesn't pay, taxpayers pay.

Councilor Woodruff asked about routing the traffic through Baker Commons and Director Wilson said Public Works will handle the routing so most of the traffic is kept off of O'Brien. There will have to be some traffic for development north of 10th Street. Councilor Woodruff asked and Bill Kahle said this is a shared well so they both get to use the well. They will use it as they replant the trees, but in the future they will probably give up that use. They will keep electricity to the well. Councilor Woodruff asked and Bill Kahle said he is not a big fan of street lights but the Planning Board wants to keep standard street lights. He said they went back and re-measured and there aren't a large number of lights in this subdivision anyway, so it should be fine.

Linda Costain said her well agreement states that the well use is for single family dwellings, so they would need to renegotiate if Bill Kahle thought they would be watering a large number of trees from the well. Councilor Muhlfeld said the well use is covered in Condition #18. Councilor Palmer addressed Bonnie Closson's concerns and said the Council has legal constraints and moral constraints for protecting the property rights of the landowners, too.

The motion passed 5-1 with Councilor Phillips-Sullivan voting in opposition.

5c) Ordinance 07 -25; Adopting Impact Fees – 1st Reading.

City Manager Marks reported that in 2005 the Montana legislature passed SB185 authorizing and establishing requirements for impact fees to fund capital improvements. In October 2006, the City contracted with Henderson, Young and Company to update the feasibility study it prepared in 2000, and to develop impact fees during 2007 for those public facilities determined to be feasible for impact fees. The City Council also created the Impact Fee Advisory Committee, required by 7-6-1604, MCA. The proposed impact fees are estimated to generate approximately \$8.5 million during the next 5 years. The revenue will be spent on specific capital improvement projects in the City's Capital Improvement Program that are identified in the two consultant studies. Montana law authorizes the City to charge an administrative fee of 5%. The administrative fee will generate \$86,000 per year that will pay for the cost of administering the new impact fee program. Staff recommends adopting the ordinance, thereby charging impact fees to new development in Whitefish. He said Randy Young, and Cil Pierce from HDR would present an overview.

Randy Young said an impact fee is a one time payment by new development and has to be used for capital costs that are required by that new development. The Fair Share Rule says new development can be asked to pay for problems growth causes, but not for existing problems. Impact fees provide revenue for public facilities. There is the idea of establishing a policy that growth pays a portion of costs. It also preserves the quality of life in the community as growth occurs. He said there are some myths about impact fees. Growth pays a lot of money, may make parkland dedications and may also provide on site improvements within their subdivision. The tax new developments pay doesn't go into the pots that pay for infrastructure. The widespread myth is that the developer pays the impact fees, but in fact, they pass that on to the cost of whatever they are building. The buyer pays for the impact fees in the purchase price. He said impact fees do not stop development, as proven in cities all over the United States. Impact Fees buy facilities for growth, but they don't pay for existing deficiencies, they don't pay for costs that have nothing to do with the capacity of the system. Impact fees reduce the taxes and fees existing residents would have to pay. Growth provides funds for bike trails, infrastructure

improvements and increased City services. Plant investment fees for water and sewer have existed in Whitefish for years. In 2002 he helped the City create a Capital Improvement Program. In 2005 the legislature passed SB 185 for Impact Fees. He gave an example for calculating trails impact fees based on existing levels of service. Cil Pierce with HDR gave an example for the water impact fees.

Randy Young said the total of all of the Impact Fees for a residential unit is \$5,560. Current plant investment fees are about half of that. The main increase is coming out of new fees for the park maintenance building, City Hall, trails and emergency service facilities. He said there are two other options if the Council thinks this cost is too high. They can try to use other revenues, but if growth pays less, then the taxpayers pay more. The other choice is to reduce the level of service, but that reduces the quality of life in the community. He compared the proposed fees to what is charged in Kalispell and their impact fees are higher than those proposed for Whitefish.

The Impact Fee Advisory Committee recommended that the Council

- Defer impact fees for affordable housing, in keeping with existing policy.
- Study incentives for “clean industries” to encourage clean growth.
- Wait 90 days before impact fees start because there are already projects in the pipeline. Under Montana Statutes it will be back in a couple of weeks for a second reading, so Attorney Phelps said the ordinance will be passed and go into action in 30 days from the second reading ,but they won’t collect fees until 60 days later.
- Adopt impact fee rates calculated by consultants.

Randy Young said Don K had to leave but asked that Randy tell the Council that Don K was concerned about the competitiveness of the commercial rates between Kalispell (\$.25/foot) and Whitefish (\$.38/foot) for the emergency services building. Don K asked the Council to consider reducing this to the Kalispell level, but acknowledged that the committee did not agree to that proposal.

Randy Young said the impact fees are both a cost and an investment. It is a small cost increase per house or condo. The payer of this investment fee gets the benefit of all of the services paid for through Impact Fees.

Councilor Muhlfeld asked and Randy Young said the Plant Investment Fees would be phased out as the Impact Fees took over. Councilor Muhlfeld asked and Randy Young said the Stormwater Impact Fees would remain in place. He asked and Randy Young said updating the Capital Improvement Plan will be done annually, and the Impact Fees will be updated at least every five years.

Councilor Palmer asked about the comparison between the old and new fees and Randy Young said the new fee would be approximately \$5,560 per dwelling and the old Plant Investment fee was about \$3,000.

Peter Elespuru said he doesn’t know if they (the City) have a complete picture of their spending and capital improvements. He thinks they have spending going on that is not budgeted. He said he isn’t sure they have a picture of their total costs for the future. He said his problem with the costs is that they are wish-list type costs. He doesn’t think they are looking at reasonable spending. He thinks they should consider what is practical and he doesn’t think bike paths and a new City Hall are necessarily practical. He wondered where the money would come from for the rest of those projects. He wondered

if it was more practical to have it at \$3,000 per home instead of \$6,000 per home. He wondered if those monies were kept in a fund for capital improvements throughout the years. He thinks they need to give more consideration before this is enacted.

Greg Carter asked and Cil Pierce said when Mr. Carter paid \$6,000 when his home was built he paid plant investment fees. Mayor Feury said the Plant Investment Fees will be replaced by the Impact Fees. Director Wilson said it has always been a Plant Investment Fee although some people call it a hook-up fee.

The public hearing was closed.

Councilor Coughlin offered a motion, seconded by Councilor Phillips-Sullivan, to approve Ordinance 07-25; Adopting Impact Fees on the 1st Reading, adopting the attached report, findings of fact and relative public comment, as recommended by staff.

Councilor Coughlin said she thought this is a good thing. She addressed Peter Elespuru's concerns and said the Council has gone to a lot of meetings about what the community wants and needs for Whitefish. She clarified that park needs are not part of this proposal; it will help with the parks maintenance building. She said the Manager and staff work hard to keep the budget tight. Councilor Phillips-Sullivan said the law required that they have an accountant on the Impact Fees advisory committee who looked at these fees as well, and she voted to approve it. Councilor Palmer said he appreciated Peter Elespuru's input and willingness to be a watchdog. He said Mr. Elespuru can look at all of the studies and reports because these are public record. He thinks the budget is really elegant. Councilor Coughlin said the letter to the editor said this was applying to the extraterritorial jurisdiction, but it does not, it only applies to the City. Councilor Woodruff said on Page 12, Section 16 it states that it requires a 2/3 vote but does not list the Emergency Services building. Randy Young said the Emergency Services building is named in the statute and those named in the statute do not require a 2/3's vote.

Councilor Muhlfeld asked and Attorney Phelps said they wouldn't collect the fees for 60 days after the final hearing, so it will be a total of 90 days. Councilor Woodruff asked about asking the staff to bring a proposal regarding waiving the affordable housing fees. Randy Young said he believed it was in the Ordinance and Attorney Phelps said he left it vague to leave room for the Council to decide. Attorney Phelps said if they had time, they could handle it on August 6th for the Second Reading. The Council agreed to this suggestion.

The motion passed unanimously.

Councilor Palmer asked about the lateness of the hour and wondered if this was the best way to handle business, especially since they have an executive session. Councilor Woodruff wondered about those who were waiting for the last item. Councilor Muhlfeld agreed that they won't be in executive session until very late.

Councilor Palmer offered a motion, seconded by Councilor Phillips-Sullivan, to move to Executive Session. The motion passed 5-1 with Councilor Jacobson voting in opposition.

CITY OF WHITEFISH
Statement of Revenue Budget vs Actuals
For the Accounting Period: 12 / 12

5211 WATER IMPACT FEE

Account	Received		Estimated Revenue	Revenue	% Received
	Current Month	Received YTD		To Be Received	
340000 Charges for Services					
343025 Water Impact Fees/Permits	10,733.60	79,825.26	75,000.00	-4,825.26	106 %
Account Group Total:	10,733.60	79,825.26	75,000.00	-4,825.26	106 %
370000 Investment Earnings					
371010 Investment Earnings	99.89	613.53	0.00	-613.53	** %
Account Group Total:	99.89	613.53	0.00	-613.53	** %
Fund Total:	10,833.49	80,438.79	75,000.00	-5,438.79	107 %

5311 WASTEWATER IMPACT FEE

Account	Received		Estimated Revenue	Revenue	% Received
	Current Month	Received YTD		To Be Received	
340000 Charges for Services					
343033 Wastewater Impact Fees/Permits	9,241.30	92,131.15	87,000.00	-5,131.15	106 %
Account Group Total:	9,241.30	92,131.15	87,000.00	-5,131.15	106 %
370000 Investment Earnings					
371010 Investment Earnings	101.06	614.39	0.00	-614.39	** %
Account Group Total:	101.06	614.39	0.00	-614.39	** %
Fund Total:	9,342.36	92,745.54	87,000.00	-5,745.54	107 %

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MEMORANDUM

To: Mayor and Council
From: David Taylor, AICP, Director of Planning & Building
RE: Highway 93 West Corridor Plan Options
Date: January 22, 2013

At the City Council meeting of December 3, 2012, the council asked staff to put together a memo regarding options and a scope of work for a corridor plan for Highway 93 West. The recent Zinke B&B/Microbrewery project put the spotlight on the need for a corridor plan for that area, although it was previously identified in the 2007 Growth Policy long range planning priority list along with the Highway 93 South corridor plan and a Wisconsin Avenue corridor plan.

The Fiscal Year 2012/13 Budget set aside approximately 25K to pursue a Highway 93 South Corridor Plan. Although there is a strong interest from a number of property owners along Highway 93 south of Highway 40 for a plan, the area is bogged down with jurisdictional issues with Flathead County. It would seem imprudent to direct resources toward a plan for that corridor until we know the city will continue to oversee and regulate development there or it could be done and approved jointly with Flathead County. Flathead County has indicated no interest in working jointly with the city on planning until the lawsuit is settled.

With a Highway 93 South plan on hold and some major transportation improvements scheduled to begin on Highway 93 West, that area is a high priority for a land use and future development plan. The corridor plan boundary would likely all be inside City Limits, so there are no jurisdictional issues. The infrastructure and highway improvement/streetscape planning was done by MDOT for the Highway 93 West Improvement Project and can be incorporated into the plan. Attached to this memo is a draft scope of work which outlines what needs to be done. A timeline for such a plan is greatly dependent on whether the plan is done in house or using primarily outside consultants.

Using an outside consultant to complete the plan would likely get it done the fastest, however it would cost the most and probably require using another 25k in TIF or other funds in addition to the 25K set aside in the Community Development budget for contract services. The two planners the city has on staff are both experienced long range planners who were originally hired to use their expertise to focus on such tasks. They could easily do the plan in house, however they would not have the time to devote to such a plan unless an additional staff person or contract person was added to take some of the "current planning" and permitting workload, such as Lakeshore, Floodplain, variances, CUP's, etc. Staff is currently stretched thin and needs additional help regardless, as project development and building permit numbers continue to exceed previous years. From the preliminary meetings we have had with developers and contractors, we see this growth trend continuing, including two or three major

PUD/Growth Policy amendment type projects in the works that will be very time consuming to review and process on top of other duties.

At one time, there was some discussion about hiring a contract person just to handle the Lakeshore permits, and while that would provide some relief, the ability of the other staff to complete a corridor plan in a timely manner would be dependent upon the workload of the "paying" development project approvals such as subdivisions, PUD's, CUP's, variances, and other permits which have state time mandates on board approvals. A full time or a renewable one-year contract "current planner" that could do Lakeshore, Floodplain permits, CUP's, variances, and answer zoning questions over the counter and the phone would provide substantially more relief, and would be my preference. Depending on how quickly such a person could get up to speed on Whitefish's zoning rules and processes, a corridor plan could then be completed in 6-12 months. An outside consultant would likely take 4-6 months, depending on the size of the firm and how smoothly the process proceeds.

Pros and cons and cost estimates are provided below for each option.

OPTIONS

A. Hiring a planning consultant for the Corridor Plan

Estimated Total Cost: \$50,000

Pros:

- Consultant typically utilizes a team of professionals, so work may be done more quickly and efficiently depending on other projects consultant is working on
- After the deliverables, no further expenditure by the city is required
- Outside firm may seem more impartial to stakeholders than the city
- 25K in consultant money is available in budget

Cons:

- Outside consultant may not be local and may not understand all issues/conflicts
- Engagement/collaboration with consulting firm more difficult for stakeholders or than with city staff
- City staff will still need to spend time assisting consultants and guiding process
- City planning office is still understaffed and will remain so after project
- Limited control over consultants
- Consultant cost can "run up" due to unforeseen issues, travel expenses, inability to get consensus from steering committee, etc
- TIF resources or a budget appropriate may need to be used to offset costs

B. Corridor Plan done in-house by planning staff after hiring one additional planner

Estimated Cost to hire Planner I position: \$60-80K (includes benefits)

Pros:

- Staff with existing expertise/training in long range planning can utilize skills
- New Planner I can assume permitting duties such as Lakeshore and Floodplain, freeing up Director to focus more on management/long range planning/economic development/code amendments, etc
- Newly hired support staff can help with time consuming administrative work of surveys/mailings/meeting coordination for plan
- Local expertise and knowledge of area and stakeholders
- New Planner could be GIS proficient and eliminate need/costs (5K/yr) for mapping consultant
- Provides better customer service and long term solution to increasing development workload

Cons:

- Plan will take a bit longer to develop (estimate 6-12 months), depending on experience of new planner (typically takes 8-12 months to get fully up to speed unless familiar with local codes and regulations) and when they can get on board.
- Commitment required for new staff hire, although it could be done on 1 yr renewable contract
- Cost will be carried beyond project, however that will be necessary for staff to continue to provide an acceptable level of service to the public
- Staff working on long range planning projects could get diverted to processing applications within state law guidelines, delaying long range planning projects

C. Contract for Lakeshore/Floodplain only, Corridor Plan done in house

Estimated Cost for one year contract: 180-240 hours (\$35/hr estimate), \$6-9K

Pros:

- Frees existing staff to work on long range planning projects
- Contractor can focus on Lakeshore/Floodplain issues and permits
- Would not require budget appropriation or TIF funds
- Could be contracted for rest of FY 12/13, then look at expanding role for FY 13/14

Cons:

- Corridor Plan may take longer to develop (estimate 8-14 months) than if the person was full time, depending on development workload of long range planners
- Contractor would be part time, so depending on whether they had another job during the day staff may still have to review Lakeshore applications, field questions

- This would be highly dependent on contracting with an experienced former Lakeshore Committee liaison planner.

Recommendation:

Staff prefers B as an option. Option C could work until end of FY 12/13 then Option B could be considered during the budget cycle, depending on availability of experienced Lakeshore/Floodplain planner.

Highway 93 West Corridor Plan Draft Scope of Work

1. Conduct an inventory of existing conditions
 - 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
 - j. Topography and drainage
 - k. Existing access and utility easements
 - l. List of Stakeholders
 - m. Boundaries of existing Tax Increment Financing (TIF) district
2. Establish a Project Steering Committee appointed by the city council made up of city staff, MDOT, elected officials, corridor business owners, property owners, and other stakeholders from the corridor
3. Provide a vision of the future
 - a. Review existing WGM Highway 93 West studies and plans, Whitefish Urban Corridor Study (08), 2009 Whitefish Transportation Plan, and wayfinding plans
 - b. Conduct at least two neighborhood meetings with neighborhood surveys, visioning and consensus building sessions with stakeholders and then a follow up meeting presenting findings
 - c. Develop Goals and Objectives of proposed plan /an image of what the plan hopes to achieve.
4. Establish a development policy
 - a. Review and revise existing Growth Policy Future Land Use designations
 - b. Determine appropriate mix of future uses for corridor while maintaining buffers for adjacent residential areas
 - c. Look at potential redevelopment opportunities for Idaho Timber site
 - d. Develop plan addressing land use, scale, transportation function and modes, noise, screening, landscaping, and urban design.
5. Identify implementation activities
 - a. Revisions of Growth Policy Future Land Use Maps
 - b. Changes to zoning code such as new mixed-use, neighborhood commercial, or resort suburban highway zoning district, possible sign code or ARC standards revisions
 - c. Look at possible new TIF district along western portion of corridor
 - d. Identify possible public projects and coordinate public investment

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January 10, 2013

Mayor Muhlfeld and City Councilors
City of Whitefish
Whitefish, Montana

Mayor Muhlfeld and Councilors

Recommendation to Approve an Engineering Design Contract Amendment for the East 2nd Street Reconstruction Project

Introduction/History

In May 2012, the City Council approved an engineering design contract with Robert Peccia and Associates for the East 2nd Street Reconstruction Project. This memo is to recommend Amendment No. 1 to that contract in an amount not to exceed \$341,500 for engineering design, construction management and related services through project completion in August 2014.

Current Report

The scope of work for our initial contract included preliminary engineering, field surveys, public involvement, preparation of easements, design and coordination for the relocation of private utilities, and related tasks for a fee not to exceed \$86,500. A copy of our May 15, 2012 staff memo and an aerial photo of the project area are attached.

That work is essentially complete and we're now ready to move on to final design. Our plan is to clear trees and vegetation along the north side of East 2nd Street and relocate the natural gas main during the summer of 2013. The road reconstruction and other remaining work would occur during the summer of 2014. Our current construction cost estimate is \$2,273,540 for the reconstruction of East 2nd Street from the alley west of Cow Creek to the railroad crossing with new street lighting; private utility relocations; water, sewer and storm drainage improvements; a new bicycle/pedestrian path; and related work.

The proposed contract amendment provides for engineering and other professional services including:

- Project management
- Wetland delineation and permitting
- Final design for roadway, water, sanitary sewer, storm drainage, wetland mitigation, bicycle/pedestrian path and street lighting improvements,
- Preparation of construction plans, specifications and bid documents,
- Design and coordination to relocate private utilities,
- Public involvement and
- Construction management and engineering services

The Public Works Department has negotiated a cost not to exceed \$341,500 for this amendment, bringing the total amount of our East 2nd Street engineering contact to \$428,000. This overall total includes an engineering fee of \$360,560 plus \$67,440 for landscape architect, environmental and geotechnical services. The engineering fee falls within generally accepted guidelines at 16% of estimated construction costs.

Financial Requirement

The financial package for this project will include local Resort Tax funds and CTEP trial funds provided by the State. Approximately \$160,000 in CTEP funds will be used for construction. All other costs for project management, design and construction will be paid out of the Resort Tax fund over the next two construction seasons. The \$341,500 cost for the proposed contract amendment will be paid out of the Resort Tax Fund.

Recommendation

We respectfully recommend the City Council approve Amendment No. 1 to the engineering design contract for the East 2nd Street Reconstruction Project in an amount not to exceed \$341,500, which would be paid using Resort Tax funds.

Sincerely,



John C. Wilson
Public Works Director

On a separate but related subject, the Public Works Department will return to the February 4th City Council Meeting with a proposal to extend a new road from Dodger Lane to Veterans Way in coordination with the East 2nd Street reconstruction project. The attached photo of the East 2nd Street project shows the general area of the proposed Dodger Lane extension.

This idea stems from the fact that in-city residential neighborhoods east of Cow Creek do not have an efficient, interconnected street network and they will be isolated at various times during the reconstruction of East 2nd Street. The only practical route between town and properties along East 2nd Street, Birch Drive, Wedgewood Lane, Armory Road, Hueth Lane and Peregrine Lane at various times will be out and around on East Edgewood or Armory and Voerman Road. Aside from providing daily access for property owners, we also need to ensure reasonable access for emergency services.

And finally, we must consider the congestion, risk and expense of multiple crews and lots of equipment operating in small space. An effective means of reducing congestion and risk, and thereby reducing bid prices, is to close portions of East 2nd Street, perhaps for weeks at a time.

A new road connecting East 2nd and Armory Road at Dodger Lane can help with all these issues. We'll have more information for you in the February 4th City Council meeting packet.



May 15, 2012

Mayor Muhlfeld and City Councilors
City of Whitefish
Whitefish, Montana

Mayor Muhlfeld and Councilors

**Recommendation to Award an Engineering Consultant Contract for the
East Second Street Reconstruction Project**

Introduction/History

The Public Works Department has advertised a Request for Qualifications from engineering consultants, interviewed finalists and negotiated a contract with the top ranked consultant to provide engineering services for the East Second Street Reconstruction Project.

This memo is to recommend a contract with Robert Peccia and Associates for services to include surveying; preliminary engineering; preparation and negotiation for easements and temporary construction permits; and coordination and design assistance for the relocation of private utilities. The proposed contract is for an amount not to exceed \$86,500.

Current Report

Last November, the City Council moved the East Second Street project up on the reconstruction priority list and directed staff to proceed with the consultant selection process. As was discussed at the time, Resort Tax funds are committed to the 6th and Geddes Street Reconstruction Project, which is expected to run through the summer of 2013. Our plan is to proceed with design of the East Second Street Project and be ready to advertise for construction bids as early as 2013, if sufficient funds should be available. It is most likely we will advertise for bids and build the project in 2014.

The scope of work for this phase one engineering contract covers preliminary engineering, preparation of easements, relocation of private utilities and related tasks. This work will be completed by fall and we expect to return to the City Council in October with a contract amendment for final design services. The proposed project schedule calls for utility relocations in April 2013, with roadway, water, sewer, drainage and trail improvements to occur in the summer of 2013 or 2014, as funding allows.

Financial Requirement

The Public Works Department and RPA have negotiated a contract for services describe above in an amount not to exceed \$86,500. This cost will be paid out of the infrastructure portion of the Resort Tax Fund.

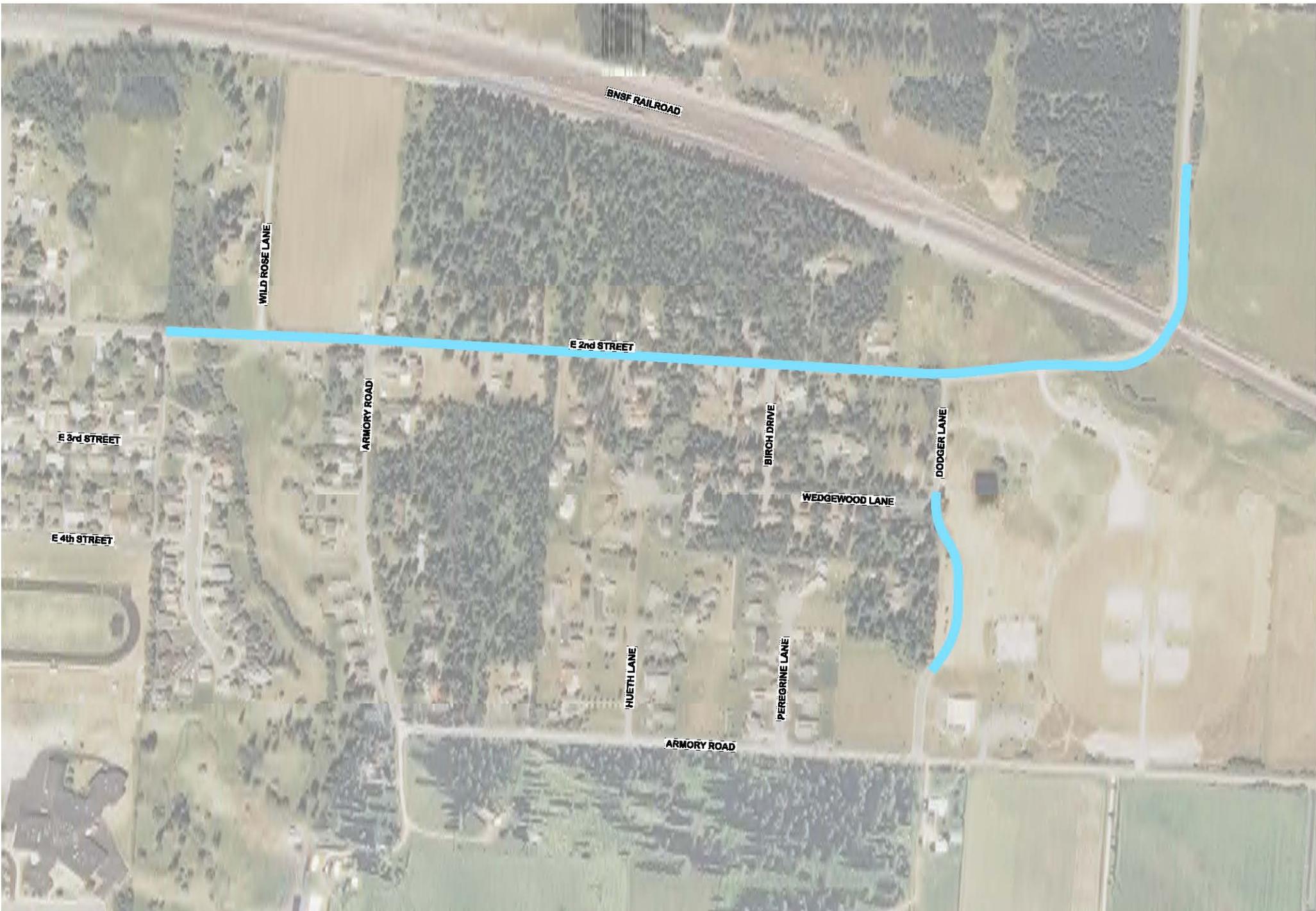
Recommendation

We respectfully recommend the City Council authorize the City Manager to execute a consultant contract with Robert Peccia and Associates, in an amount not to exceed \$86,500, for phase one engineering services for the East Second Street Reconstruction Project. These services will include surveying, preliminary engineering, preparation and negotiation for easements and temporary construction permits; as well as coordination and design assistance for the relocation of private utilities. Additional services for final engineering design and construction management will be subject to future negotiations and City Council approval.

Sincerely,



John C. Wilson
Public Works Director



RESOLUTION NO. 13-_____

A Resolution of the City Council of the City of Whitefish, Montana, amending Rule X and Rule XV of the Rules and Regulations for the City of Whitefish Water, Wastewater and Garbage Utility to provide for an exemption from the monthly base rate billing for water or sewer services when properties have no foreseeable intent or capacity to use water or sewer services.

WHEREAS, Sections 7-1-4123(7) and 7-13-4304, MCA, authorize the governing body of the municipality operating a municipal water and wastewater system and providing garbage collection services to fix, establish and collect rates and charges for the services, facilities, and benefits, directly or indirectly, taking into account services provided and benefits received; and

WHEREAS, as required by Section 7-13-4307, MCA, the rates and charges established by the City's system must be sufficient in each year to provide income and revenues adequate for the payment of the reasonable expense of operation and maintenance and the expenditures for depreciation and replacement of its system, as determined by the City Council; and

WHEREAS, by Resolution No. 11-51, the City Council established a minimum monthly year-round base rate billing for municipal water, wastewater and garbage collection services, based on the fixed costs for all classifications of users served by the City; and

WHEREAS, at the January 7, 2013 City Council meeting, the City Council reviewed the December 31, 2012 staff report which recommended the exemption of properties which have no foreseeable intent or capacity to use water or sewer services from the monthly base rate billing for water or sewer services when the utility service line is abandoned or when all plumbing fixtures, including water valves, are permanently removed from the building; and

WHEREAS, at a lawfully noticed public meeting on January 22, 2013, after receiving public comment and reviewing a staff report recommending the amendment of Rule X and Rule XV of the Rules and Regulations for the City of Whitefish Water, Wastewater and Garbage Utility to exempt properties from the monthly base rate billing for water or sewer service when the properties have no foreseeable intent or capacity to use water or sewer services, the Whitefish City Council reviewed the recommended amendments, and found them reasonable.

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

Section 1: Rule X and Rule XV of the Rules and Regulations for the City of Whitefish Water, Wastewater and Garbage Utility are amended to allow for the exemption of properties from the monthly base rate billing for water or sewer service when properties have no foreseeable intent or capacity to use water or sewer services for a building when the utility service line is abandoned or if all plumbing fixtures, including water valves, are permanently removed from the building, as follows:

RULE X: SERVICE LINES AND CONNECTIONS

7. Abandonment of Service. Whenever a building served by water and sanitary sewer ceases to exist, both services shall be abandoned. The

sanitary sewer shall be abandoned at the main. Abandonment of the water service shall require disconnection at the water main. At the discretion of the Water and Wastewater Utility, however, and depending upon whether water service is anticipated to be renewed within one year, temporary removal from service may be controlled with an operative curb stop.

The monthly base rate billing for water or sewer service base rate will be discontinued for a building if the following conditions are met. Evidence of subsequent water use shall be sufficient grounds to resume monthly billing.

- a. The respective utility service line is abandoned in a manner acceptable to the Water Utility; or
- b. All plumbing fixtures, including water valves, are permanently removed from the building in a manner approved by the Public Works Department. Such approval shall be issued before the work is performed and the completed work shall be inspected and approved by City personnel. The inspection fee shall be paid and the City shall approve the work before monthly billing is discontinued. The property owner shall continue to be responsible for maintenance of the water and/or sewer service lines that remain connected to the City utility.

RULE XV: DISCONTINUANCE OF SERVICE

- 4. Year Round Base Rate. The monthly base rate for water, sewer and/or garbage service shall apply to all domestic accounts during the discontinuance of service, except as provided under Rule X, Item 7, of these Rules.

Section 2: 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 _____, 2013.

John M. Muhlfield, Mayor

ATTEST:

Necile Lorang, City Clerk



January 14, 2013

Mayor Muhlfeld and City Councilors
City of Whitefish
Whitefish, Montana

Mayor Muhlfeld and Councilors

**Recommendation to Adopt a Resolution Amending Rule X and Rule XV
of the Rules and Regulations for the Water, Wastewater and Garbage Utility**

Introduction/History

At their last meeting, the City Council considered a staff proposal to amend the Rules and Regulations for the Water, Wastewater and Garbage Utility. The point of concern was to provide relief from minimum monthly utility billing for those properties which have no foreseeable intent or capacity to use water or sewer services. This memo presents a resolution to revise the Rules as necessary to provide that relief.

Current Report

Copies of the proposed Resolution and our staff memo from the January 7th Council meeting are attached. As suggested by the City Council, we have included provisions for an inspection fee and flexibility as to the means of abandoning service. We've also added an explicit statement that monthly billing will resume if staff finds evidence of water use on an abandoned account.

Financial Requirement - none

Recommendation

We respectfully recommend the City Council adopt the attached resolution amending Rule X and Rule XV of the Rules and Regulations for the Water, Wastewater and Garbage Utility.

Sincerely,

A handwritten signature in blue ink, appearing to read "John C. Wilson".

John C. Wilson
Public Works Director



December 31, 2012

Mayor Muhlfeld and City Councilors
City of Whitefish
Whitefish, Montana

Mayor Muhlfeld and Councilors

**Recommendation to Amend the
Rules and Regulations for the Water, Wastewater and Garbage Utility
With Respect to Year Round Monthly Base Rate Billing**

Introduction/History

The City Council adopted Resolution 11-51 on October 17, 2011, thereby amending the Rules and Regulations for the Water, Wastewater and Garbage Utility (Rules) and providing for year round base rate billing on accounts for all properties connected to the City water and sewer systems. Copies of the Finance Director's October 2011 staff memo, the Public Meeting Notice, Resolution 11-51 and selected pages from the current Rules are attached. Please be aware, the attached Public Notice also makes reference to a proposed increase for garbage collection rates. This was a separate issue that was addressed in a separate public hearing at the same City Council meeting.

This memo presents a staff proposal to amend the rules relevant to year round base rate billing to accommodate those buildings that are physically connected to City utilities, but have no foreseeable need to use water or sewer services. The goal is to apply the policy for base rate billing in a reasonable manner, while avoiding unwarranted charges.

If the City Council so directs, staff will prepare a resolution amending the Rules as described below for Council consideration at their next regular meeting on January 22nd.

Current Report

A few customers have contacted the City Council and staff with complaints about year round base rate billing. They specifically object to being charged for utilities when there is no foreseeable need for water or sewer service at the property in question. For example:

- A house in the 100 block of Lupfer Avenue was converted to commercial storage and has not used water or sewer service for over a decade (a past letter from the owner to the City Council is attached),
- A mobile home next to a primary residence on Denver Street has been vacant and not used water or sewer service since 2002.
- We are aware of a few houses that appear vacant due to recent fires. The property owner(s) may benefit from the proposed rule changes if the house is not restored.

Similar circumstances may exist for other water and sewer accounts, but we expect the total number to be very few.

Staff proposes the following Rule changes to exempt from billing those properties which have no foreseeable intent or capacity to use water or sewer services. We propose editing the second paragraph of Rule X, Item 7 on Page 13 of the Rules, as shown below. Deleted text is indicated by strikeouts, while added text is indicated by underlines.

The monthly base rate billing for water or sewer service ~~base rate~~ will be discontinued for a building if:

- A. the respective utility service line is abandoned in a manner acceptable to the Water Utility or***
- B. all plumbing fixtures, including water valves, are permanently removed from the building in a manner approved by the Public Works Department. Such approval shall be issued before the work is performed and the completed work shall be verified and documented by City personnel. The property owner shall continue to be responsible for maintenance of the water and/or sewer service lines that remain connected to the City utility.***

Staff similarly recommends the following changes to Rule XV, Item 4 on Page 19.

The monthly base rate for water, sewer and/or garbage service shall apply to all ~~domestic~~ accounts during the discontinuance of service, except as provided under Rule X, Item 7 of these Rules.

We propose adding the word “service” to Rule XV, Item 4 for the sake of clarity. The word “domestic” was a clerical error in the Rules and should be deleted. The adopted Resolution 11-51, staff report, public notice and Council meeting minutes clearly refer to “all accounts”. There was no reference to or discussion about limiting the rule to domestic accounts.

If the City Council so directs, staff will prepare a resolution amending the Rules as described above for Council consideration at their next regular meeting on January 22nd.

Financial Requirement

None

Recommendation

We respectfully recommend the City Council consider staff’s proposal to amend certain provisions of the Rules and Regulations for the Water, Wastewater and Garbage Utility regarding year round base rate billing and direct staff as to how to proceed.

Sincerely,



John C. Wilson
Public Works Director

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MANAGER REPORT

January 16, 2013



RESORT TAXES

November's Resort Taxes collected equaled \$122,547 which is \$5,385 or 4.6.% higher than November of 2011. For the year to date, we are at \$986,114 collected which is 9.12% or \$82,429 ahead of the same five months in 2011. A chart and graph of recent Resort Tax collection history is attached in the packet.

PARKING STRUCTURE/DECK FEASIBILITY STUDY

I talked with Dennis Burns of Kimley-Horn and Associates this week. They are preparing for the next and final work session before the February 4th City Council meeting. However, because of our delay in approving the traffic study late last year, the results from the traffic study by that time may only be preliminary or may not be available.

I would like to talk briefly with the Mayor and Council at Tuesday's meeting about whether or not we would want to delay the work session if the traffic study data is only preliminary or is not available at all. My feeling is that if the traffic data is not at all available, we should delay, but I am undecided about the elected officials' feelings if the traffic data is still preliminary. Regardless, we will not be scheduling any Council vote on City Hall with surface parking or structured parking until after the final report is received and reviewed.

NEW FIRE BAY DOORS

The new Fire bay doors at the ESC were installed on January 10th. A picture of the new doors (wood grain) next to the existing doors (white doors) is below. Chief Kennelly gave me a demonstration of the new doors compared to the old doors on time to open (minutes faster), ability to open manually (easy and fast), opening method (horizontal vs vertical), and weatherization (sealed very well). He may send me a video of the new doors compared to the old doors which we can post on the website; if so, I will send you all a link to the video. The doors and shipping cost \$81,385 and the installation bill, which we haven't yet received, will raise the cost up above \$105,000.



WHITEFISH WEST HWY 93 NORTH MDT PROJECT

On January 10, 2013, we paid \$229,143 to MDT for the Whitefish West project for the first phase of decorative street lights and the bridge amenities. We have about another \$1,000,000 to pay for the water and sewer main replacements under Hwy 93, but Rich is working on financing the sewer portion of that project. We will pay the water portion of the project out of reserves and water impact fees.

COMMERCIAL LOAN REHAB PROGRAM – TIF

We recently paid \$6,184.20 as an interest rate subsidy pursuant to our Commercial Loan Rehabilitation TIF program for Great Northern Pasta to renovate the space north of Towne Printer on Baker Avenue for their new store and manufacturing space. The Commercial Loan Rehab program provides an up front, one time payment to a local bank to lower the interest rate in half on a qualifying commercial loan for a building permit project in the Tax Increment District.

By the way, I was informed that the Montana Ski Company has decided to move into the old Great Northern Pasta building on Lupfer Avenue rather than execute the lease we approved for the former Coldwell-Banker building.

PUBLIC WORKS SNOW BLOWER

The engine on our snow blower failed recently and will cost about \$8,000 to replace. However, we had budgeted for a new snow blower in the FY13 budget, but our mechanic feels that, with a new engine, we will be able forestall the purchase of a new blower for a few more years. With

the snow blower down, clean-up of any future snowfalls on Central Avenue will take longer and may be delayed. The new engine is supposed to arrive this week and they hope the snow blower will be functional again by January 25th.

QUARTERLY REVIEW OF CITY COUNCIL GOALS

Here is a quarterly update on the status or progress of the City Council's goals.

Hwy 93 South Corridor Plan - This project has a \$25,000 budget in the FY13 budget. The City Council decided not to go forward with this project given Flathead County's reluctance to even talk until after the doughnut lawsuit is over. At the January 22nd meeting, we can discuss using these funds for the Highway 93 North corridor.

Downtown Parking - The consultants, Kimley-Horn and MMW were here for a December 3rd work session and they presented updated information on costs and parking spaces for a parking structure integrated with City Hall. They also showed very preliminary conceptual renderings of what a City Hall could look like attached to parking structure. The next and final work session is scheduled for February 4th.

City Hall Planning - The Future City Hall Location steering committee met on December 13th and reviewed the preliminary conceptual renderings of a City Hall integrated with a parking structure. The committee also reviewed and revised a first draft of a Request for Qualifications for selecting an architect. However, they will wait to go further on recommending an architectural selection process until the City Council decides on whether City Hall will have structured parking with it or surface parking.

Downtown Restroom Improvements - Karl Cozad is working with an architect on a draft scope of work and architectural cost estimate. He hopes to have a contract prepared for my signature within a few weeks.

BNSF (foster relationship, Railway District impacts) - Mayor Muhlfeld and I recently talked with Rick Stauffer, Director of Administration for BNSF in Billings (assistant to General Manager for Montana) about their parking lots and other topics. Police, Fire, and I also participated with BNSF in the collaborative hazmat drill on December 11th.

Possible amendments to the Sign Code - The City Council postponed the work session on signs with the Planning Board that was scheduled for January 17th. We will await further direction

from the City Council, although Planning staff may work on minor amendments to the Sign code in order to make some clarifications.

New Cemetery development -

The Cemetery Ad-hoc Committee presented their final report to the City on November 19th. The City Council decided to hold a work session with the committee on January 22nd.

Depot Park redevelopment Phase I -

Done.

Economic Development including targeted businesses -

There are concepts and discussions coming about redevelopment of the former North Valley Hospital site and, separately, a downtown boutique hotel.

Code Enforcement Improvements -

Phil Holmes, our Code Enforcement Officer, has worked on snow on sidewalks in the downtown area with decent compliance occurring. He is also working on sandwich board sign compliance in the downtown area.

Maintenance Plans for parks, facilities, and city buildings - The Parks and Recreation Department and the Parks Board enacted a Depot Park Management and Maintenance Plan and Policy this fall which will limit events in the park to a more manageable level.

Municipal Court – resolve audit findings -

The Municipal Court is going to work one or two overtime days per month to catch up the backlog of cases. The Judge will also review adjustments made by the Clerks to cases on a monthly basis.

Watershed Protection (Intakes, hydro plant, water rights, Whitefish Lake water quality -

The Whitefish Community Wastewater Committee continues to meet and their next meeting is January 23rd. The hydro plant is operating. The intakes project is almost complete with just a little work remaining to finish in the spring.

Whitefish River water way development and improvement – Richard Hildner will initiate any work on this project.

Affordable Housing -

Whitefish Housing Authority completed, printed, and held a public hearing on their 5 year plan. They are still working on a plan for the three properties which BNSF is donating to them.

BNSF – cleanup of CECRA site and River - The river cleanup is going to extend into 2013 to finish the dredging because the dredging near Hwy 93 South was hampered by low water late in 2012. They also have to finish bank stabilization and revegetation.

The latest CECRA update (diesel plume under rail yard) from Jessica Gutting of DEQ on November 26th was: “As for the Facility itself, there is a diesel plume that is located just southeast of the Roundhouse. This plume will be addressed when DEQ selects the final remedy for the Facility. BNSF and DEQ have been having meetings to discuss new technologies and methods that could be used to address this plume. The Supplemental Remedial Investigation Report is expected to be complete in the spring of 2013. BNSF will then complete a Baseline Human Health Risk Assessment to develop site-specific cleanup levels. In addition, BNSF will complete an ecological evaluation for the Whitefish River to confirm that its cleanup efforts have appropriately mitigated risk to ecological receptors. After these are complete, BNSF will prepare a feasibility study to evaluate the different remedial technologies that could be used at the Facility. DEQ will evaluate all the information prepared by BNSF and propose a final remedy in a proposed plan which will be presented for public comment. Once DEQ receives the public input, it will prepare a Record of Decision identifying the final cleanup that BNSF is required to implement. While all of this takes time, I can assure you that DEQ is actively reviewing data and overseeing BNSF’s work in order to move through the process as quickly as possible.”

Whitefish Trail/Whitefish Legacy Partners – The Recreation Use Easement for the Whitefish Trail was completed and signed during the fourth quarter of 2012. City officials and DNRC are still negotiating the Spencer Trail documents – Mary says those documents may not be ready for Council action until late February.

Water Quality Improvements (city beach, stormwater ponds) – John Wilson is working on a RFQ/RFP for stormwater projects and hopes to include these projects in the scope of work for an engineering company.

Budget/Financial Condition – Rich will have the mid-year financial report in the packet for the January 22nd meeting.

Doughnut Negotiations - The lawsuit is continuing with the following, upcoming dates:
Response briefs and affidavits were due by January 11, 2013
Reply briefs and affidavits are due by January 22, 2013
Oral arguments before the District Court Judge – February 28, 2013.

MDT – Hwy 93 North and downtown - TIGER project is finished. The Hwy 93 North (Whitefish West project) is still on schedule to start in 2013, with bidding in February, 2013. MDT is designing the 2nd phase of the project out to State Park Road area.

Parks Master Plan –Kate McMahon, the contractor, and the Parks and Recreation Department continue to work on this project. Karl Cozad anticipates that the project will be done in late spring of 2013. The FY13 budget in the Resort Tax fund for this project is \$20,000.

Explore extent of waivers for utility contracts –I will plan another work session in early 2013 to discuss any priorities for annexation.

Long term financial planning and sustainability - The 1.6% growth in the tax base last year was a surprise. We will have to monitor the proposed changes to Centrally Assessed property in the 2013 Montana Legislature.

Green initiatives - Nothing new in the last quarter.

Records Management/imaging - The imaging project is complete and we recently received the images of the minutes, ordinances, and resolutions. Rich is compressing and organizing the files.

MEETINGS

None

UPCOMING SPECIAL EVENTS

January 19th – Winter Carnival Coronation and Parade – 7:00 p.m.

REMINDERS

Second City Council meeting in January is Tuesday, January 22nd because of Martin Luther King, Jr. holiday on Monday, January 21st.

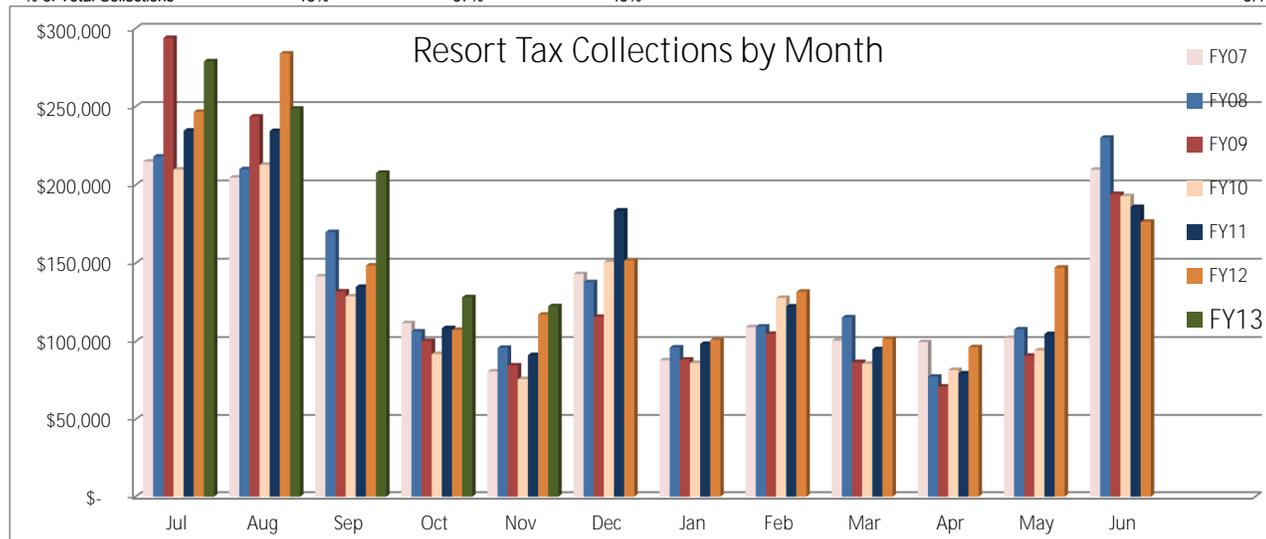
Respectfully submitted,



Chuck Stearns
City Manager

Resort Tax Report
Reported in the Month Businesses Collected the Tax

Month/Year	Lodging	Bars & Restaurants		Retail	Collected	% Chng Mnth to Pr Yr Mnth	% Chng Quarter to Pr Yr Quarter	Interest	Total	
		Restaurants	Collected							
Nov-07	12,900	41,922		41,191	96,013			4,506	100,519	
Nov-08	9,860	38,110		36,751	84,721			19,888	104,609	
Total FY09	\$ 269,389	\$ 587,889		\$ 749,573	\$ 1,606,851			\$ 139,585	\$ 1,746,436	
FY08 vs FY09	-4.1%	-7.2%		-1.5%	-4.1%			TaxableSales FY09	\$ 84,571,113	
Sep-09	23,722	50,162		54,958	128,841			1,571	130,412	
Oct-09	13,603	35,938		42,507	92,048			7,116	99,165	
Nov-09	8,147	34,146		33,709	76,002			5,571	81,573	
Total FY10	\$ 245,171	\$ 563,798		\$ 730,393	\$ 1,539,362			\$ 53,679	\$ 1,593,041	
FY09 vs FY10	-9.0%	-4.1%		-2.6%	-4.2%			TaxableSales FY10	\$ 81,019,064	
Jul-10	54,499	81,857		98,267	234,624			\$ 2,423	\$ 237,047	
Aug-10	69,698	79,873		84,842	234,413			1,023	235,436	
Sep-10	28,487	52,206		54,203	134,896			1,342	136,238	
Oct-10	17,637	44,457		46,418	108,512			18%	6,551	115,063
Nov-10	7,248	45,396		38,718	91,362			20%	17,292	108,654
Dec-10	14,380	70,881		98,404	183,664			22%	1,413	185,077
Jan-11	8,686	40,117		49,679	98,482			14%	1,276	99,758
Total FY11	\$ 274,688	\$ 651,321		\$ 747,615	\$ 1,673,624			\$ 38,004	\$ 1,711,629	
FY10 vs FY11	12.0%	15.5%		2.4%	8.7%			TaxableSales FY11	\$ 88,085,492	
Jul-11	56,106	90,212		100,325	246,642			\$ 979	\$ 247,621	
Aug-11	85,621	91,408		106,860	283,889			7,833	291,722	
Sep-11	28,154	58,830		61,535	148,519			10%	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
Total First 5 Months	202,176	325,422		376,088	903,685					
Dec-11	16,531	51,195		84,000	151,726			-17%	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%	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%	625	177,085
Total FY12	\$ 314,731	\$ 679,063		\$ 816,110	\$ 1,809,903			\$ 20,785	\$ 1,830,688	
FY11 vs FY12	14.6%	4.3%		9.2%	8.1%			TaxableSales FY12	\$ 95,258,076	
Jul-12	69,418	94,341		115,149	278,908			\$ 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%	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%		
YTD vs Last Year	5.1%	10.4%		10.2%						
Total FY13	\$ 212,397	\$ 359,264		\$ 414,453	\$ 986,114			\$ 2,054	\$ 865,621	
FY13 % of Collections	22%	36%		42%				TaxableSales FY13	\$ 51,900,724	
Grand Total	\$ 3,837,406	\$ 8,002,085		\$ 9,743,897	\$ 21,583,388			\$ 742,968	\$ 19,510,104	
% of Total Collections	18%	37%		45%				3.4%	Average interest	



Total Taxable Sales Since 1996	\$ 1,135,967,763
Total Collected	\$ 22,719,355
5% Admin	\$ 1,135,968
Public Portion	\$ 21,583,388



MEMORANDUM

#2013-003

To: Mayor John Muhlfeld
City Councilors

From: Chuck Stearns, City Manager

Re: Staff Report – Consideration of awarding a contract for the Wayfinding Sign Project

Date: January 15, 2013

Introduction/History

The City of Whitefish is collaborating with the Heart of Whitefish on a Wayfinding signage project. The Heart of Whitefish paid for a consultant, Vicky Soderberg of Cygnet Strategies along with her sub-contractors, Old Town Creative – Jen Frandsen and Jena Ponti from Bruce Boody Landscape Architects. Former Mayor Mike Jenson, Dave Taylor, Karl Cozad, Karin Hilding, Mayor Muhlfeld, and I have participated in the meetings and the development of the signage project.

On May 21, 2012, the City Council reviewed the project documents and authorized staff to proceed with bidding the project. On Wednesday, September 19th, we opened bids for the Wayfinding Sign project. At the October 1st City Council meeting, the City Council decided to reject the single bid, have staff work with the Wayfinding Committee and vendors to revise the bidding documents, and advertise a second time for bids.

Current Report

We opened bids on the re-bidding of the Wayfinding Sign project on January 15th. There were four bids submitted. There were also two bids which arrived in the afternoon of January 15th after the bid opening which were submitted too late to consider (one from Ohio and one from Virginia).

The bid tabulation is attached to this report in the packet.

The four bids were:

	Total Bid without installation	Total bid w/ installation
Mild Fence Company, Kalispell	\$163,883.50	\$198,038.50
Montana Lines, Great Falls	\$170,490.00	\$244,660.00
Sign Products, Inc., Billings	\$146,144.00	\$293,750.00
Epcos Sign Co., Billings & Missoula	\$110,946.23	\$267,662.29

Additionally, Mild Fence company's installation cost was only \$34,155.00 compared to the range of installation costs for the other three vendors of \$75,000 - \$157,000.

Thus, I think it is in the City's best interest to award the Wayfinding Sign contract, without installation, to Epcon Sign Company in the amount of \$110,946.23 and authorize me to negotiate the installation of the signs with Mild Fence Company. Any cost under \$50,000 does not have to be bid, so I could see what Mild Fence Company will charge for installation only. That would be the total cost of the project in the \$145,000 range.

Financial Requirement

The Tax Increment Fund will provide funding for this project. The cash balance in the TIF fund at December 31st was \$2,552,913 and there is plenty of budget authority to award the contract.

Recommendation

City staff respectfully recommends the City Council award the Wayfinding Sign project contract to Epcon Sign Company, without installation, in the amount of \$110,946.23 and authorize the City Manager to contract for installation of the signs locally with the total cost of project not to exceed \$150,000.00.

Item Description	Bidder: Mild Fence Company, Kalispell, MT			Bidder: Montana Lines, Great Falls, MT			Bidder: Sign Products, Inc., Billings, MT			Bidder: Epcon Sign Co., Billings, MT														
	Quantity	Option A Price per unit Signs only No installation	Total Price	Quantity	Option B Price per unit with installation	Total Price	Quantity	Option A Price per unit Signs only No installation	Total Price	Quantity	Option B Price per unit with installation	Total Price	Quantity	Option A Price per unit Signs only No installation	Total Price	Quantity	Option B Price per unit with installation	Total Price						
Bid Bond?	Yes - 10% bid bond			Yes - 10% bid bond			Yes - but personal check for \$29,370.00			Yes - 10% bid bond														
Sign Type A	5	\$1,894.00	\$9,470.00	5	\$1,894.00	\$9,470.00	5	\$960.00	\$4,800.00	5	\$1,100.00	\$5,500.00	5	\$856.00	\$4,280.00	5	\$3,374.00	\$16,870.00	5	\$932.00	\$4,660.00	5	\$2,506.40	\$12,532.00
Sign Type D	5	\$2,781.00	\$13,905.00	5	\$2,781.00	\$13,905.00	5	\$770.00	\$3,850.00	5	\$935.00	\$4,675.00	5	\$1,967.00	\$9,835.00	5	\$2,257.00	\$11,285.00	5	\$1,080.00	\$5,400.00	5	\$1,752.00	\$8,760.00
Sign Type G	2	\$2,529.00	\$5,058.00	2	\$2,529.00	\$5,058.00	2	\$8,500.00	\$17,000.00	2	\$9,205.00	\$18,410.00	2	\$7,648.00	\$15,296.00	2	\$12,090.00	\$24,180.00	2	\$4,657.50	\$9,315.00	2	\$11,665.50	\$23,331.00
Sign Type V	37	\$2,313.00	\$85,581.00	37	\$2,313.00	\$85,581.00	37	\$1,600.00	\$59,200.00	37	\$2,715.00	\$100,455.00	37	\$1,319.00	\$48,803.00	37	\$2,159.00	\$79,883.00	37	\$978.79	\$36,215.23	37	\$2,617.17	\$96,835.29
Decorative Posts - see example #4, sign type A on p.4	34	\$1,454.00	\$49,436.00	34	\$1,454.00	\$49,436.00	34	\$2,300.00	\$78,200.00	34	\$3,090.00	\$105,060.00	34	\$1,897.00	\$64,498.00	34	\$4,347.00	\$147,798.00	34	\$1,584.00	\$53,856.00	34	\$3,504.00	\$119,136.00
Highway Type Posts - see example #4, sign type V-1 on page 11	6	\$72.25	\$433.50	6	\$72.25	\$433.50	6	\$1,240.00	\$7,440.00	6	\$1,760.00	\$10,560.00	6	\$572.00	\$3,432.00	6	\$2,289.00	\$13,734.00	6	\$250.00	\$1,500.00	6	\$1,178.00	\$7,068.00
Installation of all signs - lump sum	not applicable			1	34,155.00	\$34,155.00	not applicable			1	included above		not applicable			1	included above		not applicable			1	included above	
Total Bid	\$163,883.50			\$198,038.50			\$170,490.00			\$244,660.00			\$146,144.00			\$293,750.00			\$110,946.23			\$267,662.29		

Staff Report



To: Mayor John Muhlfeld and City Councilors
 From: Rich Knapp, Assistant City Manager/Finance Director
 Date: January 11, 2013
 Re: Fiscal Year 2013 Mid-Year Financial Report

This first page is a summary of FY 2013 mid-year financial status, the rest of the report is for more detail.

An analysis of available cash in property tax supported funds provides a quick and simple review of the city's financial health. The following table lists FY13's budgeted year-end cash in column (a), FY13's mid-year actual cash column (b) and FY12's mid-year actual cash column (c).

Property Tax Supported Funds Change in Cash				
	Budget June 30 2013 Cash	Actual Dec 31 2012 Cash	Actual Dec 31 2011 Cash	One Year Change
	a	b	c	(b-c)
General	\$566,605	\$1,019,903	\$673,002	\$346,900
Parks/Rec	\$2,863	(\$188,871)	(\$94,370)	(\$94,501)
Police	\$12,776	\$72,153	\$41,543	\$30,610
Library	\$18,095	\$2,475	(\$14,945)	\$17,420
Fire & Amb	\$283,943	\$501,168	\$457,380	\$43,788
Building	\$14,607	\$41,549	\$49,088	(\$7,539)
	\$898,889	\$1,448,378	\$1,111,699	\$336,679

The total property tax supported funds' cash increase from last December was \$336k or 30%. Parks' cash situation is much lower than last year due to timing of the Ice Den upgrades and the loan to pay for it and capital purchases made early in the year. Building revenues are helping because revenues continue to exceed expenditures despite no General Fund loan this year. The budget and allocation decisions the City has made the last three and half years also continues to add to the cash turn around.

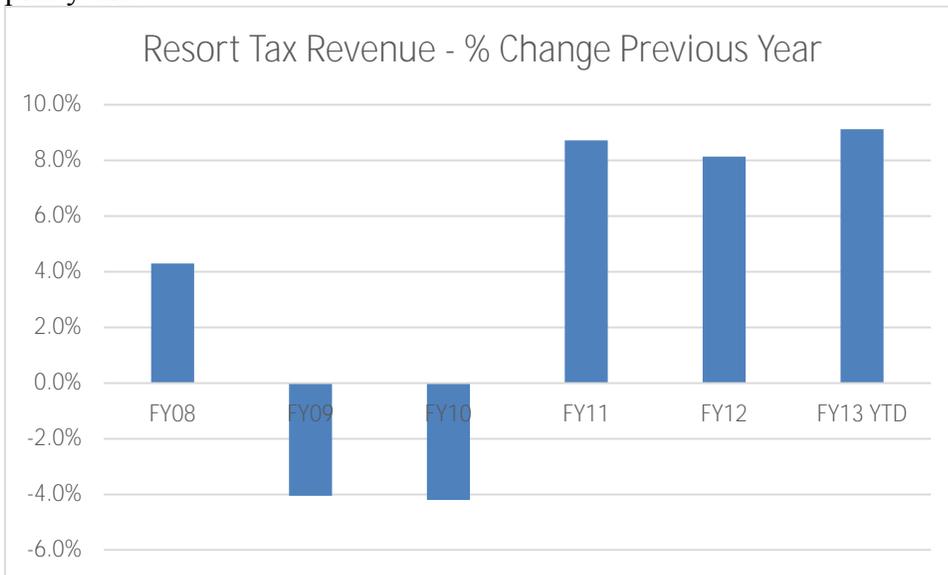
No pay increases for the police and fire unions are reflected in any of the numbers in this report. When the unions settle, the city will back pay to July 1.

Financial Highlights

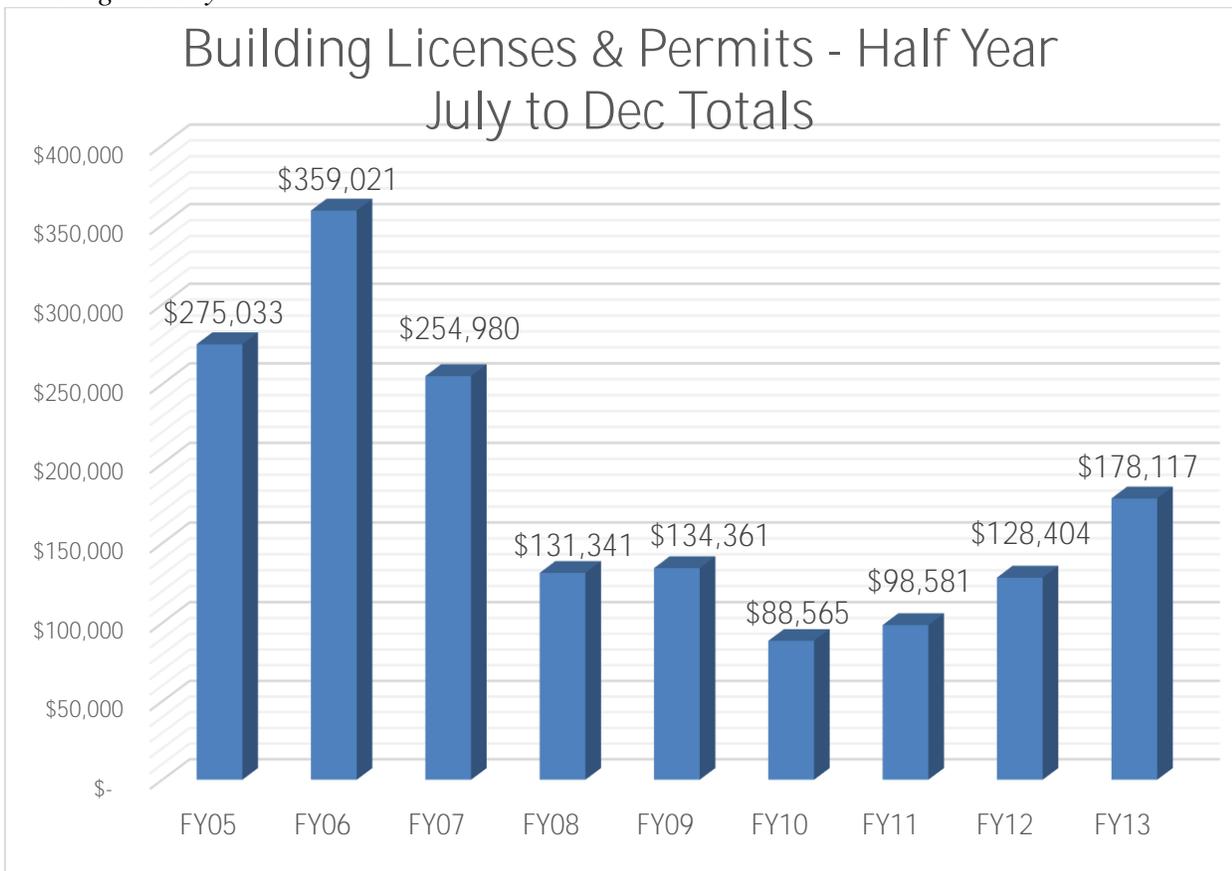
Building License and Permits mid-year was the highest first half since 2007 (see graph later). Ambulance Services Charges are about 30% higher than the previous two mid-years. Water and Sewer Charges are 6% and 8% higher respectively, while water rates were increased by a smaller 2.5% and sewer rates were increased 5% last year. Zone Plan Review Fees are already 95% of budget, while most zoning & planning revenues have already exceeded budget. However, Planning Fees lag at 17% of budget. The city's interest earnings are about 1/5 lower than even two years ago. Impact fees are more than double two years ago and will exceed budget projections. There was no significant higher than budget expenditures in the first quarter.

Economic Trends

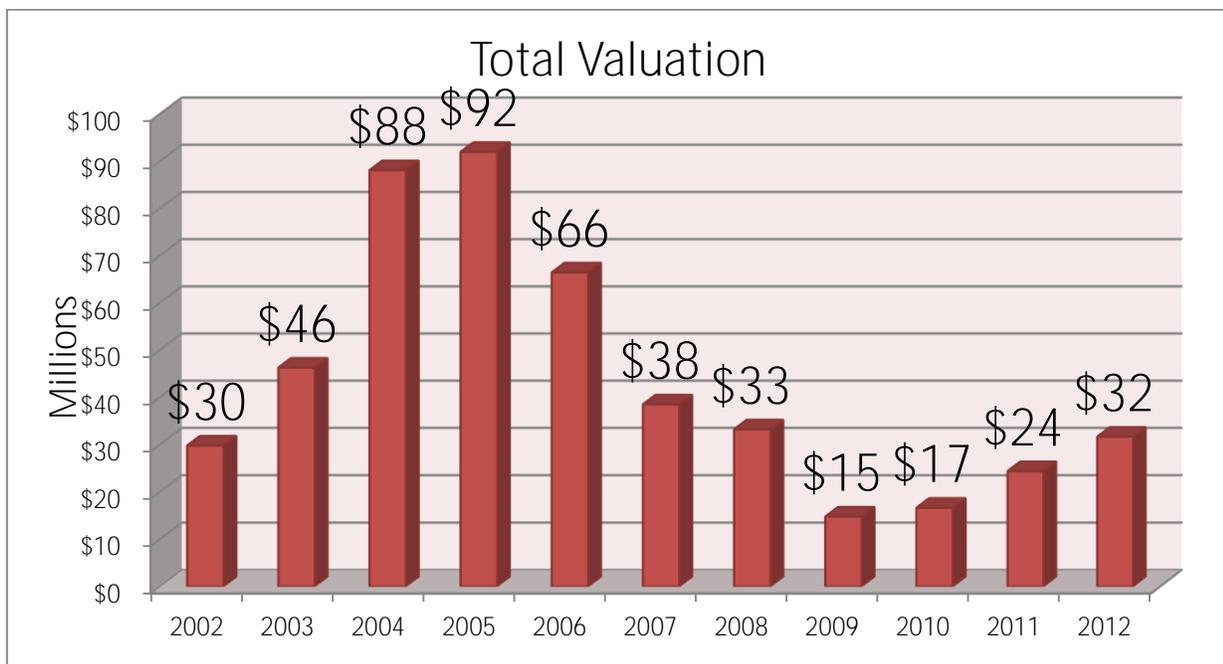
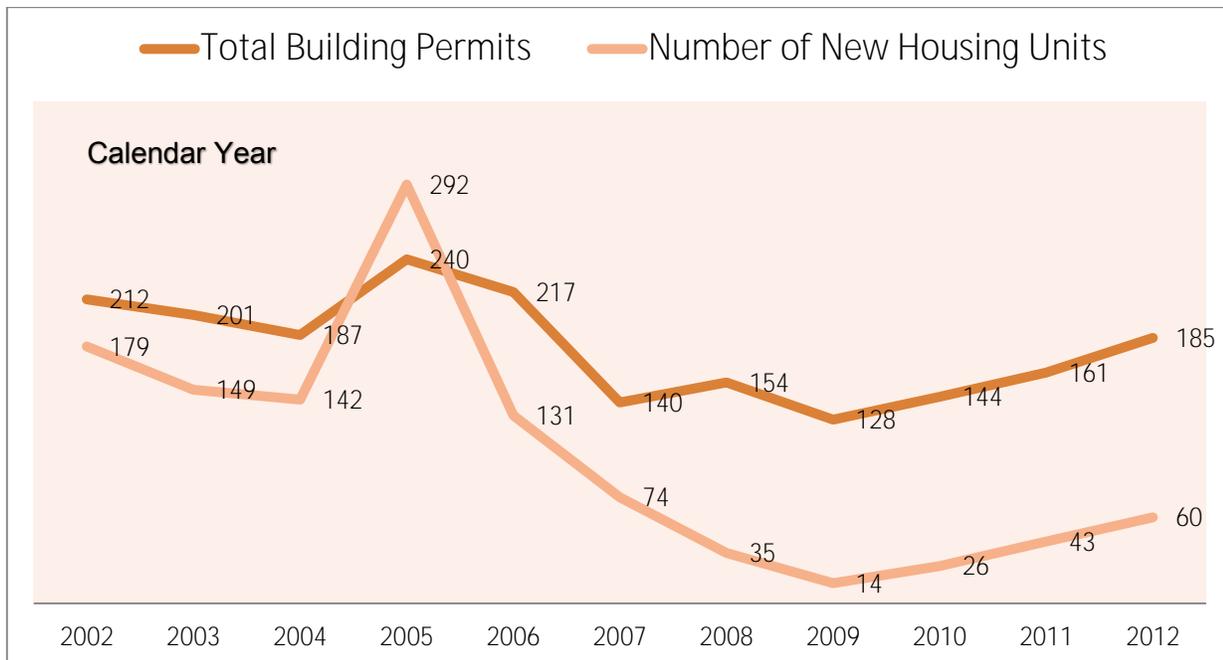
Resort Tax- The graph below illustrates the trend in commerce within the city over the last five plus years.



Building Activity-



The following charts captures new construction and valuation within the City by calendar year.



Significant Financial Events in FY 2013

Capital spending underway or mostly complete the first half of the year include 6th and Geddes, donation for the Memorial Park ball fields, Safe Routes to Schools, Ice Den improvements including 3 compressors, lawn mower for parks, a police vehicle, close out of Hwy 93/2nd Street TIGER project, Suncrest water system improvement, hydro-electric generation, and the wastewater clarifier energy improvement.

Major project spending in the first part of January include US93 West for \$1.5 million including \$230k for decorative streets lights and bridge upgrades. Baker Ave outfall reconstruction, Skye Park Bridge engineering, close out of the Tester grant, and new doors at the ESC.

The following discussion highlights the attached three spreadsheets.

General Fund Revenue (line 9 to 17)

Charges for Services (mostly planning & zoning fees) were 85% higher than last year and were already 79% of budget. Most of these charges relate to planning and zoning. Zone Plan Review fees were almost double last year. Planning fees were slightly lower than last year and below budget. Lakeshore fees are almost four times more than last year and Architect Review fees are more than eight times more than last year. Variance was four times more than last year, and Conditional Use Permits were more than double last year. Investment earnings a third less than last year.

General Fund Expenditures, Net Revenue, & Cash (line 21 to 45)

Total GF Expenditures are on track at 49% of budget.

GF cash balance was \$1,019,903 compared to \$105k on Dec 31, 2011 (see I45). The graph located on the GF numbers page shows GF cash history for the last five years. The city GF cash now closing matches FY 2009 levels and will probably end higher than that year.

Property Tax Supported Funds (line 47 to 51 for summary, p. 2 for detail)

Aggregate numbers for all property tax supported funds are found on line 47 through 51. The property tax supported funds' numbers are a sum of all the funds on the second sheet under "Property Tax Supported Funds." Line 50 and 51, summarized the total net gain/loss, and cash balance for the GF and all other property tax supported funds.

A key analysis is done by comparing net year end budgeted use of reserves (M47) to the net loss/gain actual (I47). The current budget anticipated decreasing cash reserves in Prop. Tax funds by \$195k at year end. At mid-year the net was an \$11k use of reserves—a difference of \$183k.

The main reasons for the difference between budgeted and actual include:

- \$130k of expenditures from the purchase of Fire & Ambulance apparatus has not occurred yet
- Police and fire unions have not had pay increases yet
- Several other one time projects and capital that have not started yet

Page 2 of the numbers

Library will probably only be positive cash in Dec, Jan, June, & July due to property tax as the main source (I91). This could be avoided by building up the cash reserves to at least 20% of expenditures or \$40k.

FY 2013 mid-year Building Codes License and Permits were 39% higher than FY12 mid-year, and 81% higher than FY11 (L108).

Ambulance fee revenues were 30% higher than last year. Fire & Ambulance OT is half or \$44k less of what it was at this point last year (retro pay increases not factored).

Other Tax, Fee, & Assessment Supported Funds (p.2, line 121 to 148)

These funds found on the second half of the second spreadsheet, receive no general property tax support.

Resort tax revenue was higher by 7% 2012 (I122). As planned, expenditures are higher than the last couple of years and the cash continues to decrease.

The payment to school of \$1 million from the TIF this year has not occurred yet.

Enterprise Funds (p.3)

Water charges were 6% higher than last year (line 159) while sewer charges were 8% higher (line 171). The increase in rates in October 2011 was 2.5% for water and 5% for sewer. The additional increase in revenue is probably mostly due from water use.

The water capital expenditures (I166) of \$724k are from the hydro project, suncrest booster, and some new vehicles.

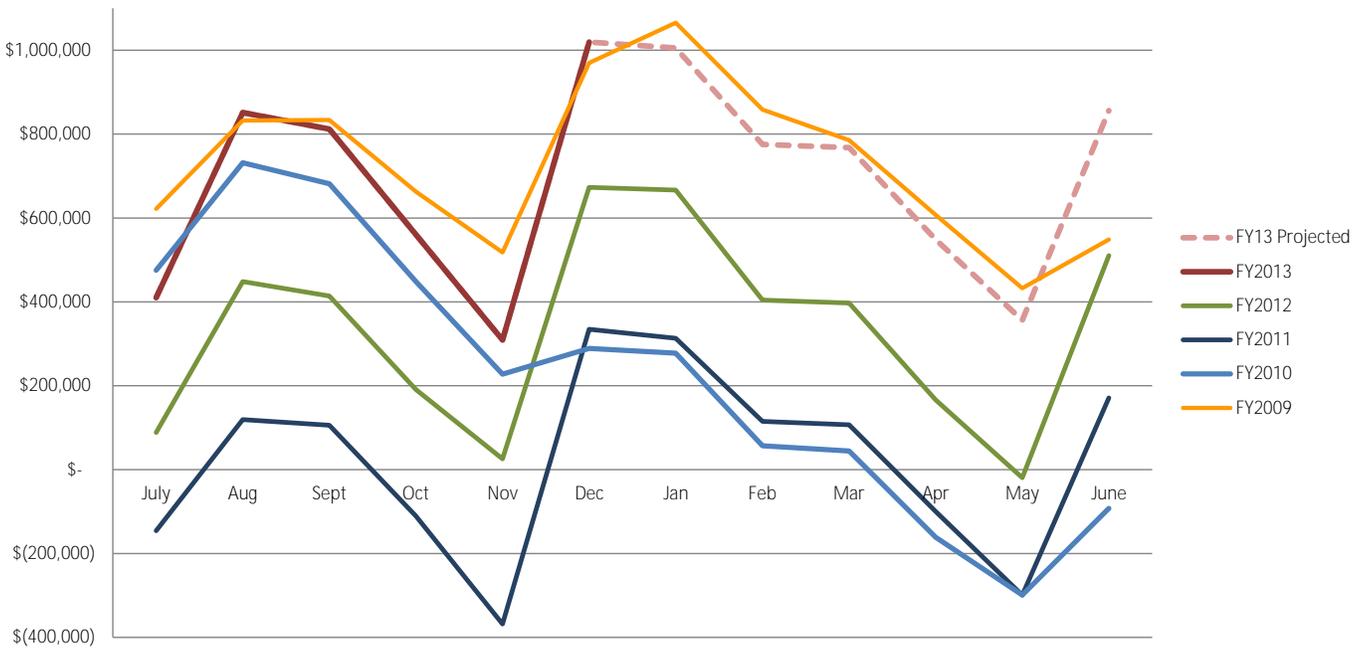
Quarterly Financial Analysis City of Whitefish

Prepared: 12/31/2012 50% of fiscal year complete

	YTD Dec 31, 2010		YTD Dec 31, 2011		YTD Dec 31, 2012		Chng Prev YR	% Chng Prev Yr
	Dollars	% of Budget	Dollars	% of Budget	Dollars	% of Budget		
General Fund Revenues								
Property Taxes	\$1,033,333	52%	\$1,058,907	58%	\$1,027,863	54%	(\$31,044)	-3%
Total Licenses and Permits	\$29,907	53%	\$28,909	51%	\$31,243	53%	\$2,334	8%
Intergovernmental Revenue	\$370,942	51%	\$370,217	50%	\$394,376	52%	\$24,160	7%
Charges for Services	\$76,352	54%	\$53,486	37%	\$98,769	79%	\$45,283	85%
Fines and Forfeitures	\$100,743	38%	\$119,068	55%	\$127,624	53%	\$8,556	7%
Miscellaneous	\$6,503	28%	\$9,610	30%	\$12,707	35%	\$3,098	32%
Investment Earnings	\$45,936	115%	\$26,635	76%	\$7,266	29%	(\$19,368)	-73%
Resort Tax & SID Revolving Transfer In	\$500,574	93%	\$553,708	100%	\$598,007	100%	\$44,299	8%
Total General Fund Revenues	\$2,164,289	57%	\$2,236,296	61%	\$2,297,857	61%	\$61,560	3%
General Fund Expenditures								
City Court	\$126,033	49%	\$134,391	47%	\$132,229	45%	(\$2,162)	-2%
Prosecution Services	\$68,406	62%	\$40,935	43%	\$43,153	44%	\$2,218	5%
Administrative Services	\$35,019	51%	\$33,453	50%	\$32,788	46%	(\$665)	-2%
Legal Services	\$9,482	53%	\$16,526	48%	\$16,411	45%	(\$114)	-1%
Community Planning	\$118,379	48%	\$122,641	49%	\$133,352	44%	\$10,710	9%
Budgeted Interfund Loan (Building & Drug F)	\$51,245	50%	\$31,513	50%	\$0	0%	(\$31,513)	-100%
Transfer to Park Fund	\$203,692	50%	\$232,185	50%	\$236,000	50%	\$3,815	2%
Transfer to Law Enforcement Fund	\$865,113	50%	\$855,000	50%	\$897,500	50%	\$42,500	5%
Transfer to Fire Fund	\$171,751	50%	\$217,007	50%	\$247,297	50%	\$30,290	14%
Transfer to Library Fund			\$16,685	50%	\$17,186	50%	\$501	3%
Total General Fund Expenditures	\$1,704,311	51%	\$1,734,120	50%	\$1,787,121	49%	\$53,002	3%
General Fund Revenues Less Expenditures	\$459,978		\$502,176		\$510,735		\$8,559	2%
General Fund Operating Cash Balance	\$105,630		\$673,002		\$1,019,903		\$346,900	52%
Prop Tax Supported Funds (no General) Net	\$94,186		(\$127,113)		(\$11,329)		\$115,784	-91%
Prop Tax Supported Funds (no General) Cash	\$418,901		\$438,697		\$428,475		(\$10,222)	-2%
Total General & Prop Tax Supported Funds Net	\$554,163		\$375,064		\$499,406		\$124,343	33%
Total General & Prop Tax Supported Funds Cash	\$524,531		\$1,111,699		\$1,448,378		\$336,679	30%

year end budgeted gain
\$60,504
yr end budgeted use of reserves
(\$195,202)
yr end budgeted use of reserves
(\$134,698)

GF Operating Cash Balance



	A	B	C	D	E	F	G	H	I	J	K	L	M
78			Dec 31, 2010			Dec 31, 2011			Dec 31, 2012				
79	Property Tax Supported Funds		Dollars	% of Budget		Dollars	% of Budget		Dollars	% of Budget	Chng Prev YR	% Chng Prev Yr	
80													
81	Parks and Rec Operating Cash Balance		(\$79,817)			(\$94,370)			(\$188,871)		(\$94,501)	100%	
82	Parks, Rec & Community Services Revenues		\$581,714	48%		\$576,494	44%		\$639,059	43%	\$62,565	11%	yr end budgeted
83	Parks, Rec & Community Services Exp.		\$661,569	55%		\$671,234	46%		\$811,170	55%	\$139,936	21%	gain
84	Revenues less Expenditures		(\$79,855)			(\$94,740)			(\$213,059)		(\$118,319)	125%	\$2,223
85													
86	Law Enforcement Operating Cash Balance		\$70,254			\$41,543			\$72,153		\$30,610	74%	
87	Law Enforcement Revenues		\$961,441	49%		\$923,534	49%		\$1,053,306	47%	\$129,771	14%	yr end budgeted
88	Law Enforcement Expenditures		\$891,874	47%		\$973,269	52%		\$1,050,883	21%	\$77,614	8%	use of reserves
89	Revenues less Expenditures		\$69,567			(\$49,735)			\$2,422		\$52,157	-105%	(\$33,942)
90													
91	Library Operating Cash Balance					(\$14,945)			\$2,475		\$17,420	-117%	
92	Library Revenues					\$87,406	46%		\$91,682	44%	\$4,276		yr end budgeted
93	Library Expenditures		\$8,336	25%		\$117,483	68%		\$94,234	47%	(\$23,249)	-20%	gain
94	Revenues less Expenditures					(\$30,077)			(\$2,552)		\$27,526	-92%	\$10,066
95													
96	Fire & Ambulance Cash Balance		\$459,327			\$457,380			\$501,168		\$43,788	10%	
97	Fire & Ambulance Taxes, Penalty and Interest		\$199,079	50%		\$262,495	52%		\$280,986	54%	\$18,491	7%	
98	Ambulance Services Revenue		\$410,190	52%		\$441,893	53%		\$575,645	52%	\$133,752	30%	
99	Fire & Ambulance Revenue		\$1,458,911	60%		\$1,180,585	53%		\$1,370,205	38%	\$189,620	16%	yr end budgeted
100	Fire & Ambulance Expenditures		\$1,316,968	54%		\$1,181,213	50%		\$1,254,131	33%	\$72,918	6%	use of reserves
101	Revenues less Expenditures		\$141,943			(\$628)			\$116,074		\$116,702	-18570%	(\$187,195)
102													
103	Building Codes Operating Cash Balance		(\$30,863)			\$49,088			\$41,549		(\$7,539)	-15%	
104	Payable to the General Fund		(\$431,572)			(\$460,977)			(\$460,977)			0%	
105	Budgeted Loan from General Fund		\$6,006	25%		\$31,513	50%		\$0		No Loan Needed		
108	License and Permits Revenues		\$98,582	49%		\$128,406	74%		\$178,142	57%	\$49,736	39%	
109	Building Codes Expenditures without C. Falls		\$122,248	54%		\$116,734	49%		\$134,334	47%	\$17,599	15%	
110	Columbia Falls Contract Revenues		\$12,454	26%		\$28,297	81%		\$20,175	78%	(\$8,122)	-29%	yr end budgeted
111	Columbia Falls Contract Expenditures		\$25,942	56%		\$23,434	65%		\$19,406	51%	(\$4,028)	-17%	gain
112	Revenues less Expenditures		(\$29,133)			\$48,068			\$44,838		(\$3,229)	-7%	\$13,646
113													
114	Total Property Tax Supported Funds (not including General Fund)												
115	Total Property Tax Supported Cash		\$418,901			\$438,697			\$428,475		(\$10,222)	-2%	
116	Total Property Tax Supported Revenue		\$3,121,123			\$2,956,255			\$3,352,830		\$396,574	13%	yr end budgeted
117	Total Property Tax Supported Expenditures		\$3,026,937			\$3,083,368			\$3,364,159		\$280,790	9%	use of reserves
118	Revenues less Expenditures		\$94,186			(\$127,113)			(\$11,329)		\$115,784	-91%	(\$195,202)
119													
120	Other Tax, Fee & Assessment Supported Funds												
121	Resort Tax Operating Cash Balance		\$2,237,048			\$2,001,263			\$1,631,167		(\$370,096)	-18%	
122	Resort Tax Collections		\$1,026,032	67%		\$1,089,524	65%		\$1,165,473	68%	\$75,949	7%	
123	Resort Tax Investment Earnings		\$29,617	99%		\$11,760	69%		\$3,060	20%	(\$8,700)	-74%	yr end budgeted
124	Resort Tax Expenditures and Transfers		\$1,345,980	51%		\$1,515,928	53%		\$1,960,347	67%	\$444,418	29%	use of reserves
125	Revenues less Expenditures		(\$290,331)			(\$414,645)			(\$791,814)		(\$377,169)	91%	(\$1,187,807)
126													
127	Street and Alley Operating Cash Balance		\$611,863			\$936,962			\$941,800		\$4,838	1%	
128	Street and Alley Revenues		\$690,966	63%		\$674,900	51%		\$763,201	58%	\$88,301	13%	yr end budgeted
129	Street and Alley Expenditures		\$671,675	47%		\$559,363	33%		\$701,244	43%	\$141,881	25%	use of reserves
130	Revenues less Expenditures		\$19,291			\$115,537			\$61,957		(\$53,579)	-46%	(\$346,776)
131													
132	Tax Increment Operating Cash Balance		\$1,009,310			\$1,305,330			\$2,552,913		\$1,247,583	96%	
133	Tax Increment Property Taxes, Penalty & Interest		\$2,268,651	62%		\$2,110,298	53%		\$2,393,926	57%	\$283,628	13%	
134	Tax Increment Revenues		\$2,374,852	62%		\$2,201,435	53%		\$2,494,866	57%	\$293,430	13%	yr end budgeted
135	Tax Increment Expenditures & Transfers		\$1,616,750	51%		\$2,818,793	58%		\$2,015,734	32%	(\$803,059)	-28%	use of reserves
136	Revenues less Expenditures		\$758,102			(\$617,358)			\$479,132		\$1,096,489	-178%	(\$1,938,459)
137													
138	Impact Fee Collections - Revenues		\$38,640	79%		\$68,624	141%		\$93,149	75%	\$24,525	36%	
139													
140	Street Lighting #1 Operating Cash Balance		\$56,612			\$48,709			\$61,899		\$13,191	27%	
141	Street Lighting District #1 (Rsdntl) Revenues		\$41,761	63%		\$37,219	56%		\$41,281	62%	\$4,063	11%	yr end budgeted
142	Street Lighting District #1 (Rsdntl) Exp.		\$30,805	36%		\$35,793	41%		\$22,010	21%	(\$13,782)	-39%	use of reserves
143	Revenues less Expenditures		\$10,956			\$1,426			\$19,271		\$17,845	1251%	(\$40,033)
144													
145	Street Lighting #2 Operating Cash Balance		\$62,800			\$70,519			\$69,863		(\$657)	-1%	
146	Street Lighting District #4 (Cmmrcial) Revenues		\$34,957	61%		\$32,343	56%		\$30,637	54%	(\$1,706)	-5%	yr end budgeted
147	Street Lighting District #4 (Cmmrcial) Exp.		\$16,873	25%		\$23,184	34%		\$31,210	35%	\$8,026	35%	use of reserves
148	Revenues less Expenditures		\$18,083			\$9,159			(\$573)		(\$9,732)	-106%	(\$31,553)
149													
154													

	A	B	C	D	E	F	G	H	I	J	K	L	M
155			Dec 31, 2010			Dec 31, 2011			Dec 31, 2012				
156	Enterprise Funds		Dollars	% of Budget		Dollars	% of Budget		Dollars	% of Budget	Chng Prev YR	% Chng Prev Yr	
157													
158	Water Operating Cash Balance		\$895,748			\$1,548,518			\$1,413,131		(\$135,388)	-9%	
159	Water - Metered Water Sales		\$1,183,352	55%		\$1,282,902	60%		\$1,364,754	58%	\$81,852	6%	
160	Water - Operating Revenues		\$1,289,326	56%		\$1,415,317	62%		\$1,520,311	60%	\$104,994	7%	year end budget
161	Water - Operating Expenditures		\$656,957	42%		\$701,830	48%		\$676,272	43%	(\$25,558)	-4%	Net Opr. Rev
162	Operating Revenues less Expenditures		\$632,369			\$713,487			\$844,039		\$130,552	18%	\$946,156
163	<i>Net Opr. Rev Required by Year End</i>		\$740,841			\$740,841			\$684,000				
164													
165	Non Operating Revenue		\$0	0%		\$400,000	0%		\$204,937	20%	(\$195,063)	-49%	
166	Water Capital Expenditures		\$38,648	1%		\$39,726	3%		\$724,704	27%	\$684,978	1724%	
167	Water Debt Service		\$295,709	0%		\$294,895	50%		\$304,360	45%	\$9,465	3%	
168													
169													
170	Wastewater Operating Cash Balance		\$162,644			\$382,319			\$392,484		\$10,166	3%	
171	Wastewater - Sewer Service Charges		\$920,333	56%		\$964,639	54%		\$1,040,047	55%	\$75,407	8%	
172	Wastewater - Operating Revenues		\$981,840	55%		\$1,042,778	55%		\$1,161,195	58%	\$118,417	11%	year end budget
173	Wastewater - Operating Expenditures		\$735,085	49%		\$720,098	48%		\$735,355	46%	\$15,257	2%	Net Opr. Rev
174	Operating Revenues less Expenditures		\$246,755			\$322,679			\$425,840		\$103,161	32%	\$391,648
175	<i>Net Opr. Rev Required by Year End</i>		\$279,000			\$279,914			\$304,000				
176													
177	Non Operating Revenue		\$198,753	10%		\$1,354,611	76%		\$52,441	9%	(\$1,302,170)	-96%	
178	Wastewater Capital Expenditures		\$136,660	3%		\$1,203,561	70%		\$103,265	8%	(\$1,100,295)	-91%	
179	Wastewater Debt Service		\$69,586	0%		\$103,894	53%		\$110,954	50%	\$7,059	0.06795	
180													
181													
182	Solid Waste Operating Cash Balance		(\$20,655)			\$21,113			\$62,429		\$41,315	196%	
183	Solid Waste Revenues		\$352,066	51%		\$366,166	51%		\$374,233	50%	\$8,067	2%	
184	Solid Waste Expenditures		\$341,618	50%		\$346,618	50%		\$351,432	47%	\$4,814	1%	
185	Revenues less Expenditures		\$10,447			\$19,548			\$22,801		\$3,253	17%	
186													
187													