



**CITY COUNCIL WORK SESSION
CITY COUNCIL CHAMBER CONFERENCE ROOM
MONDAY, FEBRUARY 4, 2013
5:00 to 7:00 PM**

1. Call to Order
2. 5:00 - Work session on various parking issues
 - a. Discussion of possible lease of 5 lots south of Craggy Range for use as temporary parking
 - b. Discussion of reinstating some lease parking in the parking lot at 3rd and Central and/or the parking lot at 2nd and Spokane
 - c. Discussion of re-evaluating the parking on Central Avenue between Depot Street and Railway Street as being only two hour parking
 - d. Other topics
3. 6:00 – Work session on the City’s water rights, adjudication of existing water rights, and applications for new water rights
4. Public Comment
5. Adjourn

**MAYLAWN &
HOME CARE INC**
Box 4296 Whitefish MT 59937

YOUR FULLY INSURED, REGISTERED, AND
LICENCED LAWN CARE AND LANDSCAPE
SPECIALISTS.

Jake: 261-9515 Yvonne: 261-8480

Name / Address

City of Whitefish
Box 158
Whitefish, MT 59937

5 Lots south of Craggy
Range

Estimate

Date	Estimate #
1/22/2013	1340

Description	Qty	Project	
		Cost	Total
PARKING AREA ON			
GRADE			
Sandy Loam Soil	98.00	7.25	710.50
Delivery Charges	9.00	95.00	855.00
Bobcat Work with Operator - spread and shape soil for berm	12.00	70.00	840.00
Landscaping Labor - spread and shape berms	16.00	42.00	672.00
Subtotal			3,077.50
NOTE: to build a 1.5' tall berm on south(allowing for driveways), on east side , and west side. This will allow for a 7' depth of planter bed			
PLANTS			
Deciduous Trees - 2" tree	8.00	156.25	1,250.00
Three-way Soil	2.00	30.50	61.00
Bobcat Work with Operator - move trees	2.75	70.00	192.50
Mini hoe use - move trees and plant	2.75	70.00	192.50
Landscaping Labor - pick up and plant trees	21.00	42.00	882.00
Shrubs and Grasses 2 gallon	180.00	16.50	2,970.00
Three-way Soil	1.75	30.50286	53.38
Landscaping Labor - pick up and install shrubs	30.00	42.00	1,260.00
Subtotal			6,861.38
IRRIGATION			
Drip Pipe	520.00	0.30	156.00
Irrigation Labor - install drip pipe	7.50	42.00	315.00
Sleeves for crossing driveways	2.00	30.00	60.00
Mini hoe use - dig in sleeves	3.00	70.00	210.00
NOTE: irrigation is a to stubbed out for hose tie in as temporary means to water.			
		Total	

Signature _____

Signature _____

This estimate is good for 30 days from date. A signature and/or deposit of 25% of estimate total is required for job confirmation.

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Estimate

Name / Address

City of Whitefish
Box 158
Whitefish, MT 59937

Date	Estimate #
1/22/2013	1340

		Project	
Description	Qty	Cost	Total
MULCH			
Mulch - Shredded Cedar	44.00	32.00	1,408.00
Delivery Charges	4.50	95.00	427.50
Bobcat Work with Operator	7.00	70.00	490.00
Landscaping Labor	14.00	42.00	588.00
Subtotal			3,654.50
DESIGNING			
Design Labor - producing plans for City's approval	18.00	75.00	1,350.00
Subtotal			1,350.00
		Total	\$14,943.38

Signature _____

Signature _____

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Jake: 261-9515 Yvonne: 261-8480

Name / Address

City of Whitefish
Box 158
Whitefish, MT 59937

Block 46 Lot at 3rd and
Spokane

Estimate

Date	Estimate #
1/22/2013	1339

		Project	
Description	Qty	Cost	Total
PARKING AREA ON [REDACTED]			
GRADE			
Sandy Loam Soil	56.0	7.25	406.00
Delivery Charges	5.0	95.00	475.00
Bobcat Work with Operator - spread and shape soil for berm	10.0	70.00	700.00
Landscaping Labor - spread and shape berms	12.0	42.00	504.00
Subtotal			2,085.00
NOTE: to build a 1.5' tall berm on south(allowing for driveways), on east side , and west side.			
PLANTS			
Deciduous Trees - 2" tree	10.0	156.25	1,562.50
Three-way Soil	3.0	30.50	91.50
Bobcat Work with Operator - move trees	3.0	70.00	210.00
Mini hoe use - move trees and plant	3.0	70.00	210.00
Landscaping Labor - pick up and plant trees	25.0	42.00	1,050.00
Shrubs and Grasses 2 gallon	210.0	16.50	3,465.00
Three-way Soil	2.0	30.50	61.00
Landscaping Labor - pick up and install shrubs	32.0	42.00	1,344.00
Subtotal			7,994.00
IRRIGATION			
Drip Pipe	300.0	0.30	90.00
Irrigation Labor - install drip pipe	6.0	42.00	252.00
Sleeves for crossing driveways	2.0	30.00	60.00
Mini hoe use - dig in sleeves	3.0	70.00	210.00
NOTE: irrigation is a to stubbed out for hose tie in as temporary means to water.			
		Total	

Signature _____

Signature _____

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Name / Address

City of Whitefish
Box 158
Whitefish, MT 59937

Estimate

Date	Estimate #
1/22/2013	1339

			Project	
Description	Qty	Cost	Total	
MULCH				
Mulch - Shredded Cedar	22.0	32.00	704.00	
Delivery Charges	2.5	95.00	237.50	
Bobcat Work with Operator	5.0	70.00	350.00	
Landscaping Labor	10.0	42.00	420.00	
Subtotal			2,323.50	
DESIGNING				
Design Labor - produce drawings for City's approval	22.0	75.00	1,650.00	
Subtotal			1,650.00	
			Total	\$14,052.50

Signature _____

Signature _____

This estimate is good for 30 days from date. A signature and/or deposit of 25% of estimate total is required for job confirmation.

Staff Report



To: Mayor John Muhlfeld and City Councilors
From: Rich Knapp, Assistant City Manager/Finance Director
Date: January 29, 2013
Re: Parking Lot Lease Costs 3rd and Central

History

At a prior work session, the Council requested that we analyze the cost to maintain a stall in the 3rd and Central parking lot. The last time the city had leased stalls there, the city leased four 24 hour stalls for \$50 per month and thirteen 12 hour stalls for \$40 per month. Stalls were not permitted to be leased for a period less than three months.

Current Report

The cost to maintain and lease each stall per month in 2013 dollars is \$41. The back-up for this number is attached. There was no break down for 12 vs 24hr stalls, however the cost would not vary much between to the two. Perhaps the largest cost not factored into the numbers is the opportunity cost. The cost of having one less stall available to the general public near downtown is difficult to measure, yet probably has an effect on spending downtown, convenience, and the perception of available parking.

Financial Impact

If the city leased 17 spots at \$50 per month, this would result in \$10,200 per year.

Staff Recommendation

If the Council decided to move forward with leasing these lots, staff recommends a fee that at least covers our maintenance and lease administrative costs.

Parking Stall Lease Fee Calculation

Entire Lot Costs	Annual	Every 10 Years
Snow Removal	\$ 5,000	
Deicing	\$ 950	
Sweeping	\$ 3,150	
Sign Replacement	\$ 400	
Light Repair	\$ 500	
Lights	\$ 46	
Water	\$ 548	
Garbage	\$ 455	
Landscape & Irrigation System Maintenance	\$ 1,325	\$ -
Striping	\$ 600	\$ 940
Overlay-Once every 15 years?		\$ 9,750
Light Replace		\$ 1,800
Amenity Replc-Kiosk, bench, bike racks, toters		\$ 10,000
Indirect Costs-Insurance-Liability & Pollution, Risk, Compliance, Depreciatik	\$ 1,740	\$ 3,674
Total	\$ 14,714	\$ 26,164
10 year costs per Year	\$ 2,616	
Total per Year	\$ 17,331	
Total per stall per year	\$ 423	

Lease Specific Costs-Per Year Per Leased Stall*

Administrative @25.50 per hour, .5 hr per stall per yr	\$ 13	
Enforcement @22 per hour, 2 hrs per stall per yr	\$ 44	
Admin-questions, & oversight .1 hr per stall per yr	\$ 5	
Indirect Costs	\$ 9	
Opportunity Cost-business/visitor impact of one less stall available	\$ -	important # hard to quantify
Total Per Leased Stall Per Year	\$ 70	

*Assumes 17 leased spots

Cost per Year per Leased Stall	\$ 493	
Cost per Month per Leased Stall	\$ 41	2013 Dollars

Assuming 3% Inflation--Cost in 5 years \$ 48

Other costs/considerations include:

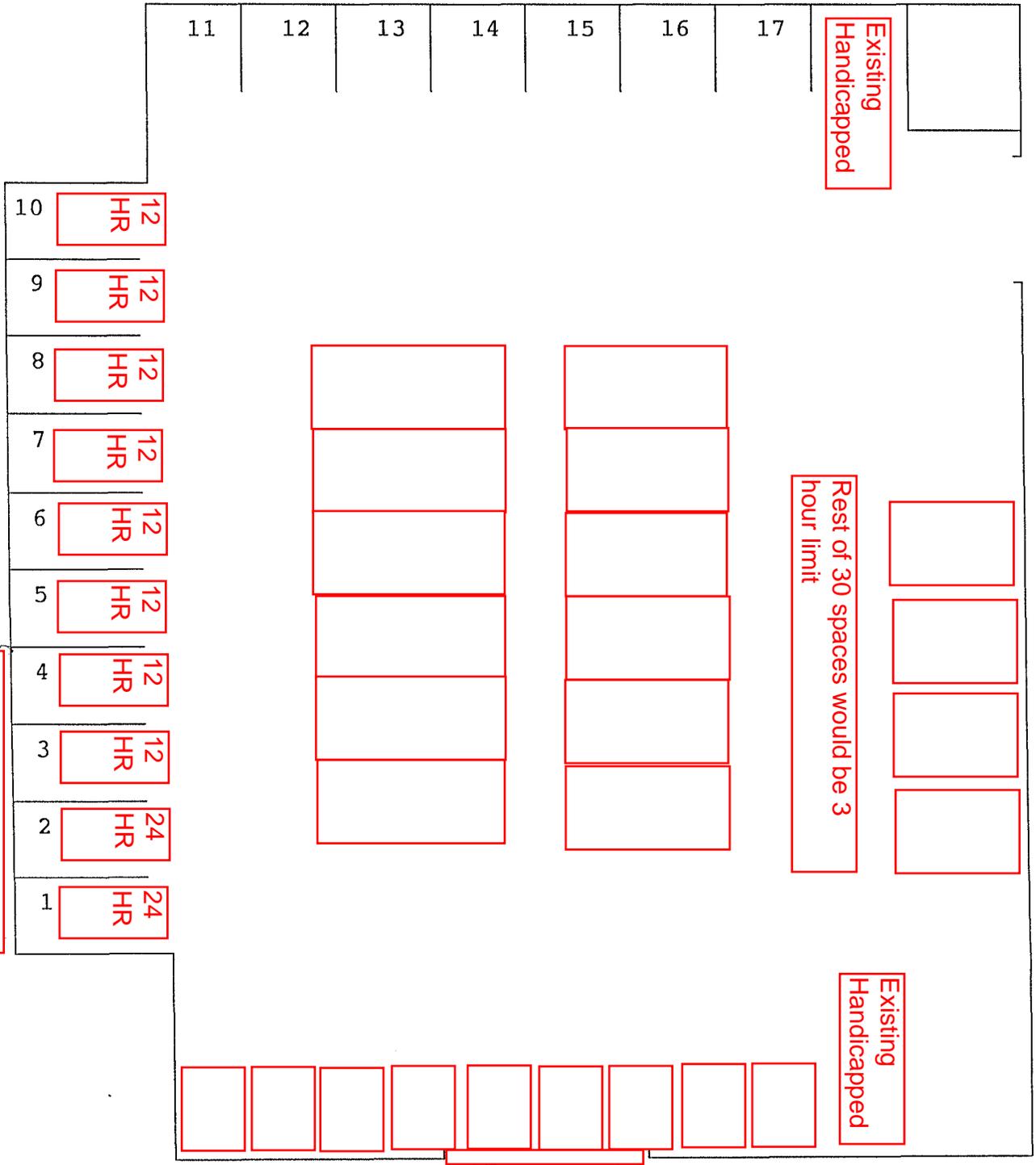
- Use of property for something else or sell
- Market determined price of stall different than cost- supply & demand
- A profit for the city to support general parking services



North →

3RD STREET LOT
(Western Way Parking Lot)

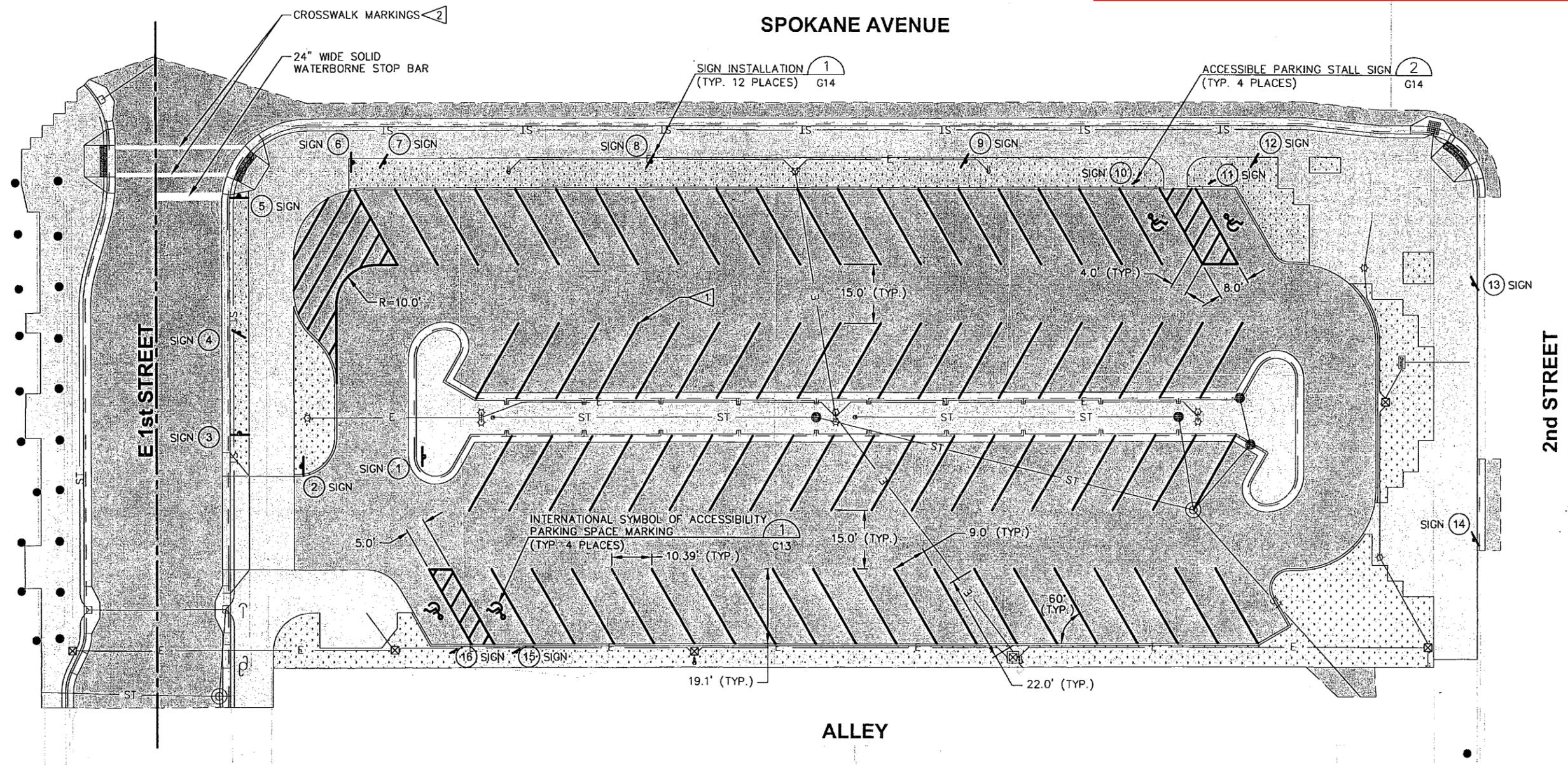
(ALLEY)



CENTRAL AVENUE



77 spaces plus 4 handicapped spaces in the lot



SYM	REVISION	BY	APPR.	DATE
A	RECORD DRAWING	XXX	XXX	00/00

MARCH 2009	DATE	07105.300	PROJECT NO.	Striping & Sign-plan WPL
B.T.H.E.I.S.	DESIGNED BY	M.ROGERS	DRAWN BY	R.MITCHELL
	CHECKED BY			

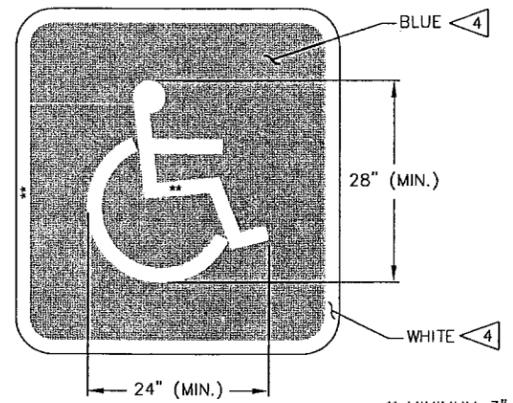
PROJECT TITLE
**WHITEFISH PARKING LOT
 AT 2nd ST & SPOKANE AVE**
 Whitefish, Montana

SHEET TITLE
**PAVEMENT MARKING
 AND
 SIGNING PLAN**

SHEET
C13

K:\Vol Proj-Data\07105_300 - Whitefish Parking Lot - WPL\C13\05_300 - Proj\Views\As-Built\Sheet\Striping&Sign-plan-WPL_A3.dwg Jul 25, 2009

- NOTES:**
- 1 ALL PARKING LOT STALL MARKINGS SHALL BE 4" WIDE SOLID WHITE WATERBORNE.
 - 2 CROSSWALK MARKINGS SHALL BE 12" WIDE SOLID WHITE WATERBORNE MEASURED 8' WIDE. (OUTSIDE TO OUTSIDE)
 - 3. SEE SHEET G14 FOR SIGN SCHEDULE AND DETAILS.
 - 4 PAINT SHALL BE WATERBORNE.

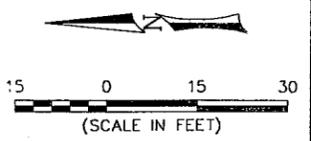


**INTERNATIONAL SYMBOL OF ACCESSIBILITY
 PARKING SPACE MARKING**

SCALE: NONE

1
 C13

- NEW ASPHALT
- NEW SIDEWALK
- NEW CURB
- LANDSCAPING



	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1															
2															
3															
4	WHITEFISH WATER RIGHTS & SUPPLY SUMMARY														
5		Prepared:		5/11/2009											
6		Updated:		1/29/2013											
7															
8									AF/Year	EQR/EDU	Population	Amended			
9									Amended	Amended	Served	% of Original			
10	WATER RIGHTS/SUPPLY	Claim #	CFS	Gallons/Day	Acre Feet/Day	Acre Feet/Year	EQR/EDU								
11															
12	May 5, 1958 - Whitefish Lake Pumping (Mountain Harbor)	17980	6.00	3,877,632.00	11.90	4,355.41	9,012.30								
13	August 10, 1918 - First Creek of Haskill Creek	17982	4.00	2,585,088.00	7.93	2,903.60	6,008.20								
14	August 10, 1918 - Second Creek of Haskill Creek	17983	4.00	2,585,088.00	7.93	2,903.60	6,008.20								
15	July 28, 1929 - Third Creek of Haskill Creek	17984	4.00	2,585,088.00	7.93	2,903.60	6,008.20								
16															
17	Sub-Total of Primary Water Rights for adjudication		18.00	11,632,896.00	35.70	13,066.22	27,036.90	1,454.30	3,009.27	6,409.74	11.13%				
18															
19	September 24, 1978 - Provisional Permit - Lake pumping	18165	0.495	319,618.88	0.98	359.00	742.85	359.00	742.85	1,582.27	no change				
20															
21	Total of consumable water rights prior to 2013 new permit application		18.495	11,952,514.88	36.68	13,425.22	27,779.75	1,813.30	3,752.12	7,992.01					
22															
23	2013 New permit application for additional lake pumping (Mtn Harbor)		2.640	1,706,400.00	5.24	1,911.41	3,965.97	1,911.41	3,955.14	8,424.44					
24															
25	Future total consumable water rights		21.135	13,658,914.88	41.92	15,336.63	31,745.72	3,724.71	7,707.26	16,416.46					
26															
27															
28															
29															
30															
31	Other Water Rights														
32	May 5, 1958 - City and Golf Course Irrigation	17981	4.000	2,585,088.00	7.93	2,895.67 (can become consumable)		847.00	1,752.63		29.25%				
33	January 20, 1984 - 1st, 2nd, & 3rd Creeks - Power Generation		4.787	3,093,625.83	9.49	3,474.80		3,474.80			no change				
34	February 11, 1982 - Notice of Completion - Armory Irrigation Well		0.011	7,200.00	0.02	8.07		8.07			no change				
35															
36															
37	BOLD DENOTES BASIS OF CLAIM														
38															
39															
40															
41															
42	CURRENT USAGE														
43															
44	Low month (between 2003-2012)- November, 2003 (avg GD)		1.208	781,000.00	2.40	874.83	3,393.63								
45	High month - (between 2003-2012) - July 07 (avg GD)		4.599	2,972,000.00	9.12	3,329.07	12,914.05								
46	High Year (2007 - 521,696,000 gallons for the year)		2.212	1,429,304.11	4.39	1,601.03	6,210.67								
47	Highest Day usages														
48	8/8/2012		4.507	2,913,000.00	8.94	3,262.98	12,657.68								
49	2011		4.453	2,878,000.00	8.83	3,223.77	12,505.59								
50	7/26/2010		3.981	2,573,000.00	7.90	2,882.13	11,180.30								
51	7/2/2009		4.206	2,718,000.00	8.34	3,044.55	11,810.36								
52	8/7/2008		4.859	3,140,000.00	9.64	3,517.25	13,644.05								
53	7/17/2007		5.180	3,348,000.00	10.27	3,750.24	14,547.86								
54	7/29/2006		4.538	2,933,000.00	9.00	3,285.38	12,744.58								
55	8/9/2005		4.467	2,887,000.00	8.86	3,233.86	12,544.70								
56	8/17/2004		4.269	2,759,000.00	8.47	3,090.48	11,988.51								
57	7/30/2003		4.628	2,991,000.00	9.18	3,350.35	12,996.61								
58															
59															
60	Comments from Water Rights Consultant on chart:														
61															
62	1. The volume of water pumped from the lake under Water Right Nos. 17980 and 17981 is not added to the total used from Haskill Basin														
63	(except 232 AF of Claim No. 17981 used to irrigate the golf course). The lake claims are supplemental to the Haskill Basin claims and were														
64	historically used to back up that system. Only Permit No. 18165 and the Armory well provide additional volume.														
65															
66	2. The power generation permit cannot be used to provide additional water for municipal because there is no additional water to divert. The														
67	City is already using the Haskill Basin water for both power generation and municipal use.														
68															
69															
70	3. Any usage information provided by Greg Acton on peak water usage only includes treated water, not diverted water or unmetered														
71	uses. The information from the 2005 HDR report is probably more reliable. HDR used existing water production and meter records to develop														
72	per capita water demand factors for residential, commercial, visiting, seasonal, irrigation and lost water. HDR also forecast the future per														
73	capita minimum (153 GPCD), average (202 GPCD) and maximum (314 GPCD) day demands for water in the service area.														
74	The permit application is based on the additional water needed to supply a population of 15,825. If you have any questions about my														
75	interpretation of the HDR figures, please contact me.														
76	Nancy Zalutsky														
77	Water Rights Specialist														
78	Water Right Solutions														
79	303 Clarke Street														
80	Helena, MT 59601														
81	406-443-6458														
82															
83															
84															

REVIEW ABSTRACT OF WATER RIGHT CLAIM



IMPORTANT NOTICE

AN ASTERISK (*) HAS BEEN PLACED NEXT TO EACH ITEM CHANGED IN ACCORDANCE WITH THE SUPREME COURT RULES GOVERNING THE EXAMINATION OF THIS CLAIM.

Water Right Number: 76LJ 17980-00 STATEMENT OF CLAIM
Version: 1 -- ORIGINAL RIGHT
Status: ACTIVE

Owners: WHITEFISH, CITY OF
PO BOX 158
WHITEFISH, MT 59937

Priority Date: DECEMBER 31, 1907
Enforceable Priority Date: DECEMBER 31, 1907

Type of Historical Right: FILED

Purpose (use): MUNICIPAL

*Flow Rate: 2.23 CFS

*Volume: 1,116.78 AC-FT

THE VOLUME OF THIS WATER RIGHT HAS BEEN REDUCED TO THE GUIDELINE OF 1116.78 ACRE FEET PER YEAR. THIS VOLUME MAY BE CONTESTED BY PROPER OBJECTION.

VOLUME MAY BE EXCESSIVE. BASED ON THE FLOW RATE AND PERIOD OF USE, THE SYSTEM WOULD HAVE TO RUN 16 HOURS PER DAY TO DELIVER THE CLAIMED VOLUME. NO INFORMATION EXISTS IN THE CLAIM FILE TO CONFIRM THIS FIGURE.

* Source: WHITEFISH RIVER (WHITEFISH LAKE)
Source Type: SURFACE WATER

Point of Diversion and Means of Diversion:

<u>ID</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1		NESESE	26	31N	22W	FLATHEAD

Period of Diversion: JANUARY 1 TO DECEMBER 31

Diversion Means: PUMP

Period of Use: JANUARY 1 to DECEMBER 31

Place of Use:

<u>ID</u>	<u>Acres</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1			NE	23	31N	22W	FLATHEAD
2			S2NE	24	31N	22W	FLATHEAD
3			NESE	24	31N	22W	FLATHEAD
4			NW	24	31N	22W	FLATHEAD
5			E2SW	24	31N	22W	FLATHEAD
6			NWNE	25	31N	22W	FLATHEAD
7			S2NE	25	31N	22W	FLATHEAD

Place of Use:

<u>ID</u>	<u>Acres</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
8			SE	25	31N	22W	FLATHEAD
9			NW	25	31N	22W	FLATHEAD
10			SW	25	31N	22W	FLATHEAD
11			S2SW	26	31N	22W	FLATHEAD
12			E2NWSW	26	31N	22W	FLATHEAD
13			NE	35	31N	22W	FLATHEAD
14			SE	35	31N	22W	FLATHEAD
15			NW	35	31N	22W	FLATHEAD
16			E2SW	35	31N	22W	FLATHEAD
17				36	31N	22W	FLATHEAD
18				31	31N	21W	FLATHEAD
19			S2N2NE	32	31N	21W	FLATHEAD
20			S2NE	32	31N	21W	FLATHEAD
21			NWSE	32	31N	21W	FLATHEAD
22			N2SW	32	31N	21W	FLATHEAD
23			NW	32	31N	21W	FLATHEAD
24			N2NE	1	30N	22W	FLATHEAD
25			SWNE	1	30N	22W	FLATHEAD
26			NWSE	1	30N	22W	FLATHEAD
27			NW	1	30N	22W	FLATHEAD
28			E2NESW	1	30N	22W	FLATHEAD
29			NE	2	30N	22W	FLATHEAD
30			SWNW	5	30N	21W	FLATHEAD
31			NWSW	5	30N	21W	FLATHEAD
32		1	N2N2	6	30N	21W	FLATHEAD
33			NENW	23	31N	22W	FLATHEAD
34			S2S2SE	26	31N	22W	FLATHEAD
35			N2S2	19	31N	21W	FLATHEAD
36			E2	30	31N	21W	FLATHEAD
37			SWSW	29	31N	21W	FLATHEAD

Remarks:

THE WATER RIGHTS FOLLOWING THIS STATEMENT ARE SUPPLEMENTAL WHICH MEANS THE RIGHTS HAVE OVERLAPPING PLACES OF USE. THE RIGHTS CAN BE COMBINED TO IRRIGATE ONLY OVERLAPPING PARCELS. EACH RIGHT IS LIMITED TO THE FLOW RATE AND PLACE OF USE OF THAT INDIVIDUAL RIGHT. THE SUM TOTAL VOLUME OF THESE WATER RIGHTS SHALL NOT EXCEED THE AMOUNT PUT TO HISTORICAL AND BENEFICIAL USE.

17980-00 17981-00 17982-00 17983-00 17984-00

THE VOLUME AND PLACE OF USE WERE AMENDED BY THE CLAIMANT ON 7/29/2011 PURSUANT TO SECTION 85-2-233(6), MCA.

THE POINT OF DIVERSION AND PLACE OF USE WERE AMENDED BY THE CLAIMANT ON 6/25/2012 PURSUANT TO SECTION 85-2-233(6), MCA.

THIS RIGHT IS ASSOCIATED TO WATER RIGHT 76LJ P018165-00. THEY HAVE THE SAME PLACE OF USE.

Remarks:

STARTING IN 2008, PERIOD OF DIVERSION WAS ADDED TO MOST CLAIM ABSTRACTS, INCLUDING THIS ONE.

REVIEWED BY : JIM ALBRECHT

DATE:

REVIEW ABSTRACT OF WATER RIGHT CLAIM

IMPORTANT NOTICE

AN ASTERISK (*) HAS BEEN PLACED NEXT TO EACH ITEM CHANGED IN ACCORDANCE WITH THE SUPREME COURT RULES GOVERNING THE EXAMINATION OF THIS CLAIM.

Water Right Number: 76LJ 17981-00 STATEMENT OF CLAIM
Version: 1 -- ORIGINAL RIGHT
Status: ACTIVE

Owners: WHITEFISH LAKE GOLF CLUB
PO BOX 666
WHITEFISH, MT 59937

WHITEFISH, CITY OF
PO BOX 158
WHITEFISH, MT 59937

Priority Date: AUGUST 1, 1957
Enforceable Priority Date: AUGUST 1, 1957

Type of Historical Right: FILED

Purpose (use): MUNICIPAL

***Flow Rate:** 1.56 CFS

Volume: 847.00 AC-FT

VOLUME MAY BE EXCESSIVE. BASED ON THE FLOW RATE AND PERIOD OF USE, THE SYSTEM WOULD HAVE TO RUN 18 HOURS PER DAY TO DELIVER THE CLAIMED VOLUME. NO INFORMATION EXISTS IN THE CLAIM FILE TO CONFIRM THIS FIGURE.

*** Source:** WHITEFISH RIVER (WHITEFISH LAKE)
Source Type: SURFACE WATER

Point of Diversion and Means of Diversion:

<u>ID</u>	<u>Govt Lot</u>	<u>Qtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1	6	NWSWSE	26	31N	22W	FLATHEAD

Period of Diversion: JANUARY 1 TO DECEMBER 31

Diversion Means: PUMP

Period of Use: JANUARY 1 to DECEMBER 31

Place of Use:

<u>ID</u>	<u>Acres</u>	<u>Govt Lot</u>	<u>Qtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1			NE	23	31N	22W	FLATHEAD
2			S2NE	24	31N	22W	FLATHEAD
3			NESE	24	31N	22W	FLATHEAD
4			NW	24	31N	22W	FLATHEAD
5			E2SW	24	31N	22W	FLATHEAD
6			NWNE	25	31N	22W	FLATHEAD

Place of Use:

<u>ID</u>	<u>Acres</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
7			S2NE	25	31N	22W	FLATHEAD
8			SE	25	31N	22W	FLATHEAD
9			NW	25	31N	22W	FLATHEAD
10			SW	25	31N	22W	FLATHEAD
11			S2SW	26	31N	22W	FLATHEAD
12			E2NWSW	26	31N	22W	FLATHEAD
13			NE	35	31N	22W	FLATHEAD
14			SE	35	31N	22W	FLATHEAD
15			NW	35	31N	22W	FLATHEAD
16			E2SW	35	31N	22W	FLATHEAD
17				36	31N	22W	FLATHEAD
18				31	31N	21W	FLATHEAD
19			S2N2NE	32	31N	21W	FLATHEAD
20			S2NE	32	31N	21W	FLATHEAD
21			NWSE	32	31N	21W	FLATHEAD
22			N2SW	32	31N	21W	FLATHEAD
23			NW	32	31N	21W	FLATHEAD
24			N2NE	1	30N	22W	FLATHEAD
25			SWNE	1	30N	22W	FLATHEAD
26			NWSE	1	30N	22W	FLATHEAD
27			NW	1	30N	22W	FLATHEAD
28			E2NESW	1	30N	22W	FLATHEAD
29			NE	2	30N	22W	FLATHEAD
30			SWNW	5	30N	21W	FLATHEAD
31			NWSW	5	30N	21W	FLATHEAD
32		1	N2N2	6	30N	21W	FLATHEAD
33			NENW	23	31N	22W	FLATHEAD
34			S2S2SE	26	31N	22W	FLATHEAD
35			N2S2	19	31N	21W	FLATHEAD
36			E2	30	31N	21W	FLATHEAD
37			SWSW	29	31N	21W	FLATHEAD

Remarks:

THE WATER RIGHTS FOLLOWING THIS STATEMENT ARE SUPPLEMENTAL WHICH MEANS THE RIGHTS HAVE OVERLAPPING PLACES OF USE. THE RIGHTS CAN BE COMBINED TO IRRIGATE ONLY OVERLAPPING PARCELS. EACH RIGHT IS LIMITED TO THE FLOW RATE AND PLACE OF USE OF THAT INDIVIDUAL RIGHT. THE SUM TOTAL VOLUME OF THESE WATER RIGHTS SHALL NOT EXCEED THE AMOUNT PUT TO HISTORICAL AND BENEFICIAL USE.

17980-00 17981-00 17982-00 17983-00 17984-00

THE FOLLOWING ELEMENTS WERE AMENDED BY THE CLAIMANT ON 7/27/2011: FLOW RATE, VOLUME AND PLACE OF USE.

THE POINT OF DIVERSION AND PLACE OF USE WERE AMENDED BY THE CLAIMANT ON 6/25/2012 PURSUANT TO SECTION 85-2-233(6), MCA.

THIS RIGHT IS ASSOCIATED TO WATER RIGHT 76LJ P018165-00. THEY HAVE THE SAME PLACE OF USE.

Remarks:

STARTING IN 2008, PERIOD OF DIVERSION WAS ADDED TO MOST CLAIM ABSTRACTS, INCLUDING THIS ONE.

OWNERSHIP UPDATE RECEIVED

OWNERSHIP UPDATE TYPE 608 # 9189 RECEIVED 07/17/2002.

REVIEWED BY : JIM ALBRECHT

DATE:

REVIEW ABSTRACT OF WATER RIGHT CLAIM

IMPORTANT NOTICE

AN ASTERISK (*) HAS BEEN PLACED NEXT TO EACH ITEM CHANGED IN ACCORDANCE WITH THE SUPREME COURT RULES GOVERNING THE EXAMINATION OF THIS CLAIM.

Water Right Number: 76LJ 17982-00 STATEMENT OF CLAIM
Version: 1 -- ORIGINAL RIGHT
Status: ACTIVE

Owners: WHITEFISH, CITY OF
PO BOX 158
WHITEFISH, MT 59937

Priority Date: JULY 16, 1918
Enforceable Priority Date: JULY 16, 1918

Type of Historical Right: FILED

Purpose (use): MUNICIPAL

Flow Rate: 4.00 CFS

Volume: 1,454.30 AC-FT

*** Source:** HASKILL CREEK
Source Type: SURFACE WATER

Point of Diversion and Means of Diversion:

<u>ID</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1		NENESE	12	31N	22W	FLATHEAD

Period of Diversion: JANUARY 1 TO DECEMBER 31

Diversion Means: HEADGATE

***Reservoir:** OFF STREAM **Reservoir Name:** CITY RESERVOIR

<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
	S2N2	19	31N	21W	FLATHEAD

Diversion to Reservoir: DIVERSION # 1

Dam Height: 21.00 FEET
Depth: 18.22 FEET
Surface Area: 1.60 ACRES
Capacity: 11.70 ACRE-FEET

Period of Use: JANUARY 1 to DECEMBER 31

Place of Use:

<u>ID</u>	<u>Acres</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1			NE	23	31N	22W	FLATHEAD
2			S2NE	24	31N	22W	FLATHEAD
3			NESE	24	31N	22W	FLATHEAD
4			NW	24	31N	22W	FLATHEAD

Place of Use:

<u>ID</u>	<u>Acres</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
5			E2SW	24	31N	22W	FLATHEAD
6			NWNE	25	31N	22W	FLATHEAD
7			S2NE	25	31N	22W	FLATHEAD
8			SE	25	31N	22W	FLATHEAD
9			NW	25	31N	22W	FLATHEAD
10			SW	25	31N	22W	FLATHEAD
11			S2SW	26	31N	22W	FLATHEAD
12			E2NWSW	26	31N	22W	FLATHEAD
13			NE	35	31N	22W	FLATHEAD
14			SE	35	31N	22W	FLATHEAD
15			NW	35	31N	22W	FLATHEAD
16			E2SW	35	31N	22W	FLATHEAD
17				36	31N	22W	FLATHEAD
18				31	31N	21W	FLATHEAD
19			S2N2NE	32	31N	21W	FLATHEAD
20			S2NE	32	31N	21W	FLATHEAD
21			NWSE	32	31N	21W	FLATHEAD
22			N2SW	32	31N	21W	FLATHEAD
23			NW	32	31N	21W	FLATHEAD
24			N2NE	1	30N	22W	FLATHEAD
25			SWNE	1	30N	22W	FLATHEAD
26			NWSE	1	30N	22W	FLATHEAD
27			NW	1	30N	22W	FLATHEAD
28			E2NESW	1	30N	22W	FLATHEAD
29			NE	2	30N	22W	FLATHEAD
30			SWNW	5	30N	21W	FLATHEAD
31			NWSW	5	30N	21W	FLATHEAD
32		1	N2N2	6	30N	21W	FLATHEAD
33			NENW	23	31N	22W	FLATHEAD
34			S2S2SE	26	31N	22W	FLATHEAD
35			N2S2	19	31N	21W	FLATHEAD
36			E2	30	31N	21W	FLATHEAD
37			SWSW	29	31N	21W	FLATHEAD

Remarks:

THE WATER RIGHTS FOLLOWING THIS STATEMENT ARE SUPPLEMENTAL WHICH MEANS THE RIGHTS HAVE OVERLAPPING PLACES OF USE. THE RIGHTS CAN BE COMBINED TO IRRIGATE ONLY OVERLAPPING PARCELS. EACH RIGHT IS LIMITED TO THE FLOW RATE AND PLACE OF USE OF THAT INDIVIDUAL RIGHT. THE SUM TOTAL VOLUME OF THESE WATER RIGHTS SHALL NOT EXCEED THE AMOUNT PUT TO HISTORICAL AND BENEFICIAL USE.

17980-00 17981-00 17982-00 17983-00 17984-00

THE FOLLOWING ELEMENTS WERE AMENDED BY THE CLAIMANT ON 7/27/2011: VOLUME, STORAGE AND PLACE OF USE.

THE PLACE OF USE AND VOLUME WERE AMENDED BY THE CLAIMANT ON 6/25/2012 PURSUANT TO SECTION 85-2-233(6), MCA.

Remarks:

THIS RIGHT IS ASSOCIATED TO WATER RIGHT 76LJ P018165-00. THEY HAVE THE SAME PLACE OF USE. STARTING IN 2008, PERIOD OF DIVERSION WAS ADDED TO MOST CLAIM ABSTRACTS, INCLUDING THIS ONE.

REVIEWED BY : JIM ALBRECHT

DATE:

REVIEW ABSTRACT OF WATER RIGHT CLAIM

IMPORTANT NOTICE

AN ASTERISK (*) HAS BEEN PLACED NEXT TO EACH ITEM CHANGED IN ACCORDANCE WITH THE SUPREME COURT RULES GOVERNING THE EXAMINATION OF THIS CLAIM.

Water Right Number: 76LJ 17983-00 STATEMENT OF CLAIM
Version: 1 -- ORIGINAL RIGHT
Status: ACTIVE

Owners: WHITEFISH, CITY OF
PO BOX 158
WHITEFISH, MT 59937

Priority Date: JULY 16, 1918
Enforceable Priority Date: JULY 16, 1918

Type of Historical Right: FILED

Purpose (use): MUNICIPAL

Flow Rate: 4.00 CFS

Volume: 1,454.30 AC-FT

Source: UNNAMED TRIBUTARY OF HASKILL CREEK
Source Type: SURFACE WATER
ALSO KNOWN AS SECOND CREEK

Point of Diversion and Means of Diversion:

<u>ID</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1		SESENE	12	31N	22W	FLATHEAD

Period of Diversion: JANUARY 1 TO DECEMBER 31

Diversion Means: HEADGATE

Reservoir: OFF STREAM **Reservoir Name:** CITY RESERVOIR

<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
	S2N2	19	31N	21W	FLATHEAD

Diversion to Reservoir: DIVERSION # 1

Dam Height: 21.00 FEET
Depth: 18.22 FEET
Surface Area: 1.60 ACRES
Capacity: 11.70 ACRE-FEET

Period of Use: JANUARY 1 to DECEMBER 31

Place of Use:

<u>ID</u>	<u>Acres</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1			NE	23	31N	22W	FLATHEAD
2			S2NE	24	31N	22W	FLATHEAD
3			NESE	24	31N	22W	FLATHEAD

Place of Use:

<u>ID</u>	<u>Acres</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
4			NW	24	31N	22W	FLATHEAD
5			E2SW	24	31N	22W	FLATHEAD
6			NWNE	25	31N	22W	FLATHEAD
7			S2NE	25	31N	22W	FLATHEAD
8			SE	25	31N	22W	FLATHEAD
9			NW	25	31N	22W	FLATHEAD
10			SW	25	31N	22W	FLATHEAD
11			S2SW	26	31N	22W	FLATHEAD
12			E2NWSW	26	31N	22W	FLATHEAD
13			NE	35	31N	22W	FLATHEAD
14			SE	35	31N	22W	FLATHEAD
15			NW	35	31N	22W	FLATHEAD
16			E2SW	35	31N	22W	FLATHEAD
17				36	31N	22W	FLATHEAD
18				31	31N	21W	FLATHEAD
19			S2N2NE	32	31N	21W	FLATHEAD
20			S2NE	32	31N	21W	FLATHEAD
21			NWSE	32	31N	21W	FLATHEAD
22			N2SW	32	31N	21W	FLATHEAD
23			NW	32	31N	21W	FLATHEAD
24			N2NE	1	30N	22W	FLATHEAD
25			SWNE	1	30N	22W	FLATHEAD
26			NWSE	1	30N	22W	FLATHEAD
27			NW	1	30N	22W	FLATHEAD
28			E2NESW	1	30N	22W	FLATHEAD
29			NE	2	30N	22W	FLATHEAD
30			SWNW	5	30N	21W	FLATHEAD
31			NWSW	5	30N	21W	FLATHEAD
32		1	N2N2	6	30N	21W	FLATHEAD
33			NENW	23	31N	22W	FLATHEAD
34			S2S2SE	26	31N	22W	FLATHEAD
35			N2S2	19	31N	21W	FLATHEAD
36			E2	30	31N	21W	FLATHEAD
37			SWSW	29	31N	21W	FLATHEAD

Remarks:

THE WATER RIGHTS FOLLOWING THIS STATEMENT ARE SUPPLEMENTAL WHICH MEANS THE RIGHTS HAVE OVERLAPPING PLACES OF USE. THE RIGHTS CAN BE COMBINED TO IRRIGATE ONLY OVERLAPPING PARCELS. EACH RIGHT IS LIMITED TO THE FLOW RATE AND PLACE OF USE OF THAT INDIVIDUAL RIGHT. THE SUM TOTAL VOLUME OF THESE WATER RIGHTS SHALL NOT EXCEED THE AMOUNT PUT TO HISTORICAL AND BENEFICIAL USE.

17980-00 17981-00 17982-00 17983-00 17984-00

THE FOLLOWING ELEMENTS WERE AMENDED BY THE CLAIMANT ON 7/27/2011: VOLUME, STORAGE AND PLACE OF USE.

Remarks:

THE FOLLOWING ELEMENTS WERE AMENDED BY THE CLAIMANT ON 6/25/2012: PRIORITY DATE, PLACE OF USE AND VOLUME.

THIS RIGHT IS ASSOCIATED TO WATER RIGHT 76LJ P018165-00. THEY HAVE THE SAME PLACE OF USE. STARTING IN 2008, PERIOD OF DIVERSION WAS ADDED TO MOST CLAIM ABSTRACTS, INCLUDING THIS ONE.

REVIEWED BY : JIM ALBRECHT

DATE:

REVIEW ABSTRACT OF WATER RIGHT CLAIM

IMPORTANT NOTICE

AN ASTERISK (*) HAS BEEN PLACED NEXT TO EACH ITEM CHANGED IN ACCORDANCE WITH THE SUPREME COURT RULES GOVERNING THE EXAMINATION OF THIS CLAIM.

Water Right Number: 76LJ 17984-00 STATEMENT OF CLAIM
Version: 1 -- ORIGINAL RIGHT
Status: ACTIVE

Owners: WHITEFISH, CITY OF
PO BOX 158
WHITEFISH, MT 59937

Priority Date: JULY 28, 1929
Enforceable Priority Date: JULY 28, 1929

Type of Historical Right: FILED

Purpose (use): MUNICIPAL

Flow Rate: 4.00 CFS

Volume: 1,454.30 AC-FT

*** Source:** UNNAMED TRIBUTARY OF HASKILL CREEK
Source Type: SURFACE WATER
ALSO KNOWN AS THIRD CREEK

Point of Diversion and Means of Diversion:

<u>ID</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1		SWNE	8	31N	21W	FLATHEAD

Period of Diversion: JANUARY 1 TO DECEMBER 31

Diversion Means: HEADGATE

Reservoir: OFF STREAM **Reservoir Name:** CITY RESERVOIR

<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
	S2N2	19	31N	21W	FLATHEAD

Diversion to Reservoir: DIVERSION # 1

Dam Height: 21.00 FEET

Depth: 18.22 FEET

Surface Area: 1.60 ACRES

Capacity: 11.70 ACRE-FEET

Period of Use: JANUARY 1 to DECEMBER 31

Place of Use:

<u>ID</u>	<u>Acres</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1			NE	23	31N	22W	FLATHEAD
2			S2NE	24	31N	22W	FLATHEAD
3			NESE	24	31N	22W	FLATHEAD

Place of Use:

<u>ID</u>	<u>Acres</u>	<u>Govt Lot</u>	<u>Qtr</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
4			NW	24	31N	22W	FLATHEAD
5			E2SW	24	31N	22W	FLATHEAD
6			NWNE	25	31N	22W	FLATHEAD
7			S2NE	25	31N	22W	FLATHEAD
8			SE	25	31N	22W	FLATHEAD
9			NW	25	31N	22W	FLATHEAD
10			SW	25	31N	22W	FLATHEAD
11			S2SW	26	31N	22W	FLATHEAD
12			E2NWSW	26	31N	22W	FLATHEAD
13			NE	35	31N	22W	FLATHEAD
14			SE	35	31N	22W	FLATHEAD
15			NW	35	31N	22W	FLATHEAD
16			E2SW	35	31N	22W	FLATHEAD
17				36	31N	22W	FLATHEAD
18				31	31N	21W	FLATHEAD
19			S2N2NE	32	31N	21W	FLATHEAD
20			S2NE	32	31N	21W	FLATHEAD
21			NWSE	32	31N	21W	FLATHEAD
22			N2SW	32	31N	21W	FLATHEAD
23			NW	32	31N	21W	FLATHEAD
24			N2NE	1	30N	22W	FLATHEAD
25			SWNE	1	30N	22W	FLATHEAD
26			NWSE	1	30N	22W	FLATHEAD
27			NW	1	30N	22W	FLATHEAD
28			E2NESW	1	30N	22W	FLATHEAD
29			NE	2	30N	22W	FLATHEAD
30			SWNW	5	30N	21W	FLATHEAD
31			NWSW	5	30N	21W	FLATHEAD
32		1	N2N2	6	30N	21W	FLATHEAD
33			NENW	23	31N	22W	FLATHEAD
34			S2S2SE	26	31N	22W	FLATHEAD
35			N2S2	19	31N	21W	FLATHEAD
36			E2	30	31N	21W	FLATHEAD
37			SWSW	29	31N	21W	FLATHEAD

Remarks:

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Remarks:

THE PLACE OF USE AND VOLUME WERE AMENDED BY THE CLAIMANT ON 6/25/2012 PURSUANT TO SECTION 85-2-233(6), MCA.

THIS RIGHT IS ASSOCIATED TO WATER RIGHT 76LJ P018165-00. THEY HAVE THE SAME PLACE OF USE. STARTING IN 2008, PERIOD OF DIVERSION WAS ADDED TO MOST CLAIM ABSTRACTS, INCLUDING THIS ONE.

REVIEWED BY : JIM ALBRECHT

DATE:

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CITY COUNCIL REGULAR MEETING AGENDA

The following is a summary of the items to come before the City Council at its regular session to be held on Monday, February 4, 2013, at **7:10 p.m.** at City Hall, 402 East Second Street.

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

- 1) CALL TO ORDER
- 2) PLEDGE OF ALLEGIANCE
- 3) PRESENTATIONS – Presentation of plaques of appreciation to Jim and Lisa Stack for their years of service to the Whitefish Lake and Lakeshore Committee
- 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)
- 5) COMMUNICATIONS FROM VOLUNTEER BOARDS
- 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)
 - a) Minutes from the January 22, 2013 Council regular session (p. 41)
- 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)
 - a) Continued Public Hearing - Recommendation from Impact Fee Advisory Committee to eliminate three Impact Fees established for city buildings – ESC, Park Maintenance Building, and future City Hall (p. 55)
- 8) COMMUNICATIONS FROM PUBLIC WORKS DIRECTOR
 - a) Consideration of approving an expanded scope of work for the East 2nd Street Reconstruction Project to include the construction and extension of Dodger Lane from Armory Road to East 2nd Street (p. 86)
 - b) Discussion of initiating a stormwater project on East 4th Street north of the high school and south of Memorial Park in conjunction with the high school's upcoming stormwater improvements as part of the high school reconstruction (p. 90)
- 9) COMMUNICATIONS FROM CITY MANAGER
 - a) Written report enclosed with the packet. Questions from Mayor or Council? (p. 95)
 - b) Other items arising between January 30th and February 4th

10) COMMUNICATIONS FROM CITY ATTORNEY

- a) Resolution No. 13-___; A Resolution further amending Resolution No. 11-05, which established an Ad Hoc Cemetery Committee, to expand the Committee's general purpose and to extend its duration an additional two years (p. 102)

11) COMMUNICATIONS FROM MAYOR AND CITY COUNCILORS

- a) Standing budget item
- b) Letter from Brian Averill of Averill Hospitality requesting to begin negotiations with the City of Whitefish on the possibility of constructing a boutique hotel on City owned land at 3rd Street and Central Avenue (p. 107)

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



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

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

Adopted by Resolution 07-09
February 20, 2007

"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 30, 2013

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

Mayor Muhlfeld and City Councilors:

Monday, February 4, 2013 City Council Agenda Report

There will be special session some minor parking issues and water rights beginning at 5:00 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 22, 2013 Council regular session (p. 41)

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

This item is an administrative 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) Continued Public Hearing - Recommendation from Impact Fee Advisory Committee to eliminate three Impact Fees established for city buildings – ESC, Park Maintenance Building, and future City Hall (p. 55)

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.

There are minutes, studies, powerpoint slides, letters, and other information contained in the packet.

RECOMMENDATION: The Impact Fee Advisory 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 PUBLIC WORKS DIRECTOR

- a) Consideration of approving an expanded scope of work for the East 2nd Street Reconstruction Project to include the construction and extension of Dodger Lane from Armory Road to East 2nd Street (p. 86)

From Public Works Director John Wilson's staff report:

Staff introduced an idea, at the last City Council meeting, to build a new road connecting East 2nd Street with Armory Road in conjunction with the East 2nd Street Reconstruction Project. This memo is to provide more information for the Council's consideration and request approval to move forward with that plan.

The proposed roadway, approximately 700 in length, would complete a connection between Dodger Lane and Veteran's Way, as shown on the attached aerial photo. The scope of work would include a 2 lane road without curb and gutter, a new water main, storm drainage improvements and a prepared base for a future bicycle and pedestrian path along the east side of the road. The estimated costs for design and construction are \$51,500 and \$ 268,950, respectively, for a total of \$320,450.

The need for a new route between East 2nd Street and Armory Road stems from the fact that the residential neighborhood east of Cow Creek does not have an efficient, interconnected street network and so will be isolated for extended periods during the reconstruction of East 2nd Street. An aerial photo of the project area is attached.

When various sections of East 2nd Street are closed for construction, the only practical route between town and properties along East 2nd Street, Birch Drive, Wedgewood Lane, Armory Road, Hueth Lane and Peregrine Lane will be out and around on East Edgewood or Armory and Voerman Road. Aside from providing daily access for property owners and residents, we must also provide efficient access for emergency services.

It is important to consider the congestion, risk and cost of multiple crews and heavy equipment operating in the limited space along the East 2nd Street corridor. All one needs to do is imagine the difficulties and added expense if we had tried keep each block of Central Avenue open to traffic during construction.

The most effective means to minimize congestion and risk, and thereby promote lower bid prices, is to close portions of East 2nd Street for extended periods of time. And the best strategy to provide reasonable traffic circulation during construction is to complete the connection between Dodger Lane and Veteran's way.

The new water main between Dodger Lane and Veteran's Way will add a useful loop in the water grid. This and the improved street grid will provide benefits for the public long after the East 2nd Street project has been completed.

Financial Requirement

The Resort Tax Fund is, by law, available only for the reconstruction of existing infrastructure and cannot be used to build this new roadway. Staff has reviewed the various project components and recommends the cost be distributed across three separate funds, with 53% going to the Street Fund, 32% to the Water Fund and 15% to the Stormwater Fund.

We propose the following funding strategy, based on our estimate of \$51,500 for engineering and \$268,950 for construction, with a timeline for design and bidding in FY13 and construction in FY 14.

FY 13 – Provided through the redirection of funds in the current FY13 Budget

	Design and Bidding Services
\$17,721	Street Fund
\$10,938	Water Fund
<u>\$ 4,941</u>	Stormwater Fund
\$33,600	Total

FY 14 – To be provided in the upcoming FY 14 Budget

	Engineering and Construction
\$151,291	Street Fund
\$ 93,377	Water Fund
<u>\$ 42,182</u>	Stormwater Fund
\$286,850	Total

Funding for project design and construction bidding in FY13 requires some adjustment of the current adopted budgets for the Street, Water and Stormwater funds. In the Street Fund, \$17,721 would be redirected from the current balance of \$166,084 under the Repair and Maintenance Services line item, most of which has been intended for chipseals and overlays. In the Water Fund, \$10,938 would be redirected from a \$150,000 allocation under the Capital Improvements line item to upgrade the water main hanging under the Columbia Avenue bridge. Although design work on that project could begin before the end of the fiscal year, construction will not occur before FY14. And finally in the Stormwater Fund, \$4,941 would be redirected from a \$30,000 allocation under the Capital Improvements line item for the Shady River Outfall and Stabilization Project, which will be held over to FY14.

We foresee enough flexibility with pending projects and sufficient funds available to include the Dodger Lane extension in the Street, Water and Stormwater budgets for FY14. The current FY13 Budget includes unappropriated Ending Available Cash for the Street, Water and Stormwater funds in the amounts of \$546,925, \$393,936 and \$1,044,744, respectively.

RECOMMENDATION: Staff respectfully recommends the City Council approve:

1. Expanding the scope of engineering and construction work on the East 2nd Street Reconstruction Project to include approximately 700 linear feet of new roadway, water main and storm drainage improvements, as necessary to build a new connecting road between Dodger Lane and Veteran's Way; and
2. Amendment No. 2 to our consultant contract with Robert Peccia and Associates, in an amount not to exceed \$51,500, for engineering design, bidding, construction engineering and related services necessary to complete this work.

This item is a legislative matter.

- b) Discussion of initiating a stormwater project on East 4th Street north of the high school and south of Memorial Park in conjunction with the high school's upcoming stormwater improvements as part of the high school reconstruction (p. 90)

From Public Works Director John Wilson's staff report:

This memo is to present a concept developed by the School District's engineering consultant for the New High School project, Jackola Engineering, and Public Works staff to improve storm drainage facilities along east 4th Street, north of the school. Although construction will not occur until FY14, a commitment is needed at this time if the City wishes to participate.

It would be beneficial to both the School District and the City to improve drainage on East 4th Street as part of the New High School construction project. Drainage from the north high school parking lot and 4th Street currently flow directly to Cow Creek with no treatment. The drainage improvements proposed by Jackola Engineering would collect drainage along Fourth Street and pipe it through the school property to Pine Avenue. The proposed system would collect drainage from most of the new high school project. The stormwater directed to Pine Avenue would then drain to the City's existing wetland detention pond at the south end of Pine. This pond would provide treatment and detention before releasing to Cow Creek.

The project would also include paving the gravel portion of 4th Street (along the north edge of the road). This area is currently used for student parking and special events. The proposed drainage system has been designed to facilitate the eventual reconstruction of Fourth Street. These drainage improvements will increase the life

of the pavement and make it less expensive to rebuild. Standing water is a major cause of asphalt deterioration on streets throughout town.

Two drawings are attached to show the existing stormwater system and proposed drainage improvements.

Financial Requirement

The estimated cost of construction for the Fourth Street drainage improvements, including a 15% contingency, is \$126,666. The City has not been asked to pay any design costs.

The School District proposes the City participate in the cost upsizing a currently designed 8 inch stormwater main to 12 inch, as necessary to serve the expanded drainage area. This would be consistent with City policy and our Design Standards. The approximate cost of \$5,456 to upsize the pipe is included in the cost estimate shown above.

The FY13 Stormwater budget includes an estimated Ending Available Cash balance of \$1,044,744. We therefore anticipate sufficient funds to include this project in the upcoming FY14 budget. Construction of these drainage improvements is expected to occur during the summer and fall of 2013.

RECOMMENDATION: Staff respectfully recommends the City Council authorize a commitment to the School District, whereby the City would participate in construction of the 4th Street Drainage Improvements Project at an estimated cost of \$126,666 in FY14.

This item is a legislative matter.

COMMUNICATIONS FROM CITY MANAGER

- a) Written report enclosed with the packet. Questions from Mayor or Council? (p. 95)
- b) Other items arising between January 30th and February 4th

COMMUNICATIONS FROM CITY ATTORNEY

- a) Resolution No. 13-___; A Resolution further amending Resolution No. 11-05, which established an Ad Hoc Cemetery Committee, to expand the Committee's general purpose and to extend its duration an additional two years (p. 102)

From City Attorney Mary VanBuskirk's staff report:

The City of Whitefish established the City Cemetery in 1917 at its present location on Second Avenue West along Highway #93 West. The cemetery has interred 3,115 on its approximate seven acres. All existing lots are owned. Over the past 60 years, the City has considered options to expand the available lots and property available for the City cemetery, without success.

In response to the need for more burial space for the community, two years ago the City Council established a seven member ad hoc Cemetery Committee (Committee) with the stated general purpose, the evaluation and development of a new public City cemetery located close to the City. The Committee was planned to disband on January 31, 2013.

The Committee was to be composed of one City elected officer and six residents of the Community and City staff. Resolution No. 11-05. Following the City Council's interviews of seven community applicants for the Committee, the City Council found all seven worthy of the appointment. To allow for the appointment of the seven valuable community members, the City Council amended Resolution No. 11-05 to provide for the appointment of seven residents of the community. Resolution No. 11-15.

Following the Committee's past reports to the City Council, its November 5, 2012 Committee Report to the City Council, and the January 22, 2013 work session with the City Council and Committee, it was determined that the task for the Committee proved more difficult than had been anticipated. Following percolation tests conducted on City owned property, the sites were determined unsuitable due to high ground water levels or location next to the City treatment plant facility. Other possible locations owned by the City were considered, some worthy of further investigation. The work session also considered the purchase of private property with the need to find funding sources for the purchase and development of a new cemetery site. Design and space saving options were also considered for single and family plots, conventional, crematory, mausoleum, and green burials. These design options would allow for the better use of the existing and future cemetery properties through "in-fill", cremation sites, single and family plots and structures, mausoleums, and other space saving options.

Since the present location, possible new locations, services and design considerations required further investigation and deliberation, the Committee members were asked whether they would consider working on the cemetery issues for an additional time period. The Committee members present for the work session agreed to continue their work and expressed their commitment to find possible solutions to the City's need for more cemetery space. The Committee members expressed their desire to investigate and report their recommendations for suitable and available burial space for the community. Attendees believed an additional two years would be required to complete the Committee's expanded general purpose to look at the present cemetery location and explore additional services. In order for the Committee to evaluate the present location and possible new locations and development of additional services for an additional two years, an amendment to the authorizing resolution was required. Towards this end, staff prepared an amendment to Resolution No. 11-05 to expand the Committee's general purpose and extend the Committee's work an additional two years.

RECOMMENDATION: City staff respectfully recommends that the City Council approve the proposed resolution expanding the Committee's general purpose and extending its duration an additional two years.

This item is a legislative matter.

COMMUNICATIONS FROM MAYOR AND CITY COUNCILORS

- a) Standing budget item
- b) Letter from Brian Averill of Averill Hospitality requesting to begin negotiations with the City of Whitefish on the possibility of constructing a boutique hotel on City owned land at 3rd Street and Central Avenue (p. 107)

Sincerely,

A handwritten signature in blue ink that reads "Chuck Stearns". The signature is written in a cursive, flowing style.

Chuck Stearns
City Manager

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WHITEFISH CITY COUNCIL MINUTES

January 22, 2013

7:10 P.M.

1. CALL TO ORDER

Mayor Muhlfeld called the meeting to order. Councilors present were Mitchell, Anderson, Hildner, Kahle and Hyatt. Councilor Sweeney was absent. City Staff present were City Manager Stearns, City Clerk Lorang, City Attorney VanBuskirk, Assistant City Manager/Finance Director Knapp, Planning and Building Director Taylor, Public Works Director Wilson, Parks and Recreation Director Cozad, Police Chief Dial, and Fire Chief Kennelly. Approximately 10 people were in attendance.

2. PLEDGE OF ALLEGIANCE

Mayor Muhlfeld asked Lizzie English to lead the audience in the Pledge of Allegiance.

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

Jan Metzmaker, 915 Dakota Avenue, said her office is in the Railway District and she heard that BNSF will be increasing the number of trains into Whitefish because of the oil boom. She said BNSF only recently got the old oil spill taken care of and she asked them to request that BNSF have emergency supplies available and on hand in case of future spills. She said she also represents the Whitefish Convention and Visitors Bureau on the way finding sign issue. They are in support of the signs and hope the Council will fund this project and make it easier for guests to find their way around town.

Rebecca Norton, 530 Scott Avenue, said she likes the idea of hiring another planner. She said that is one of the ideas for the Corridor Study and she supports that concept.

4. COMMUNICATIONS FROM VOLUNTEER BOARDS

Councilor Kahle said the Resort Tax Monitoring committee met and the underground power lines are an issue. He said that from Second Street East out to the dog park the committee voted to have the power lines above ground. He said that is an issue for him.

Councilor Hyatt said the Park Board met and discussed the Depot Park Master Plan and the pricing structure. Director Cozad said they had members of the public in attendance that had comments and questions and it was a very informative meeting for those folks.

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)

5a. Minutes from the January 7, 2013 Council special session (p. 43)

5b. Minutes from the January 7, 2013 Council regular session (p. 44)

5c. Ordinance No. 13-01; An Ordinance amending Zoning Regulations in Whitefish City Code Section 11-3-11 regarding retaining walls (2nd Reading) (p. 61)

Councilor Hildner offered a correction on page 11 of the Minutes, (packet page 54), top paragraph, which should read “He said Farmer’s Market is a boon...”

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

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

6a. 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)

Manager Stearns said this has been before the Council quite a bit, but the staff was available for questions.

Mayor Muhlfeld opened the public hearing.

Myra Appel from the Impact Fee Advisory Committee said she didn’t know this was going to be on the agenda. She said her committee would have loved to be here, but others are out of town. She would love to see this deferred so her committee could be here to address the Council.

Rebecca Scott, 530 Scott Avenue, said she is not in favor of this—she doesn’t think the premise works. She said as a taxpayer she doesn’t think that the taxpayers should have to pay more. The expense should rest on the development, not the taxpayers.

Myra Appel, 61 Hummingbird Lane, said she has clients who build in Whitefish and \$1600 is quite an expense for them. She said she feels like she is here to represent the public on this issue and to reduce these fees would encourage growth in Whitefish. Councilor Mitchell said page 71 of the packet said ESC is \$813 and Kalispell as \$483 for Fire. Chief Kennelly said the fee in Kalispell is for the infrastructure to expand their service area. Finance Director Knapp said the ESC fees go to retire the debt on the Emergency Services Building. Councilor Kahle asked and Finance Director Knapp said the debt will be paid in 2020.

Mayor Muhlfeld said that Myra has asked for a continuance of this public hearing and turned it over to the Council.

Councilor Hildner offered a motion, seconded by Councilor Hyatt, to continue the hearing on this item to February 4, 2013. The motion passed unanimously.

7. COMMUNICATIONS FROM PLANNING AND BUILDING DIRECTOR

7a. Review and discuss options for proceeding with a Hwy 93 North (Whitefish West) corridor study (p. 89)

Planning and Building Director Taylor said 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.

From Director Taylor's Staff Report: 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. 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. 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 his 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.

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 an experienced Lakeshore/Floodplain planner.

Councilor Kahle asked if Option C would work and Director Taylor said anything would help. He said for a long term solution they need something permanent. He said they need someone who has experience. He would hope it would free him up to do the long range planning. Councilor Kahle asked about timing and Director Taylor said they hope to have an outsider complete it in 4-6 months. If they hire someone, Option B, would probably take 6-8 months, and Option C is 8-14 months, depending on how experienced the new hire is with City regulations. Councilor Kahle asked if they could re-hire someone they've already had in that position and Director Taylor said it would help if they could.

City Manager Stearns said the mid-year financial report shows that charges for services (which is approximately 95% from planning department) is at 79% revenue already this year. He said Director Taylor alluded to some large subdivision projects coming in February and March. He said another option, if they found the right person, was to start them out at half-time until July 1st. He said he wouldn't feel comfortable doing that unless the Council felt comfortable doing that because it has an impact on next year's budget. The fact that they have the possibility of 1-3 major subdivisions projects coming in the next year will have a large impact. If they don't do something, then the Planning Department will be rationing what they can do.

Mayor Muhlfeld said he read in the mid-year report that the zone plan review fees are 95% and Finance Director Knapp agreed, but said if you take all the fees together the revenue is 79%. Councilor Hyatt asked if they normally see all of the planning fees paid this time of year and then see it taper off. Finance Director Knapp said he thought he remembered September as being the biggest month. Manager Stearns said in order for people to build in the summer they have to get things lined up in the winter. Councilor Hyatt said he liked looking at a part-time individual and then look further into hiring full-time, if needed, during the budget review. Councilor Mitchell asked what they do when Planning doesn't meet their budget and Director Knapp said Planning is part of the General Fund, so it gets absorbed. Councilor Mitchell asked what projects are coming and Director Taylor said there is a large Monterra type project, some re-development on Wisconsin Avenue, and a huge project on Big Mountain Road and E. Lakeshore. Councilor Mitchell asked about the limitations in the Growth Policy about building on lots in town first and Director Taylor said that means they can't change the underlying land use map on AG property. Councilor Mitchell said he would rather hire an outside consultant for the Corridor Plan because it will be \$20,000-30,000 less and the staff could continue doing what they do. An outside firm may seem more impartial to the stakeholders than the City. He said it isn't fair to keep people waiting. Mayor Muhlfeld said the message is that there are major projects coming in the door

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and the Planning Office had three positions eliminated in 2008 and the staff can't handle the workload. He said when Director Taylor and Planner Compton-Ring were hired they were hired to do long term planning and now they are tied down with office and administrative duties. He said the option Councilor Mitchell recommended will leave Director Taylor still tied up with Lakeshore and Flood Plain issues. Councilor Mitchell said he liked the idea of Options A and C, but he wasn't willing to take on a Planner for \$60,000-80,000.

Councilor Anderson asked and Manager Stearns said they are only half way through the year so it is hard to make budget assumptions. If the Council liked the possibility of hiring someone next year they could try to hire someone part time during this fiscal year. It is hard to go out and hire a full time person right now, but he thinks he would be inclined to recommend it for the next fiscal year. Councilor Anderson said it sounds like Director Taylor is worried about the work load. He asked and Finance Director Knapp said Planning Fees are sporadic, but February, June and August are the highest months. For zoning fees, the biggest month is June, followed by October. Councilor Anderson said he would hate to pay \$50,000 for a consultant this year and then hire a full time employee next year. He thought they should do one or the other. Regarding the Corridor Study, he wondered if they wanted to hire a contractor to do the Corridor Study and then maybe work into another position. Director Taylor said that contractor would have other jobs, likely, so that is debatable. He said code amendments and long range planning get set aside for mandated tasks like subdivisions. Councilor Anderson asked if Option C would be limited to just Lakeshore projects and Director Taylor said it is dependent upon the person. If they have GIS skills they could use them for that, too.

Mayor Muhlfeld said the bulk of the lakeshore permits come in during April and May. Councilor Anderson said the work load is ramping up in the Planning Department. He said it is important that they plan for the growth. He would be inclined to hire a contractor as mentioned in Option C based on the budget. Councilor Hildner said the best thing for the Corridor Study is to get it done by the time the highway construction is done. He said work load has the potential to increase significantly in the Planning Department so he would hate to see staff tied up with the Corridor Study. He said there is enough work for staff without taking this on. He would like to see them hire sufficient help for the Planning Department for the tasks they have coming. Councilor Mitchell said he likes Option A and getting the Corridor Study done in 6 months. He said they could ask Director Taylor to take Option C to \$30,000 for half a year. He wants to see the Corridor Study get done. He is not in favor of Option B. Councilor Anderson said Option C needs to be bigger to take more pressure off of Director Taylor. Mayor Muhlfeld said he thinks there is consensus to increase Option C funding. Manager Stearns said they would hire that person for more than the Lakeshore tasks. They could hire a contractor to relieve Director Taylor from flood plain and lakeshore issues. Then they could re-evaluate the budget in July. Councilor Hyatt said he would like someone part time instead of as a consultant. Manager Stearns said it will be hard to find someone to be that part-time employee without a chance that they'll continue after July. He said that would give them better continuity than a contractor. He said a contractor could work as a place holder to the next budget. Mayor Muhlfeld said he would advocate for a contractor position. Councilor Hyatt said it looks like they'll need at least a part time individual. Mayor Muhlfeld said they should leave it to staff to come up with a recommendation. Manager Stearns said he thinks the Council should decide contract versus employee so they can move forward.

Councilor Anderson recommended a contractor at \$25,000 to carry them through July 1, 2013 to get them through the Corridor Study.

Director Taylor said most of the planners are already employed so it is questionable whether they'll leave a full time job for something like this short term opportunity. Councilor Mitchell said he

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would be willing to spend \$25,000-\$30,000 for this. Councilor Hildner said an outside firm would have parameters and a time frame and they would have to get it done in a timely manner. Councilor Kahle said if they proceed with a part-time employee they'd like to see a limit closer to the 6 month deadline; otherwise he'd like to see Option A. Councilor Hildner said they could end up with still needing someone for the Corridor Study. Councilor Kahle said it depends on how much work load can be taken from Director Taylor and Senior Planner Compton-Ring. Councilor Anderson said if Director Taylor can't find someone to get the study done then they need to know. That means they'd have to choose another option. Councilor Kahle said he'd like a time frame. Director Taylor said if they're doing it in-house and they get a lot of projects then they'll have to put the Corridor Study aside. Councilor Kahle asked if the process was the same in-house as out-of-house. Could they hand it off if they got some of it done? Director Taylor said it would depend on what stage they were in. Councilor Mitchell asked and Councilor Hildner said he wants to see the Corridor Study done in a timely manner. He knows it is an opportunity to allow the planners to do their job. He liked the idea of a hand-off, but he was worried about the timing.

Mayor Muhlfeld said there is the need and demand for the Corridor Study to be done in a timely manner with the Highway 93 project. He said on the other hand you have the Planning Department stating they are under-staffed. These issues are not necessarily interlinked. Maybe they need to look at Option A and C together. Councilor Kahle said he likes that option. Councilor Hyatt said he heard Director Taylor say staff may be too busy to do the Corridor Study. Mayor Muhlfeld said TIF funds would be eligible for a corridor study out to Karrow Avenue and Manager Stearns agreed. He said they could start on the \$25,000 and get someone to work on the lakeshore projects and then hire someone if the new applications come in. Manager Stearns said it is a 6-week process to hire someone so Option A will end up partially in this fiscal year and partially in the next year. Councilor Hyatt asked and Director Wilson said the consultant fee RFP trigger is \$20,000. Councilor Anderson said he would like to allocate \$25,000 on a contract basis to free up staff. If other plan and/or zoning applications come in then they can change their plan. He isn't worried about the Corridor Study taking more than a few months. He is confident that Director Taylor will keep them in the loop. Councilor Mitchell said he would like Option A and C.

Councilor Anderson offered a motion to approve a \$25,000 budget for a contractor with an expiration date of June 30th for the Planning Department. The motion died for lack of second.

Councilor Mitchell offered a motion, seconded by Councilor Hildner, to approve Option A as recommended by staff and to approve Option C for \$10,000 through June 30th for the Planning Department and the Hwy 93 North (Whitefish West) corridor study .

Councilor Hildner offered an amendment to raise Option C to \$15,000, if needed, and the maker of the motion agreed.

Councilor Taylor said there are other developers anxious to see the Corridor Study completed soon. Mayor Muhlfeld said in the 2007 Growth Policy the number one project was to complete the 93 W. Corridor Study. He thinks Councilor Anderson's option would have worked, too.

The amended motion passed 4-1 with Councilor Anderson voting in opposition.

8. COMMUNICATIONS FROM PUBLIC WORKS DIRECTOR**8a. 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)**

Public Works Director Wilson said 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. That work is essentially complete and they're now ready to move on to final design. 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 contract 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.

Councilor Mitchell asked and Director Wilson said 16% is a comfortable percentage for the engineering fee. Councilor Mitchell said when they did the parking garage study they didn't have the engineering fee figured into it. Director Wilson said that is a very complex project and he isn't sure what the range would be. Councilor Kahle said he has an issue about the design of the 2nd Street project. He sits on the Resort Tax Monitoring Committee and they discussed the policy of underground electrical

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wires. He was the only negative vote, opposed to above-ground wires. He said the City should have to abide by the same rules as a private contractor. Director Wilson said a portion of the subdivision regulations calls for undergrounding of power in new subdivisions. He said it is a significant issue that deserves its own work session. He said they went through this 8-10 years ago and it is a very expensive option. He thought it would be more practical for staff to come to the Council with each project and discuss it on a project-specific basis. Mayor Muhlfeld said he read Code 12-4-29 and Manager Stearns said that section applies to new private development. Manager Stearns said development on raw land is different than re-construction. It is expensive to put power underground and everyone has to be content that they will get less new projects done because of cost. He asked and Director Wilson said they estimate \$270,000 - \$275,000 to put the main lines underground and services to the building. He thinks it was \$330,000 if they take it into each building. He is open to the policy the Council comes up with and if the Council wants something different they can work it into the project. It is best, however, if things like this are clear at the beginning of a project.

Councilor Kahle said when he built on O'Brien Avenue he had to provide underground power onsite, but also off-site for others to connect to in the future. He said there was a litany of reasons why they were supposed to do that and it was a lot more expensive, but it also looks better. Councilor Kahle said he agrees that is worth a separate discussion about whether this is a policy they have as a City or not. Director Wilson said in his perspective the decision has been made for this project, but there is plenty of time to schedule a work session to discuss the policy before any planning starts on new projects. Councilor Mitchell said it is a philosophical question—the City should have the same requirements as private developers. Director Wilson said if the Council wants to stop now they can change the scope of the design, but it will delay things. Councilor Kahle said this is a decision that will last for 50 years or more.

Councilor Anderson offered a motion, seconded by Councilor Kahle, to 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. The motion passed unanimously.

8b. Resolution No. 13-01; 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)

Director Wilson said staff recommended this resolution to provide for an inspection fee and flexibility as to the means of abandoning service. They've also added an explicit statement that monthly billing will resume if staff finds evidence of water use on an abandoned account.

Councilor Hildner offered a motion, seconded by Councilor Hyatt, to approve Resolution No. 13-01; 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.

Councilor Mitchell asked and Director Wilson said the option to remove fixtures from the house will be least expensive. If they want to disconnect from the outside then the City will want it disconnected from the main. The intent is that they can't turn a faucet on and use water again.

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Councilor Hildner asked about the fees for doing the inspection. Director Wilson said there is a \$20 inspection fee for water meters and they intend to use the same fee for this inspection.

The motion passed unanimously.

Director Wilson said he had a new item that will be coming to the Council and he wanted to give them some background; it is related to the E. 2nd Street Re-Construction Project. There will be a lot of disruption during construction when they close the intersection at 2nd Street and Armory; but there is a concept to extend Dodger Lane that might be possible for this project that provides access for property owners and emergency services. Councilor Mitchell asked and Director Wilson said part of the road is completed to rural standards. Manager Stearns said it is not eligible for Resort Tax because it is a new road, so part of the discussion they will need to have is how they will pay for this cost.

9. COMMUNICATIONS FROM CITY MANAGER

9a. Written report enclosed with the packet. Questions from Mayor or Council? (p. 108)

Councilor Mitchell said he would like to know more about the parking structure feasibility study. He would like to see the work session delayed until they have all of the information and they still need the traffic study. Manager Stearns said he just got a report from Dennis Burns, from Kimley-Horn who said WGM told him they hope to have the traffic volumes by the end of January, but they won't have the preliminary report in for the February 4th work session. He said they could move the work session for the parking study to March 4th.

Councilor Mitchell said he's glad they have the new fire bay doors, but it is too bad the engineering wasn't done right the first time and cost the City more money. He asked about the final numbers for the Emergency Services Center and Director Wilson said he thinks there are one or two small items left. Councilor Mitchell told Public Works Director Wilson kudos for replacing the snow blower engine.

9b. Other items arising between January 16th and January 22nd

Manager Stearns asked and they agreed to a meeting on March 4th for the Parking Structure/Deck Feasibility Study.

9c. Consideration of awarding a contract for the Way finding Sign Project (p. 115)

Mayor Muhlfeld said in November the Council authorized the City for this project and the bid was about \$210,000 which was about \$50,000 over the engineer's estimate. They re-advertised and expanded the list of contractors and broke it into two segments. Staff 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.

Manager Stearns said he thinks 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 him to negotiate the installation of the signs with Mild Fence Company. Any cost under \$50,000 does not have to be bid, so he 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.

Manager Stearns said he got a call from the owner of Mild Fence who said the installation bid was dependent upon him creating the signs. If he just installed the signs he would charge \$56,000. Manager Stearns said he would like to contract out the installation, but the jump from \$34,000 to \$56,000 is a big jump. Mayor Muhlfeld said it would only be \$7000 more than the Council was advocating last fall. Councilor Hyatt asked and Manager Stearns said the bids are firm.

Councilor Hildner offered a motion to award the Wayfinding Sign Project contract to Epcon Sign Co. without installation in the amount of \$110,946.23, and authorize the City Manager to negotiate for installation of the signs so that the total cost for the project does not exceed \$167,000, which would be paid using TIF funds. The motion died for lack of a second.

Councilor Kahle offered a motion, seconded by Councilor Anderson, to award the contract to Epcon Sign Co. for construction of the signs for the Wayfinding Sign Project for \$110,946.23; and authorize the City Manager to use the balance of the funds to negotiate for installation; total cost of the project not to exceed \$150,000 from the TIF fund. It is understood with this motion that some City Labor may be needed to assist with installation to keep the cost down.

Councilor Mitchell asked and Director Wilson said he tries to be cautious about saying “we’ll help” because they have to manage new tasks along with the many other demands. Manager Stearns said it is his preference that they contract out the installation. Councilor Hyatt said he agreed. Councilor Mitchell said this is a good change. He is opposed to the way finding signs—he tends to see it as urban blight to add 50 signs, but he commended staff for getting this re-bid. Councilor Anderson asked and Mayor Muhlfeld said about 19 signs will be taken down and replaced. Councilor Kahle called for the vote. Mayor Muhlfeld said this project has lasted for 3 years. The Council wanted the project limited to \$160,000 and this project comes in at \$167,000. He thinks they should give the same courtesy to this project that they gave to the Highway 93 project. He said shorting the project \$17,000 is not a very wise decision. Councilor Kahle asked and Manager Stearns said they will work with whatever budget the Council gives them. He said he would rather use Mild Fence because they are used to installing signs on the MDT right-of-ways. He said \$167,000 gets the job done faster and with one contractor. Councilor Mitchell suggested they give Manager Stearns the \$167,000 to work with. Councilor Anderson said he has been willing to spend \$150,000 from the start and that is where he

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stands. Mayor Muhlfeld said the concept that there is no additional cost when you are using City staff is a misconception. Councilor Hildner asked if the motion maker would be willing to raise the amount and he was not willing.

The motion passed 4-1 with Councilor Mitchell voting in opposition.

9d. Mid-year financial report – Assistant City Manager/Finance Director (p. 118)

Assistant City Manager/Finance Director Knapp said the 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 significantly from the City's low point of \$105,630 two years ago. He said the Parks Department spends most of its major money in the first six months. These amounts do not include pending salary increases for police and fire. He said building license and permits were the highest since 2007. Zoning and planning revenues have exceeded budget predictions. The City's interest earnings are about 1/5 lower than even two years ago. Impact fees are more than double. The big outlay of \$1 million to the school is not in the budget yet.

Councilor Anderson wondered about budget reserves for the year and Finance Director Knapp said property funds tax, on page 123, line 51 shows they are at \$1.4 million. They budgeted to spend down the reserves as in column M, but they are actually ahead of budget. Manager Stearns said cash balances in property tax supported funds are higher. Departments typically don't spend 100% of their budget, but the calculations assume that they will spend 100%. He said he believes the reserves will be higher than what they've projected in the budget. Councilor Mitchell said he wanted to thank staff for the General Fund Cash balance increase. It is \$900,000 more than when he started and he thanked Manager Stearns and staff for that reserve and all of their hard work. Councilor Hyatt thanked Finance Director Knapp for his time explaining the budget to him today. It is a great report. Manager Stearns said the reserves have increased 10 xs in the cash balance since 2010; however he stressed that they will continue to be vigilant. Councilor Mitchell said they need about one million five to be comfortable.

10. COMMUNICATIONS FROM MAYOR AND CITY COUNCILORS

10a. Standing budget item - None.

Councilor Mitchell asked if they are moving along with Fire and Police negotiations. Manager Stearns said they are in the middle of mediation with Police. He said Chief Dial came up with another proposal, but the officers haven't agreed to it, so this will probably go to arbitration. He said the Fire Department is still negotiating. Councilor Mitchell said he hopes both sides try to move on and get this done. Councilor Mitchell asked about computers and Manager Stearns said everyone has different desires so Finance Director Knapp will have to work with each individually.

Councilor Anderson said he thinks the vote for the Planning Department was a mistake. He knows the budget has improved, but he doesn't think it is a reason to spend the money they spent tonight. He thinks money was wasted tonight.

Councilor Hyatt asked about the Special Olympics. Mayor Muhlfeld reminded them to get the performance reviews to him by the Feb. 19th meeting. He said he has corresponded with Don Deboe about meeting with him about the North Valley Hospital site. He asked if they are available on Feb. 6th for a meeting. Councilor Anderson said he didn't want to meet with Don DuBeau if there would be a quasi-judicial decision in the future. Councilor Kahle asked if they would be in hot water for meeting

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with him. City Attorney VanBuskirk said it might be more appropriate for the City to announce that the Council will possibly be attending the public meetings and to announce that there might be a quorum present. Attorney VanBuskirk said it would be better for the public process. Councilor Anderson said he didn't think Don DuBeau wanted to skirt the public process.

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

Mayor Muhlfeld adjourned the meeting at 9:25 p.m.

Mayor Muhlfeld

Jane Latus Emmert, Recording Secretary

Attest:

Necile Lorang, City Clerk

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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.

received
1-29-13
City Clerk's Office

**WILLIAM A. HALAMA
235 GOOD MEDICINE DRIVE
WHITEFISH, MT 59937
(406) 863-2301**

January 25, 2013

To: Whitefish City Council

From: Bill Halama

Re: Impact Fees

Due to a prior out of town commitment, I will be unable to attend the February 4, 2013, Council meeting during which impact fee advisory committee's recommendation to eliminate fees for the emergency services center, the park maintenance building, and new city hall will be discussed.

As you know, I am the member of the advisory committee nominated to represent the development community. As such, I agree with the committee's recommendation (which is unanimous). As Myra's report indicates, these fees do not generate significant revenue. Justified or not (and based on my personal experiences, I believe there is some justification), Whitefish's reputation is that of an anti-development community. In my view this is a reputation which the City should try to live down. To developers, a plethora of fees constitute a significant irritant and they surmise that they are being "fee'd to death." Permanently eliminating fees for the facilities mentioned above will have only a very small impact on City revenues yet will send a strong, positive message to the development community.

I am aware of the argument that impact fees are based on the belief that "growth should pay for growth" and I personally subscribe to that belief when it comes to matters such as water and sewer. Extending this maxim to items such as an emergency services center, a park maintenance building, and a new city hall constitutes what in my view is a significant, and quite unwarranted, stretch. The small revenues garnered by fees for such items are significantly out of proportion to the bad will they generate and they should be eliminated. Moreover, the "growth should pay for growth" argument frequently ignores the fact that once a property is developed, significant tax revenues are generated year after year. To cite just one example, the Walgreen Pharmacy that we developed in Whitefish generates significant resort (sales) tax as I believe everything it sells apart from groceries and prescription drugs are subject to that tax. Moreover, property taxes on that parcel have risen from practically nothing (the land was formerly undeveloped) to about \$12,000 per year, and in all likelihood will be reassessed at an even higher level in the future based upon the recent sale. The amounts generated every year are significant especially in view of the fact that this development places no burden at all on schools.

Let's try to be a community that welcomes responsible growth and economic development and let's try to start that process by eliminating the fees for the facilities mentioned above.

In 2007 Henderson, Young and Company presented a study to evaluate the feasibility of impact fees for the City of Whitefish. At that time Whitefish was undeniably in the middle of a housing growth spurt. I was one of the original members of the Impact Fee Advisory Committee along with Don K. We spent considerable time and effort that year meeting to discuss the feasibility of an impact fee as directed by the City Council at the time. I have that study here with me here tonight.

On page six of this study there is a "decision tree" flowchart for the feasibility of impact fees. The number one consideration for feasibility reads: "Is significant new development anticipated in Whitefish?" If the answer is "NO" then impact fees are not feasible. At the time the answer was most certainly "YES." On page 7 of the study it was stated that "Significant growth is expected in Whitefish. The current permanent population of Whitefish is 7,350 and by 2011 the permanent population is forecast to be 8,598. The increased population will need approximately 500 more dwelling units."

Take a look at the statistics and you'll find this projected "significant growth" did not happen.

According to the US Census Bureau, in 2011 the permanent population was 6,384 residents - 2,214 less than projected. The permanent population during this period actually shrank by 966 residents.

Admittedly expensive, feasibility studies are really nothing more than educated guesses by experts of future growth patterns and economic conditions. These conditions can and do change rapidly, as we witnessed with the sudden end of the real estate "bubble " in 2008.

Given these statistics, if a similar study were performed today the consultants would probably conclude from extrapolation that implementation of an impact fee would not be feasible within the next five years.

Our committee feels that excessive fees will in fact discourage growth in the Whitefish area. Four fees proposed by the 2007 study - the Emergency Service Center fee, City Hall fee, Paved Trails fee, and Park Maintenance Building fee - are not charged by Kalispell or Columbia Falls.

The cash balance of around \$183,000 in funds from these fees makes up a very small percentage of your budget – less than 1% for fiscal year 2013. The Emergency Service Center and Park Maintenance Building have been completed. The balance in the City Hall impact fee fund is a pittance compared to the projected cost to build this “monument to government.” The funding to pay off these incurred liabilities can be obtained from other sources. We recommend the City use up the remaining balances and abolish these fees in the future to encourage growth.

There is a perception that building in Whitefish is too expensive, that the many small fees add up and you can build more for less in Columbia Falls or Kalispell, or even in the county where large lots are still available. These are tough economic times, and those who have the means to build will look for the most cost effective places to build. There is also currently a “ghost market” of foreclosed properties available in abundance. Why should anyone build when there are so many properties available at bargain prices?

Our economy in this country has been very slow to recover. These are the current realities of the world that we live in today.

The predicted “significant growth” in Whitefish is not likely to happen for some time to come, and may never come unless the City provides some sort of incentive to build here vs. less expensive localities.

Accordingly, the Impact Fee Advisory Committee recommends that the Council eliminate the fixed fees for the Emergency Services Center, the Park Maintenance Building, and City Hall to encourage the future growth of Whitefish.

Myra Appel

there must be at least one representative of the development community, and one certified public accountant. 7-6-1604 MCA

Cost and Accounting Requirements

The cost basis of the impact fees must be actual costs or reasonable estimates of the costs to be incurred as a result of new development. The calculation of impact fees must be in accordance with generally accepted accounting principles. 7-6-1601 (7) MCA

Full Text of Impact Fee Statute

The complete text of Montana's 2005 impact fee legislation, SB185, can be found at 7-6-1601 – 7-6-1604, MCA.

Other Montana Law

A summary of other Montana statues and court cases that pre-date the SB185, 2005, was presented in the 2000 feasibility study for Whitefish.

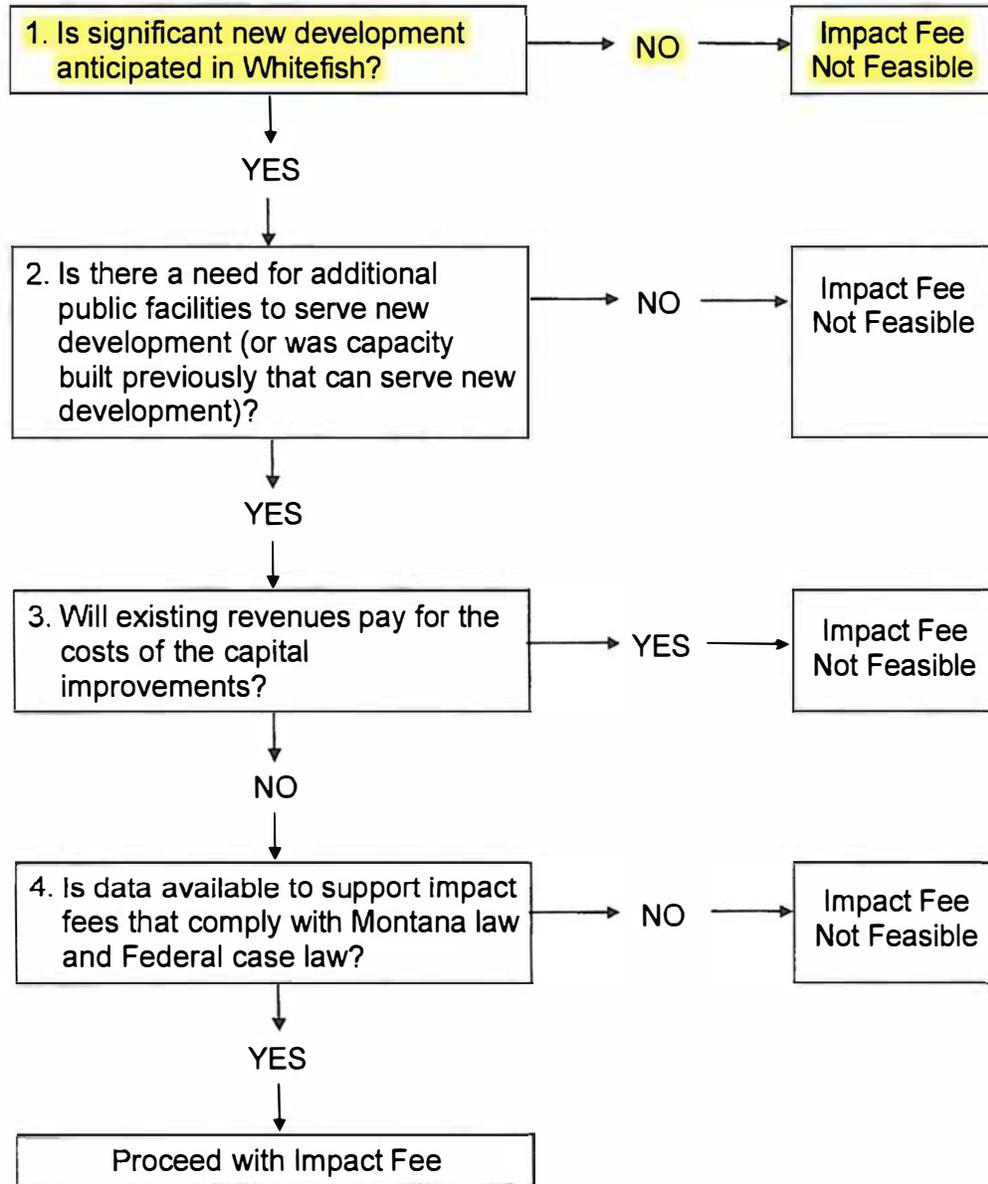
Federal Case Law

In 1994, the United States Supreme Court ruled in Dolan v. City of Tigard (Oregon) that exactions made by governments must be “roughly proportional” to the impacts caused by the development that is subject to the exaction. Synonyms for “roughly proportional” include (1) “rational nexus of benefit” between system development charges and development, (2) “proportionate share” of public facilities to be paid by system development charges, and (3) costs "reasonably related" to expected impacts.

EVALUATION METHODOLOGY

The decision tree shown in Figure 1 provides the framework for determining the feasibility of impact fees for the City of Whitefish. Our evaluation included collecting information from existing budgets, plans, and related documents, interviewing staff from public works, parks, police, fire and administration, comparing the results of our reviews and interviews to the legal requirements summarized earlier in this chapter, and consideration of the best practices of other local government's impact fees.

Figure 1: Decision Tree for Feasibility of Impact Fees



The remainder of this report presents the results of our evaluation, and our findings, conclusions and recommendations.

OVERALL EVALUATION USING THE DECISION TREE

1. DEVELOPMENT EXPECTED IN WHITEFISH

Significant growth is expected in Whitefish. The current permanent population of Whitefish is 7,350 and by 2011 the permanent population is forecast to be 8,598. The increased population will need approximately 500 more dwelling units.

An analysis of potential development prepared by the City's Director of Planning and Building indicates approximately 1,200 dwelling units could be built on land that has residential land use approval of some kind, but which have not yet been built. In addition, vacant or clearly underdeveloped land within the immediate urban service area has capacity for an additional 1,200 units.

2. PUBLIC FACILITIES NEEDED TO SERVE GROWTH

The City's capital improvement program lists the public facilities it plans to build in the future. Many of the facilities are needed to serve growth in the community. The City's CIP identifies public facilities needed for growth, including roads, water, wastewater, stormwater, police and fire protection (emergency services), parks and City Hall.

In addition, in 2006 the City received master plans for water, wastewater and stormwater that include lists of needed public improvements, some of which are needed to serve growth.

3. EXISTING REVENUES AND NEW PUBLIC FACILITIES

The City has several sources of revenue that it uses for capital improvements, including:

- Resort Tax (65% for roads, 5% for parks)
- Tax Increment Financing (TIF) Bonds
- Private Donations (used successfully for the library, community center, Rollie Smith sports complex, the Wave athletic center)
- Plant Investment Fees (for water and wastewater)
- Grants

State & County QuickFacts

Whitefish (city), Montana

People QuickFacts	Whitefish	Montana
Population, 2011 estimate	6,384	998,199
Population, 2010 (April 1) estimates base	6,357	989,415
Population, percent change, April 1, 2010 to July 1, 2011	0.4%	0.9%
Population, 2010	6,357	989,415
Persons under 5 years, percent, 2010	5.7%	6.3%
Persons under 18 years, percent, 2010	19.6%	22.6%
Persons 65 years and over, percent, 2010	14.3%	14.8%
Female persons, percent, 2010	49.7%	49.8%

White persons, percent, 2010 (a)	95.8%	89.4%
Black persons, percent, 2010 (a)	0.5%	0.4%
American Indian and Alaska Native persons, percent, 2010 (a)	0.8%	6.3%
Asian persons, percent, 2010 (a)	0.8%	0.6%
Native Hawaiian and Other Pacific Islander, percent, 2010 (a)	0.1%	0.1%
Persons reporting two or more races, percent, 2010	1.7%	2.5%
Persons of Hispanic or Latino origin, percent, 2010 (b)	2.8%	2.9%
White persons not Hispanic, percent, 2010	93.6%	87.8%

Living in same house 1 year & over, percent, 2007-2011	91.4%	83.7%
Foreign born persons, percent, 2007-2011	2.1%	2.0%
Language other than English spoken at home, percent age 5+, 2007-2011	3.6%	4.6%
High school graduate or higher, percent of persons age 25+, 2007-2011	95.9%	91.4%
Bachelor's degree or higher, percent of persons age 25+, 2007-2011	44.2%	28.2%
Veterans, 2007-2011	582	99,163
Mean travel time to work (minutes), workers age 16+, 2007-2011	16.7	17.9

Homeownership rate, 2007-2011	46.0%	68.9%
Housing units in multi-unit structures, percent, 2007-2011	33.1%	16.3%

Median value of owner-occupied housing units, 2007-2011	\$310,200	\$179,900
Households, 2007-2011	2,929	403,495
Persons per household, 2007-2011	2.15	2.36

Per capita money income in the past 12 months (2011 dollars), 2007-2011	\$26,877	\$24,640
Median household income, 2007-2011	\$41,940	\$45,324
Persons below poverty level, percent, 2007-2011	16.1%	14.6%

Business QuickFacts	Whitefish	Montana
Total number of firms, 2007	2,083	114,398
Black-owned firms, percent, 2007	F	0.2%
American Indian- and Alaska Native-owned firms, percent, 2007	F	2.0%
Asian-owned firms, percent, 2007	F	0.6%
Native Hawaiian and Other Pacific Islander-owned firms, percent, 2007	F	S
Hispanic-owned firms, percent, 2007	F	1.0%
Women-owned firms, percent, 2007	S	24.6%

Manufacturers shipments, 2007 (\$1000)	NA	10,638,145
Merchant wholesaler sales, 2007 (\$1000)	3,575	8,202,782
Retail sales, 2007 (\$1000)	178,894	14,686,854
Retail sales per capita, 2007	\$22,088	\$15,343

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.

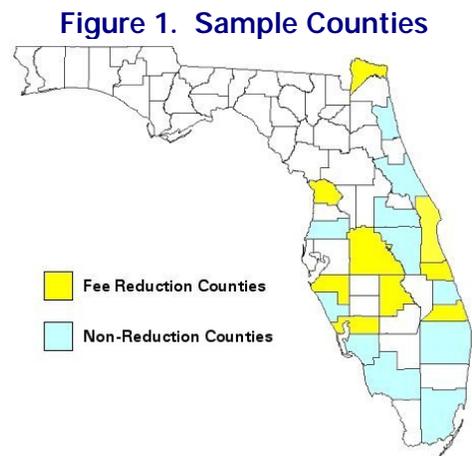
³ *Sarasota Herald-Tribune*, "Sarasota Looks at Impact Fees," November 15, 2008

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		Fee Change	Single-Fam Permits		% Change
				Before	After		Before	After	
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).

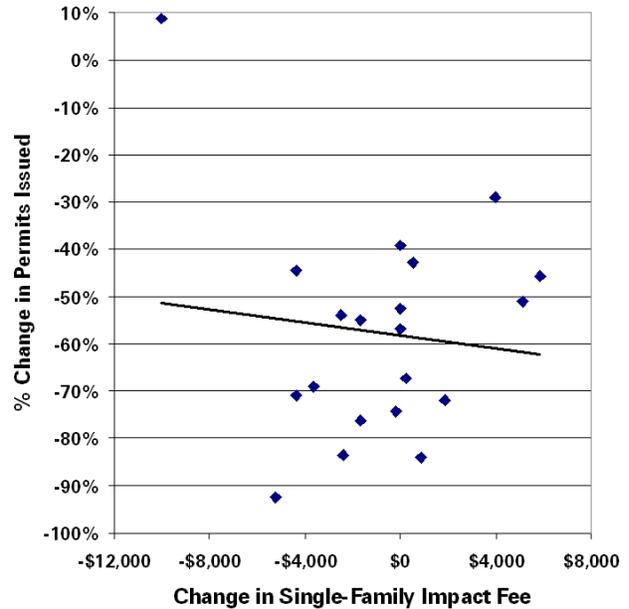
All of the sample counties experienced significant population growth between 2000 and 2008. The fee-reduction counties tend to be considerably smaller than the non-reduction counties (average population of 247,236 versus 742,112). All of the counties had relatively high impact fees in 2007, averaging 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.

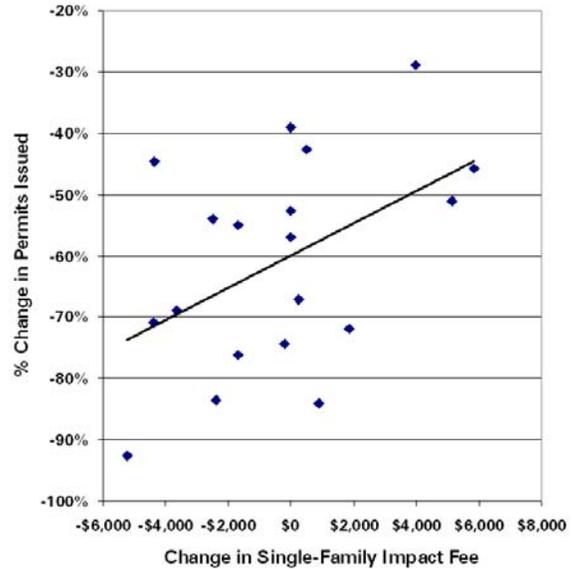
Figure 2. Fee Change vs. Permit Change



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 %

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

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 %

BUILDING INSPECTION AND IMPACT FEE SUMMARIES - STIMULUS AND OTHER PROJECTS
 Prepared: 10/29/2010

Project Address	Permit #	Valuation	Type of Project	Building Fees		Paved Trails	Park Maint Building	ESC Building	New City		Sewer	Stormwater	5% Water Admin	5% Sewer Admin	5% City Admin	Total Impact Fees	Impact Fees As a % of Valuation		Latecomers Water	Latecomers Sewer	Refuse Container Fee	Water Meter	Water Meter Inspection Other	Total Other Fees	Total City Fees		
				Building Permit Fees	As a % of Valuation				Hall Fee	Water							As a %	%									
CITY STIMULUS PROJECTS 2010																											
319 Dakota	7835	\$550,000	Single Family Resid	\$5,146.00	0.94%	\$421.00	\$28.00	\$775.00	\$734.00	\$2,761.80	\$2,468.04	\$200.00	\$138.09	\$123.40	\$107.90	\$7,757.23	1.41%		\$60.00	\$550.00	\$20.00			\$630.00	\$13,533.23		
110 West 13th	7832	\$750,000	Commercial -gas station	\$7,635.00	1.02%	\$0.00	\$0.00	\$323.00	\$306.00	\$1,563.00	\$1,575.00	\$2,355.33	\$78.15	\$78.75	\$149.22	\$6,428.45	0.86%		\$60.00	\$495.00	\$20.00			\$575.00	\$14,638.45		
636 OBrien	7836	\$139,290	Single Family Resid	\$1,736.00	1.25%	\$421.00	\$28.00	\$775.00	\$734.00	\$1,666.92	\$1,575.00	\$200.00	\$83.35	\$78.75	\$107.90	\$5,669.92	4.07%		\$60.00	\$450.00	\$20.00			\$530.00	\$7,935.92		
56 Crestwood	7856	\$100,000	Single Family Resid	\$1,330.00	1.33%	\$421.00	\$28.00	\$775.00	\$734.00	\$1,563.00	\$1,575.00	\$200.00	\$78.15	\$78.75	\$107.90	\$5,560.80	5.56%		\$60.00	\$450.00	\$20.00			\$530.00	\$7,420.80		
2051 Crestwood	7865	\$273,478	Single Family Resid	\$2,832.00	1.04%	\$421.00	\$28.00	\$775.00	\$734.00	\$2,404.99	\$1,944.55	\$200.00	\$120.25	\$97.23	\$107.90	\$6,832.92	2.50%		\$60.00	\$475.00	\$20.00			\$555.00	\$10,219.92		
813 Park Ave	7902	\$275,000	Single Family Resid	\$2,839.00	1.03%	\$421.00	\$28.00	\$775.00	\$734.00	\$2,136.10	\$1,837.75	\$200.00	\$106.81	\$91.89	\$107.90	\$6,438.45	2.34%		\$60.00	\$495.00	\$20.00			\$575.00	\$9,852.45		
102 Dakota	7903	\$100,000	Single Family Resid	\$1,330.00	1.33%	\$421.00	\$28.00	\$775.00	\$734.00	\$1,563.00	\$1,575.00	\$200.00	\$78.15	\$78.75	\$107.90	\$5,560.80	5.56%		\$60.00	\$450.00	\$20.00			\$530.00	\$7,420.80		
521 W. 2nd St.	7922	\$195,104	Triplex	\$2,358.00	1.21%	\$421.00	\$28.00	\$775.00	\$734.00	\$2,031.90	\$1,732.65	\$242.67	\$101.60	\$86.63	\$110.03	\$6,263.48	3.21%		\$60.00	\$495.00	\$20.00			\$575.00	\$9,196.48		
523 W. 2nd St.	7923	\$195,104	Triplex	\$2,358.00	1.21%	\$421.00	\$28.00	\$775.00	\$734.00	\$2,031.90	\$1,732.65	\$242.67	\$101.60	\$86.63	\$110.03	\$6,263.48	3.21%		\$60.00	\$495.00	\$20.00			\$575.00	\$9,196.48		
525 W. 2nd St.	7924	\$195,104	Triplex	\$2,358.00	1.21%	\$421.00	\$28.00	\$775.00	\$734.00	\$2,031.90	\$1,732.65	\$242.67	\$101.60	\$86.63	\$110.03	\$6,263.48	3.21%		\$60.00	\$495.00	\$20.00			\$575.00	\$9,196.48		
6562 Hwy 93 S	7929	\$8,000	Commercial - coffee kiosk	\$281.00	3.51%			\$36.48	\$34.56	\$1,563.00	\$1,575.00	\$0.00	\$78.15	\$78.75	\$3.55	\$3,369.49	42.12%		\$60.00	\$450.00	\$20.00			\$530.00	\$4,180.49		
115 Central Avenue	7913	\$293,760	Commercial - Restaurant remodel	\$3,327.00	1.13%	\$0.00	\$0.00	\$0.00	\$0.00	\$1,747.10	\$1,323.83	\$0.00	\$87.36	\$66.19	\$0.00	\$3,224.48	1.10%		\$0.00	\$880.00	\$20.00			\$900.00	\$7,451.48		
Totals		\$3,074,840		\$33,530.00												\$69,632.98											
OTHER PROJECT EXAMPLES																											
275 Flathead Avenue	7677	\$5,310,000	ESC	\$42,778.00	0.81%	\$0.00	\$0.00	\$12,176.72	\$11,535.84	\$7,407.94	\$7,121.46	\$7,114.80	\$370.40	\$356.07	\$1,541.37	\$47,624.60	0.90%		\$300.00	\$880.00	\$20.00			\$1,200.00	\$91,602.60		
1385 Wisconsin		\$3,300,000	Hotel Addition	\$23,451.00	0.71%	\$0.00	\$0.00	\$8,569.00	\$8,118.00	\$14,195.16	\$14,054.48	\$2,782.50	\$709.76	\$702.72	\$973.48	\$50,105.10	1.52%		\$0.00	\$2,600.00	\$20.00	\$360.00	\$2,980.00	\$76,536.10			
310 Sugarbowl Circle	7874	\$1,600,000	Single Family - Ironhorse	\$11,349.00	0.71%	\$421.00	\$28.00	\$775.00	\$734.00	\$0.00	\$3,831.04	\$200.00	\$0.00	\$191.55	\$107.90	\$6,288.49	0.39%		\$60.00	\$550.00	\$20.00			\$630.00	\$18,267.49		
1036 Creekview Drive	7726	\$350,000	Single Family Resid	\$3,486.00	1.00%	\$421.00	\$28.00	\$775.00	\$734.00	\$2,292.40	\$1,995.40	\$200.00	\$114.62	\$99.77	\$107.90	\$6,768.09	1.93%		\$0.00	\$495.00	\$20.00	\$60.00	\$575.00	\$10,829.09			

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January 29, 2013

Mayor Muhlfeld and City Councilors
City of Whitefish
Whitefish, Montana

Mayor Muhlfeld and Councilors

Recommendation to Approve an Expanded Scope of Work for the East 2nd Street Reconstruction Project to Include the Extension of Dodger Lane

Introduction/History

Staff introduced an idea, at the last City Council meeting, to build a new road connecting East 2nd Street with Armory Road in conjunction with the East 2nd Street Reconstruction Project. This memo is to provide more information for the Council's consideration and request approval to move forward with that plan.

Current Report

The proposed roadway, approximately 700 in length, would complete a connection between Dodger Lane and Veteran's Way, as shown on the attached aerial photo. The scope of work would include a 2 lane road without curb and gutter, a new water main, storm drainage improvements and a prepared base for a future bicycle and pedestrian path along the east side of the road. The estimated costs for design and construction are \$51,500 and \$ 268,950, respectively, for a total of \$320,450.

The need for a new route between East 2nd Street and Armory Road stems from the fact that the residential neighborhood east of Cow Creek does not have an efficient, interconnected street network and so will be isolated for extended periods during the reconstruction of East 2nd Street. An aerial photo of the project area is attached.

When various sections of East 2nd Street are closed for construction, the only practical route between town and properties along East 2nd Street, Birch Drive, Wedgewood Lane, Armory Road, Hueth Lane and Peregrine Lane will be out and around on East Edgewood or Armory and Voerman Road. Aside from providing daily access for property owners and residents, we must also provide efficient access for emergency services.

It is important to consider the congestion, risk and cost of multiple crews and heavy equipment operating in the limited space along the East 2nd Street corridor. All one needs to do is imagine the difficulties and added expense if we had tried keep each block of Central Avenue open to traffic during construction.

The most effective means to minimize congestion and risk, and thereby promote lower bid prices, is to close portions of East 2nd Street for extended periods of time. And the best strategy to provide reasonable traffic circulation during construction is to complete the connection between Dodger Lane and Veteran's way.

The new water main between Dodger Lane and Veteran's Way will add a useful loop in the water grid. This and the improved street grid will provide benefits for the public long after the East 2nd Street project has been completed.

Financial Requirement

The Resort Tax Fund is, by law, available only for the reconstruction of existing infrastructure and cannot be used to build this new roadway. Staff has reviewed the various project components and recommends the cost be distributed across three separate funds, with 53% going to the Street Fund, 32% to the Water Fund and 15% to the Stormwater Fund.

We propose the following funding strategy, based on our estimate of \$51,500 for engineering and \$268,950 for construction, with a timeline for design and bidding in FY13 and construction in FY 14,.

FY 13 – Provided through the redirection of funds in the current FY13 Budget

Design and Bidding Services	
\$17,721	Street Fund
\$10,938	Water Fund
<u>\$ 4,941</u>	Stormwater Fund
\$33,600	Total

FY 14 – To be provided in the upcoming FY 14 Budget

Engineering and Construction	
\$151,291	Street Fund
\$ 93,377	Water Fund
<u>\$ 42,182</u>	Stormwater Fund
\$286,850	Total

Funding for project design and construction bidding in FY13 requires some adjustment of the current adopted budgets for the Street, Water and Stormwater funds. In the Street Fund, \$17,721 would be redirected from the current balance of \$166,084 under the Repair and Maintenance Services line item, most of which has been intended for chipseals and overlays. In the Water Fund, \$10,938 would be redirected from a \$150,000 allocation under the Capital Improvements line item to upgrade the water main hanging under the Columbia Avenue bridge. Although design work on that project could begin before the end of the fiscal year, construction will not occur before FY14. And finally in the Stormwater Fund, \$4,941 would be redirected from a \$30,000 allocation under the Capital Improvements line item for the Shady River Outfall and Stabilization Project, which will be held over to FY14.

We foresee enough flexibility with pending projects and sufficient funds available to include the Dodger Lane extension in the Street, Water and Stormwater budgets for FY14. The current FY13 Budget includes unappropriated Ending Available Cash for the Street, Water and Stormwater funds in the amounts of \$546,925, \$393,936 and \$1,044,744, respectively.

Recommendation

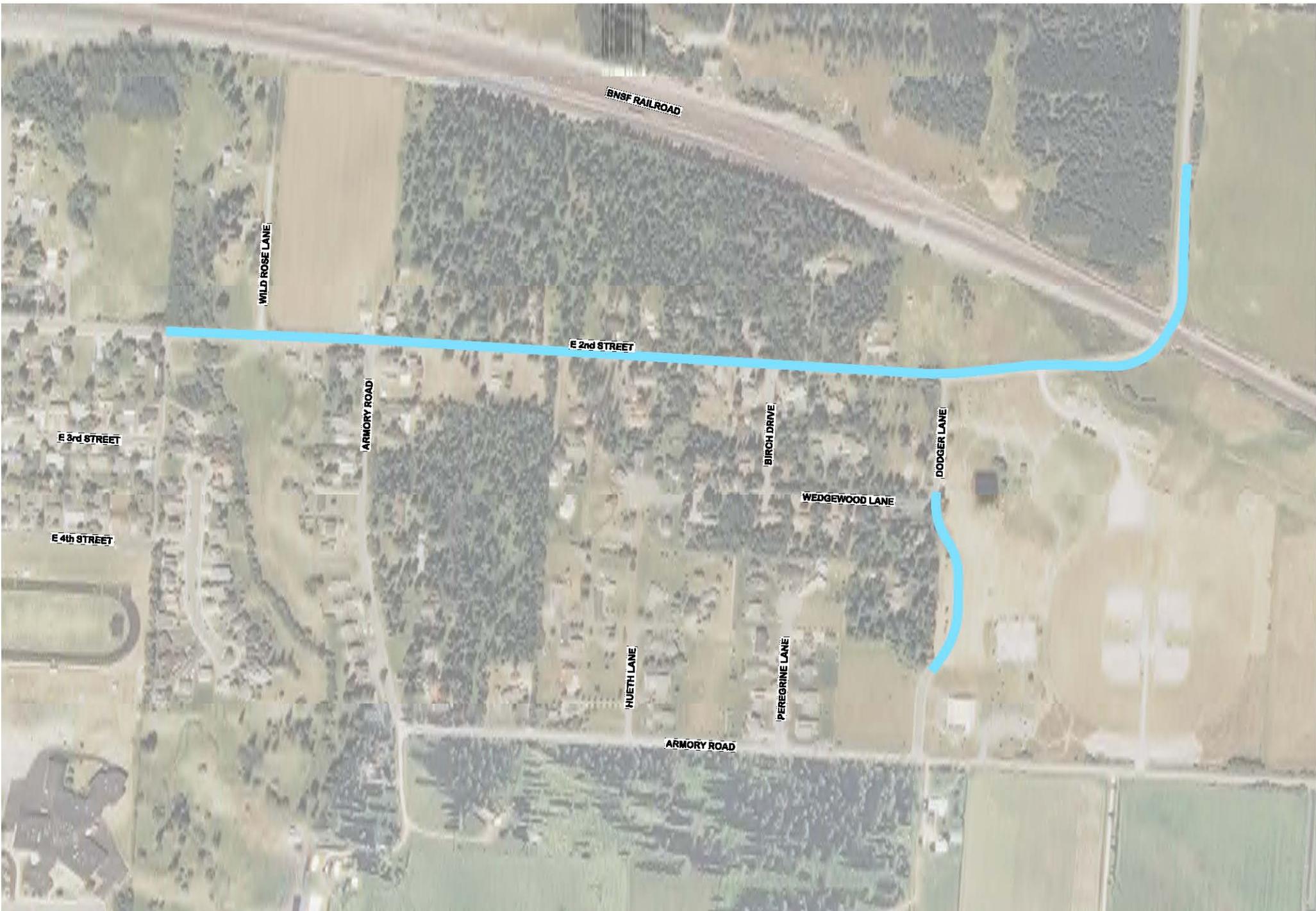
We respectfully recommend the City Council approve:

1. Expanding the scope of engineering and construction work on the East 2nd Street Reconstruction Project to include approximately 700 linear feet of new roadway, water main and storm drainage improvements, as necessary to build a new connecting road between Dodger Lane and Veteran's Way
2. Administrative adjustments to the FY13 Street, Water and Stormwater fund budgets as described above and
3. Amendment No. 2 to our consultant contract with Robert Peccia and Associates, in an amount not to exceed \$51,500, for engineering design, bidding, construction engineering and related services necessary to complete this work.

Sincerely,



John C. Wilson
Public Works Director





January 29, 2013

Mayor Muhlfeld and City Councilors
City of Whitefish
Whitefish, Montana

Mayor Muhlfeld and Councilors

**Recommendation to Proceed with the 4th Street Drainage Improvements
in Coordination with New High School Construction Project**

Introduction/History

This memo is to present a concept developed by the School District's engineering consultant for the New High School project, Jackola Engineering, and Public Works staff to improve storm drainage facilities along east 4th Street, north of the school. Although construction will not occur until FY14, a commitment is needed at this time if the City wishes to participate.

Current Report

It would be beneficial to both the School District and the City to improve drainage on East 4th Street as part of the New High School construction project. Drainage from the north high school parking lot and 4th Street currently flow directly to Cow Creek with no treatment. The drainage improvements proposed by Jackola Engineering would collect drainage along Fourth Street and pipe it through the school property to Pine Avenue. The proposed system would collect drainage from most of the new high school project. The stormwater directed to Pine Avenue would then drain to the City's existing wetland detention pond at the south end of Pine. This pond would provide treatment and detention before releasing to Cow Creek.

The project would also include paving the gravel portion of 4th Street (along the north edge of the road). This area is currently used for student parking and special events. The proposed drainage system has been designed to facilitate the eventual reconstruction of Fourth Street. These drainage improvements will increase the life of the pavement and make it less expensive to rebuild. Standing water is a major cause of asphalt deterioration on streets throughout town.

Two drawings are attached to show the existing stormwater system and proposed drainage improvements.

Financial Requirement

The estimated cost of construction for the Fourth Street drainage improvements, including a 15% contingency, is \$126,666. The City has not been asked to pay any design costs.

The School District proposes the City participate in the cost upsizing a currently designed 8 inch stormwater main to 12 inch, as necessary to serve the expanded drainage area. This would be consistent with City policy and our Design Standards. The approximate cost of \$5456 to upsize the pipe is included in the cost estimate shown above.

The FY13 Stormwater budget includes an estimated Ending Available Cash balance of \$1,044,744. We therefore anticipate sufficient funds to include this project in the upcoming FY14 budget. Construction of these drainage improvements is expected to occur during the summer and fall of 2013.

Recommendation

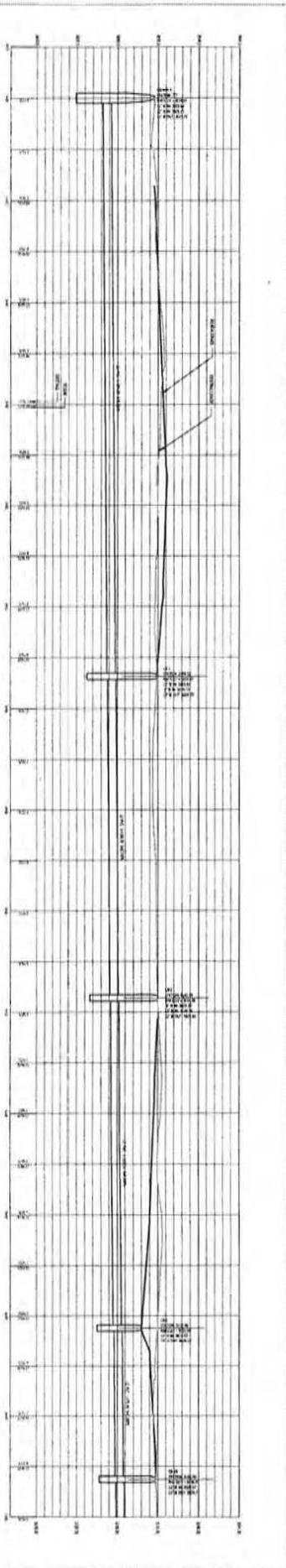
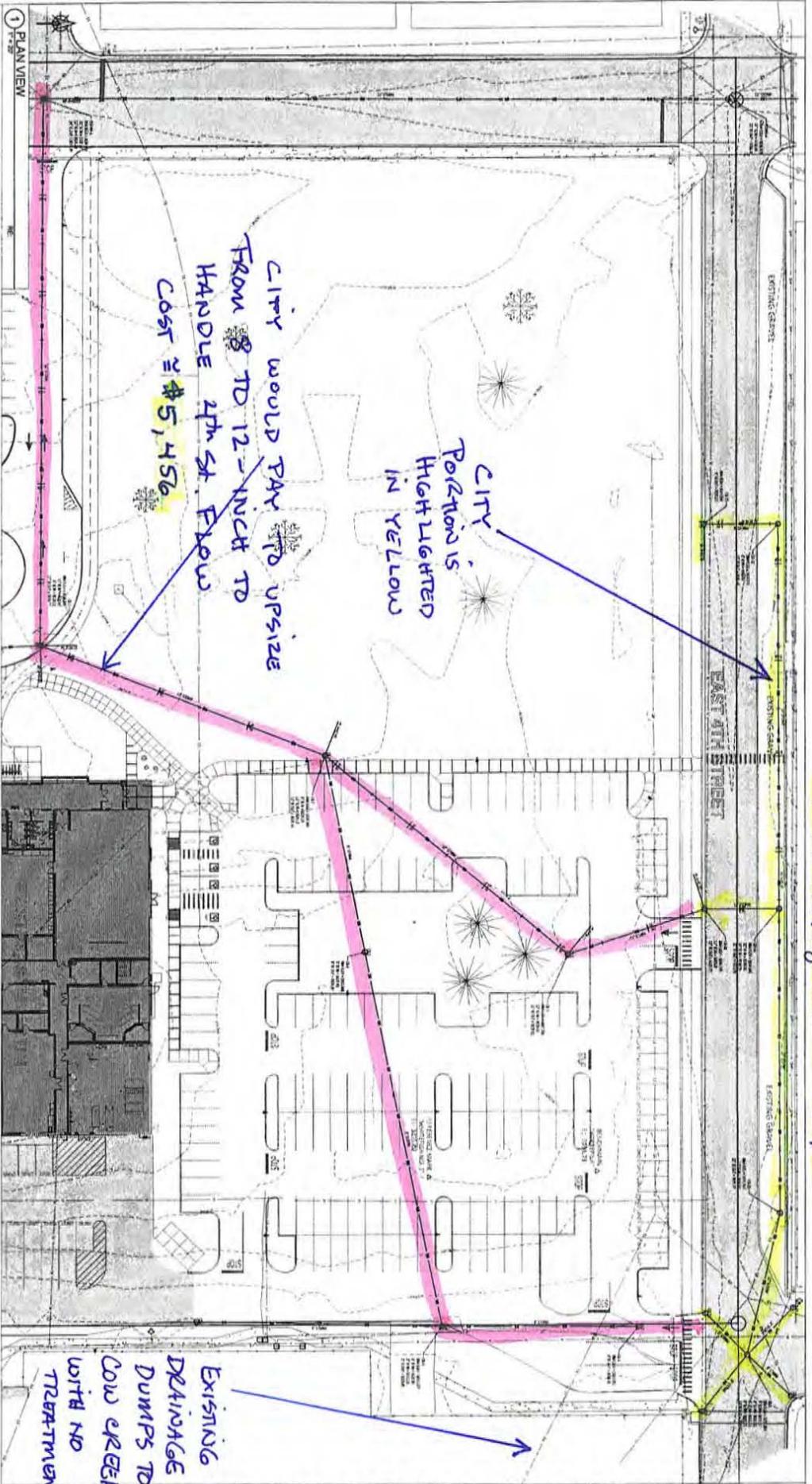
We respectfully recommend the City Council authorize a commitment to the School District, whereby the City would participate in construction of the 4th Street Drainage Improvements Project at an estimated cost of \$126,666 in FY14.

Sincerely,



John C. Wilson
Public Works Director

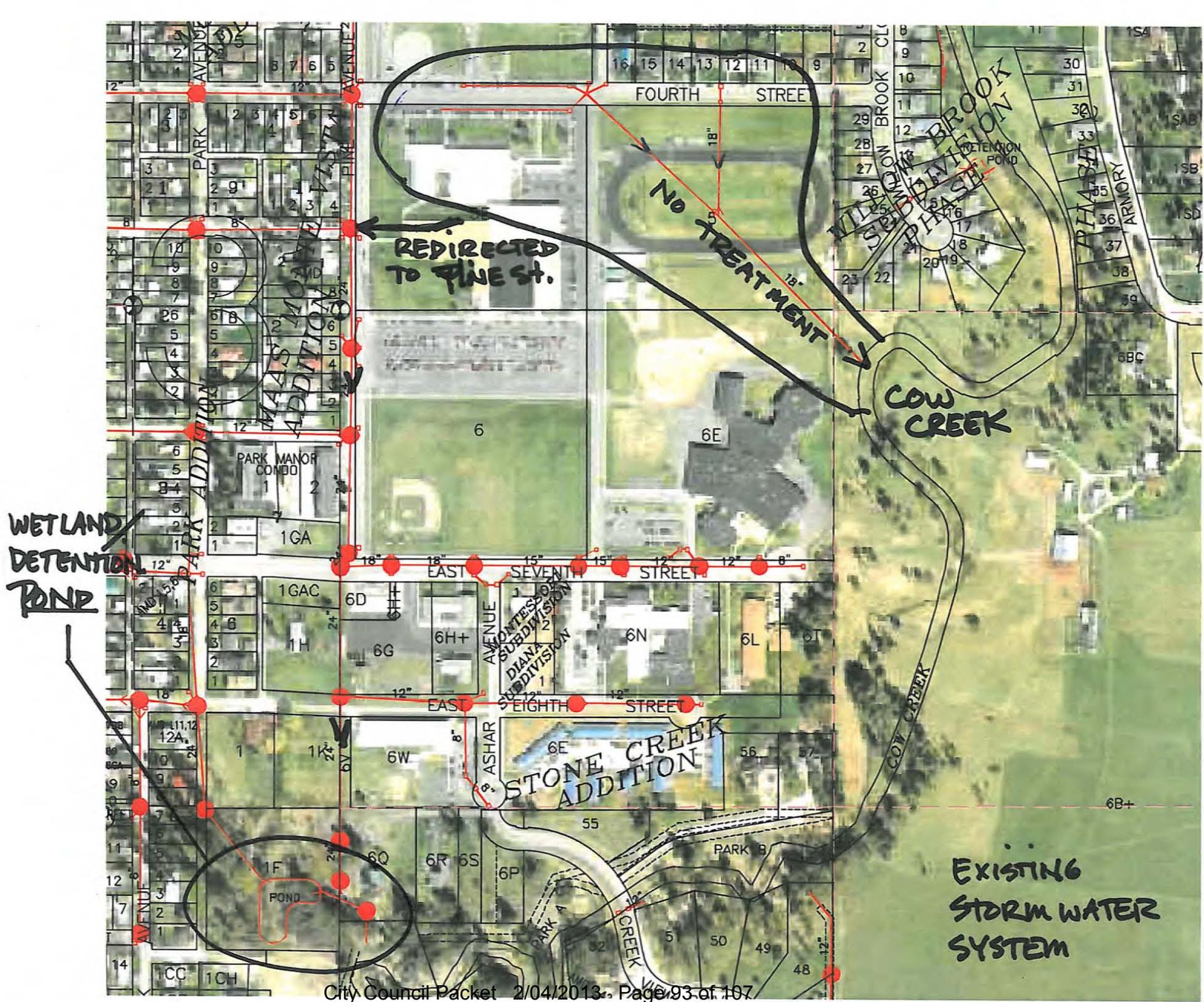
4th St. Drainage Cost ≈ \$121,210



2 PROFILE VIEW

TOTAL 4th St. \$121,210

City Council Packet 13/04/2019 Page 92 of 107



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MANAGER REPORT

January 30, 2013



FY14 BUDGET

A copy of the tentative budget schedule for FY14 is attached to this report in the packet. We will schedule an agenda item in the future for the Mayor and City Council to affirm or change the budget work session dates in May. I have heard that one or two Council members cannot make the May 13th work session, so that date may change when we have it as an agenda item.

The preliminary figure for the Consumer Price Index (CPI-U) that we use in our labor agreements and often for non-union pay increases is 1.7%. This figure could be revised in February, but for now the preliminary number is 1.7%. Attached with is report in the packet is a printout of the page from the Bureau of Labor Statistics showing the 1.7%.

SUMMARY FROM MMIA OF UPCOMING AFFORDABLE CARE ACT REQUIREMENTS

In January, our medical insurance provider, MMIA, sent us a summary of the upcoming requirements of the Patient Protection and Affordable Care Act (PPACA) which are applicable to our medical insurance plans. As shown in the summary in the packet attached with this report, MMIA will take care of most of the requirements and all of the fees. However, they will have to recover the cost of the fees in monthly premiums, so that will be a factor when they set next year's medical insurance premiums in the coming months.

MEETINGS

Only internal staff meetings during the past two weeks.

UPCOMING SPECIAL EVENTS

February 2nd – Winter Carnival Parade – 3:00 p.m.

REMINDERS

Second City Council meeting in February is Tuesday, February 19th because of Presidents Day holiday on Monday, February 18th.

Respectfully submitted,

A handwritten signature in blue ink that reads "Chuck Stearns". The signature is written in a cursive style.

Chuck Stearns
City Manager

Budget Calendar Fiscal 2014

- Feb 4 Asst. City Manager/Finance Director begins reformatting budget spreadsheets, updating historical budget data, and estimating final year end revenues and expenditures for FY14.
- Feb 15** Department Directors to submit individual updated 5 year Capital Improvement Plans to Administrative Assistant to the Public Works Director.
- Feb 22 Finance Director to submit newly compiled 5 year Capital Improvement Plan to City Manager.
- Mar 1 Assistant City Manager/Finance Director submits budget preparation instructions and materials to all Department Heads.
- March City Manager meets with Mayor and Council members in groups to get preliminary comments on budget.
- Mar 29** All Department Heads submit estimates of expenditures and revenues to the Assistant City Manager/Finance Director.
- Apr 1 Optional notice deadline for City Council or Municipal Judge to submit request for an adjustment in Municipal Judge's compensation other than automatic cost of living.
- Apr 1 City Council approval of Capital Improvement Program. (Optional every other year—completed for FY13 will do for FY15)
- May 1 City Manager to provide Municipal Judge with proposed "status quo" Municipal Court Budget.
- May 15 Municipal Judge's deadline to submit his Municipal Court budget proposal. (Ordinance)
- May 6 Assistant City Manager/Finance Director produces budget document.
- May 13 Budget Meeting - City Manager presents proposed budget to Mayor & City Council. Department Directors other than Public Works present budget requests.
- May 28 Budget Meeting – Public Works and Municipal Court present budgets
- Jun 3 or 17 Preliminary Public Hearing and City Council adopts Preliminary Budget
- Jul 1 City begins fiscal year using proposed budget as approved by the City Council.
- Aug 5 DOR to submit Certified Taxable Value.
- Aug 7 & 14 Advertise notice of public hearing on budget for August 19, 2013.
- Aug 19** Public hearing on budget.
Final budget adopted by resolution.

Bold denotes deadlines

1/16/2013

Change Output Options:

From: To:



include graphs

[More Formatting Options](#)

Data extracted on: January 29, 2013 (12:16:50 PM)

Consumer Price Index - All Urban Consumers

Series Id: CUUR0400SA0, CUUS0400SA0
 Not Seasonally Adjusted
Area: West urban
Item: All items
Base Period: 1982-84=100

Download: [.xls](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1
2002	182.4	183.2	184.0	185.1	184.8	184.5	184.7	185.3	185.7	185.8	185.8	185.5	184.7	184.0
2003	186.6	188.1	189.3	188.8	188.5	188.1	188.4	189.2	189.6	189.4	188.5	188.3	188.6	188.2
2004	189.4	190.8	192.2	192.3	193.4	193.3	192.9	193.0	193.8	195.0	195.1	194.2	193.0	191.9
2005	194.5	195.7	197.1	198.6	198.8	198.0	198.6	199.6	201.7	202.6	201.4	200.0	198.9	197.1
2006	201.7	202.7	203.8	205.3	206.9	206.4	206.7	207.5	207.8	207.1	206.3	206.2	205.7	204.5
2007	207.790	208.995	210.778	212.036	213.063	212.680	212.542	212.406	212.920	213.917	214.904	214.733	212.230	210.890
2008	215.739	216.339	218.533	219.437	221.009	223.040	223.867	222.823	222.132	221.034	217.113	214.685	219.646	219.016
2009	215.923	217.095	217.357	217.910	218.567	219.865	219.484	219.884	220.294	220.447	219.728	219.307	218.822	217.786
2010	219.989	220.179	220.809	221.202	221.417	221.147	221.331	221.523	221.384	221.708	221.671	222.081	221.203	220.790
2011	223.149	224.431	226.558	227.837	228.516	228.075	227.805	228.222	229.147	229.195	228.771	228.117	227.485	226.428
2012	228.980	229.995	232.039	232.561	233.053	232.701	231.893	233.001	234.083	234.966	233.206	232.029	232.376	231.555

12-Month Percent Change

Series Id: CUUR0400SA0, CUUS0400SA0
 Not Seasonally Adjusted
Area: West urban
Item: All items
Base Period: 1982-84=100

Download: [.xls](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2002	2.3	2.2	2.2	2.6	1.9	1.4	1.5	1.9	1.8	1.8	1.9	2.1	1.9	2.1	1.9
2003	2.3	2.7	2.9	2.0	2.0	2.0	2.0	2.1	2.1	1.9	1.5	1.5	2.1	2.3	1.8
2004	1.5	1.4	1.5	1.9	2.6	2.8	2.4	2.0	2.2	3.0	3.5	3.1	2.3	2.0	2.7
2005	2.7	2.6	2.5	3.3	2.8	2.4	3.0	3.4	4.1	3.9	3.2	3.0	3.1	2.7	3.5
2006	3.7	3.6	3.4	3.4	4.1	4.2	4.1	4.0	3.0	2.2	2.4	3.1	3.4	3.8	3.1
2007	3.0	3.1	3.4	3.3	3.0	3.0	2.8	2.4	2.5	3.3	4.2	4.1	3.2	3.1	3.2
2008	3.8	3.5	3.7	3.5	3.7	4.9	5.3	4.9	4.3	3.3	1.0	0.0	3.5	3.9	3.1
2009	0.1	0.3	-0.5	-0.7	-1.1	-1.4	-2.0	-1.3	-0.8	-0.3	1.2	2.2	-0.4	-0.6	-0.2
2010	1.9	1.4	1.6	1.5	1.3	0.6	0.8	0.7	0.5	0.6	0.9	1.3	1.1	1.4	0.8
2011	1.4	1.9	2.6	3.0	3.2	3.1	2.9	3.0	3.5	3.4	3.2	2.7	2.8	2.6	3.1
2012	2.6	2.5	2.4	2.1	2.0	2.0	1.8	2.1	2.2	2.5	1.9	2.2	2.2	2.3	2.0

1.7% is our current CPI for FY14

TOOLS

- Areas at a Glance
- Industries at a Glance
- Economic Releases
- Databases & Tables
- Maps

CALCULATORS

- Inflation
- Location Quotient
- Injury And Illness

HELP

- Help & Tutorials
- FAQs
- Glossary
- About BLS
- Contact Us

INFO

- What's New
- Careers @ BLS
- Find It! DOL
- Join our Mailing Lists
- Linking & Copyright Info

RESOURCES

- Inspector General (OIG)
- Budget and Performance
- No Fear Act
- USA.gov
- Benefits.gov

JANUARY, 2013

PPACA – Employer Requirements

With the passage of the Patient Protection and Affordable Care Act (PPACA), or the health reform law, there are several requirements of plans, individuals, but also employers. The MMIA Employee Benefits Program is working diligently to stay informed about the requirements of PPACA, even as new clarification continues to come out. As a member of the MMIA EB Program, we wanted to provide you some information to assist you in making your decisions on how to manage your responsibilities from PPACA. Please keep in mind that we are only notifying you of the PPACA rules, and that you can certainly make your own decisions on the best method for handling each requirement. We are happy to work with you in giving you our best understanding of the law, as well as discussing what options the EB Program offers that may assist your dealings with the law. The information provided here is the most current information we have available right now; we will send further information out as it becomes available to us.

All Employers

- Employers must report premium amounts on 2014 W2s for all employees. This is the amount the premium costs, regardless of premium contribution.
- In 2014, exchanges will open. Exchanges are an electronic hub to make qualifying plans available to individuals. Open Enrollment for exchanges is October 2013 to be effective January 2014. All employers (regardless of employee size) must send notifications out to employees about the availability of exchanges. We are still awaiting further details on what needs to be included in such a notification.

Employers with at least 50 employees

- If employers do not offer coverage, they will pay a penalty of \$2000 per employee per year.
- If they do offer coverage but it does not meet the criteria of affordable (defined below), they will pay a penalty of \$3000 per employee that purchases a product from the exchange **and** receives a subsidy to do so.
 - A first criterion of an affordable plan is that the plan offered must have an actuarial value of 60% or more. This means that the plan is paying at least 60% of the costs of services, taking the bulk of the burden. All of MMIA's plans have been analyzed and deemed as meeting this criterion.
 - The second criterion is that the amount that the employee is required to pay for the employee-only premium, of the lowest qualifying plan offered, cannot be more than 9.5% of their income.

- One issue to consider when determining whether an employer fits into 50 or more employees is that this is defined as FTE (full time equivalent). All employee hours need to be included in this calculation.
- Employees that work 30 hours or more on average are considered FTE and need to be offered affordable employer provided coverage. We are awaiting further clarification on the proper way to calculate an average for those employees that vary in hours.
- Seasonal or temporary workers may not need to be provided benefits; however we are awaiting more information on what constitutes as a seasonal or temporary employee.

Other PPACA Requirements

- Another fee to consider is the required \$63 per covered life fee per year that is required beginning in 2014. This fee will be reduced exponentially over the next couple years and be phased out entirely by 2018. The MMIA EB Program will be taking care of this responsibility for our members. We will be working on how to handle this additional cost, but it will not be responsibility of the employees or employers to collect, report or pay.
- The MMIA EB Program will also be handling the required research fee per participant on behalf of our membership.
- The plan is responsible to send out a Summary of Benefits and Coverage (SBC) to each employee during our open enrollment. We will be getting this information out to participants, along with explanation of what it is and other information regarding the plan. While this is our responsibility, please be aware that it will be going out to employees, in case you get questions.

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RESOLUTION NO. 13-____

A Resolution of the City Council of the City of Whitefish, Montana, further amending Resolution No. 11-05, which established an Ad Hoc Cemetery Committee, to expand the Committee's general purpose and to extend its duration an additional two years.

WHEREAS, the City Council, on January 18, 2011, adopted Resolution No. 11-05, which established an Ad Hoc Cemetery Committee (Committee) with the general purpose to evaluate possible locations and development for a new public City cemetery located close to the City and to report its recommendations to the City Council for the purpose of procuring and holding lands to be used as a cemetery. Resolution No. 11-05 also provided for the Committee to dissolve on January 31, 2013; and

WHEREAS, the City Council, on March 7, 2011, adopted Resolution No. 11-15, which amended the membership portion of Resolution No. 11-05 to provide for the appointment of seven residents of the community; and

WHEREAS, following the public January 22, 2013 work session, the City Council and Cemetery Committee determined the general purpose and duration of the Committee should be expanded to allow two more years for the Committee's evaluation of possible additional services that may be made available at the City public cemetery at its current location and identification of possible other locations for the development of a new public City cemetery with additional services; and

WHEREAS, it will be in the best interests of the City of Whitefish, and its inhabitants, for the City Council to expand the Committee's general purpose and extend its duration an additional years.

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

Section 1: Resolution No. 11-05 is hereby amended to provide as follows (deletions shown with strikethrough and additions shown bold):

Section 1: There is hereby established a Cemetery Ad Hoc Committee (the "Committee").

Section 2: ~~The general purpose of the Committee shall be to evaluate possible locations and development for a new public City cemetery located close to the City and to report its recommendations to the City Council for the purpose of procuring and holding lands to be used for a cemetery.~~ **The general purpose of the Committee shall be for evaluating and developing additional services, utilizing the present location, identification of possible new sites close to the City, procuring property for use as a new public City cemetery and preparing a report of the Committee's recommendations to the City Council.**

Section 3: The Committee shall consist of **up to** seven (7) individuals. The Mayor, with consent and approval of the City Council, shall appoint **up to** seven (7) residents of the Community to the Committee. City staff may be appointed as regular Committee members or as ex officio members. The Committee members shall select a Chairperson from the members of the Committee. The Committee shall appoint one member as Secretary of the Committee, who shall keep minutes of all meetings and submit them to the City Clerk. Four (4) members shall constitute a quorum. The Committee shall meet as often as necessary to accomplish its ~~mission~~**general purpose**, as described herein. The Committee shall cease to exist as provided in Section 4.

~~Section 4: The Committee shall begin its deliberations as soon as practical after creation of the Committee. The Committee shall evaluate possible locations and development for a new city public cemetery, and submit to the City Council a written report, which report shall include recommendations and ideas for a new public City cemetery, identification and development of the recommended sites, and an explanation of the Committee's criteria in making its recommendations. The Committee shall be disbanded as of January 31, 2013, or earlier if the City Council completes its consideration of the Committee's report prior to that date.~~ **The Committee shall continue its deliberations for the identification and development of additional services, utilization of the present location, identification of new recommended sites, procuring property for use as a new public City cemetery. The Committee shall prepare and submit to the City Council a written report, which report shall include the Committee's recommendations and explanation of its criteria in making its recommendations. The Committee shall be disbanded as of January 31, 2015, or earlier if the City Council completes its consideration of the Committee's report prior to that date.**

Section 2: Except as modified herein, all other provisions of Resolution No. 11-05 shall remain.

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

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

John M. Muhlfeld, Mayor

ATTEST:

Necile Lorang, City Clerk

Staff Report



January 29, 2013

To: Mayor Muhlfeld and City Councilors

From: Mary VanBuskirk, City Attorney *Mary*

Re: Ad Hoc Cemetery Committee's
Expansion of General purpose and Duration

Introduction/History

The City of Whitefish established the City Cemetery in 1917 at its present location on Second Avenue West along Highway #93 West. The cemetery has interred 3,115 on its approximate seven acres. All existing lots are owned. Over the past 60 years, the City has considered options to expand the available lots and property available for the City cemetery, without success.

In response to the need for more burial space for the community, two years ago the City Council established a seven member ad hoc Cemetery Committee (Committee) with the stated general purpose, the evaluation and development of a new public City cemetery located close to the City. The Committee was planned to disband on January 31, 2013. The Committee was to be composed of one City elected officer and six residents of the Community and City staff. Resolution No. 11-05. Following the City Council's interviews of seven community applicants for the Committee, the City Council found all seven worthy of the appointment. To allow for the appointment of the seven valuable community members, the City Council amended Resolution No. 11-05 to provide for the appointment of seven residents of the community. Resolution No. 11-15.

Current Report

Following the Committee's past reports to the City Council, its November 5, 2012 Committee Report to the City Council, and the January 22, 2013 work session with the City Council and Committee, it was determined that the task for the Committee proved more difficult than had been anticipated. Following percolation tests conducted on City owned property, the sites were determined unsuitable due to high ground water levels or location next to the City treatment plant facility. Other possible locations owned by the City were considered, some worthy of further investigation. The work session also considered the purchase of private property with the need to find funding sources for the purchase and development of a new cemetery site. Design and space saving options were also considered for single and family plots, conventional, crematory, mausoleum, and green burials. These design options would allow for the better use of the existing and future cemetery properties through "in-fill", cremation sites, single and family plots and structures, mausoleums, and other space saving options.

Since the present location, possible new locations, services and design considerations required further investigation and deliberation, the Committee members were asked whether they would consider working on the cemetery issues for an additional time period. The Committee members present for the work session agreed to continue their work and expressed their commitment to find possible solutions to the City's need for more cemetery space. The Committee members expressed their desire to investigate and report their recommendations for suitable and available burial space for the community. Attendees believed an additional two years would be required to complete the Committee's expanded general purpose to look at the present cemetery location and explore additional services. In order for the Committee to evaluate the present location and possible new locations and development of additional services for an additional two years, an amendment to the authorizing resolution was required. Towards this end, staff prepared an amendment to Resolution No. 11-05 to expand the Committee's general purpose and extend the Committee's work an additional two years.

Financial Requirement

None anticipated.

Recommendation

City staff respectfully recommends that the City Council approve the proposed resolution expanding the Committee's general purpose and extending its duration an additional two years.

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January 24, 2013

Mr. Chuck Stearns
City Manager
P.O. Box 158
Whitefish, MT 59937

Dear Mr. Muhlfeld and Council Members:

We would like to formally express our interest in developing a Timeless Boutique Hotel in downtown Whitefish. The site we would like to develop is at the corner of 3rd and Central, which is currently being used as a surface parking lot.

As Montana's only 4 diamond resort, we believe that we are uniquely positioned to produce a quality boutique hotel. We have established a reputation as a premier lodging establishment and we are well known for our great customer service. The infrastructure of the Lodge at Whitefish Lake allows for synergies and economies of scale that will benefit the new property.

We would ask that the City Council adopt a resolution forming a subcommittee which we would work with to draft a preliminary development agreement for City Council approval. That agreement would give us exclusive rights to develop plans and bring a project to the Council for approval of a detailed development agreement within a specified period of time.

We are pleased to know that the City is interested in adding a downtown hotel as part of the overall city development plan, and we want to ensure that the end result is a quality property that will bring economic growth to the community.

Sincerely,

Brian Averill
Averill Hospitality