1) Call to Order

2) Interview
   a) 5:30 p.m. - Mandie Fleming – Whitefish Housing Authority – Member-at-Large

3) Public Comment

4) Appointment
   a) Whitefish Housing Authority – One (1) position, complete the term ending 12/31/2026, Mayoral appointment

**If time runs out before appointments are made, there will be time at the end of the regular session**

**********************************************************************************

CITY COUNCIL WORK SESSION
CITY COUNCIL CONFERENCE ROOM
TUESDAY, JANUARY 3, 2023
5:45 PM

5) Discussion on the Community Solar Project at the Wastewater Treatment Plant

6) Public Comment

7) Direction to City Manager

**********************************************************************************

To attend the meeting via Microsoft Teams, and provide live comment on your computer, tablet or smartphone, attendees should go to the web link below.

Meeting Link: Microsoft Teams Link  Meeting Number: 282.385 838 364  Password: 9NYyKg

For the Audio Conference Call option: call the number below and enter the access code.

• United States Toll Free: 833-563-1751  Access code: 836 999 771#
• We encourage individuals to provide written public comment; to the City Clerk, Michelle Howke at mhowke@cityofwhitefish.org or deliver by 4:00 p.m. Tuesday, January 5, 2023, to City Hall. Written comments should include name, address, should be short and concise, courteous, and polite. All written comments received by 4:00 p.m. will be provided to the City Council and appended to the packet following the meeting.
• Public comment by those attending the meeting "live" via WebEx or in-person will be limited to three minutes per individual.

8) CLOSED EXECUTIVE SESSION – Pursuant to Section 2-3-203 (4) M.C.A – Litigation Update with City Attorney Jacobs

9) Direction to Attorney Jacobs

10) Adjourn
PUBLIC NOTICE
VACANCIES ON CITY BOARDS/COMMITTEES

WHITEFISH SUSTAINABLE TOURISM MANAGEMENT PLAN STANDING COMMITTEE – Eight (8) positions. Four (4) position – members-at-large (must be a city resident with experience in, knowledge of, or perspective on tourism and its relationship to the Whitefish community); two (2) members may reside outside the City of Whitefish, as long as the member resides in Flathead County and has an ownership interest in or a managerial position at a business located and operating within the corporate limits of Whitefish; one (1) member from Whitefish Mountain Resort; one (1) member from the Whitefish Convention and Visitors Bureau.

WHITEFISH CONVENTION AND VISITORS BUREAU – Two (2) positions, complete term ending 5/31/2023. Applicant shall reside in the city of Whitefish postal district (59937) and shall have ownership interest or managerial position at a business located and operating within the city of Whitefish postal district (59937). Openings include preference for representative for transportation business, finance, large lodging properties, or Whitefish Golf Course. Committee meets once a month.

WHITEFISH LAKE AND LAKESHORE PROTECTION COMMITTEE – One (1) positions, 2-year term, applicant must be a lakefront property owner within the corporate limits of the city of Whitefish. Committee meets once a month.

WHITEFISH HOUSING AUTHORITY – One (1) position, to complete term ending 12/31/2026. The Housing Authority follows the terms and conditions defined in the Montana Annotated Code Title 7, Chapter 15, Part 44 and 45. This Committee meets the 4th Wednesday at 4:00 p.m.

FLATHEAD CONSERVATION DISTRICT BOARD – Two (2) position, 3-year term to serve as an urban supervisor. Applicants shall reside within the city limits of Whitefish. For more details on this board please see their website https://flatheadcd.org/

IMPACT FEE ADVISORY COMMITTEE – One (1) position to complete term ending 12/31/2023. Applicant shall be a member-at-large and shall reside or work within the City limits.

BOARD OF APPEALS – One (1) position, term not designated. The Board of Appeals determines suitability of alternate materials and methods of construction and to provide for reasonable interpretations of the International Building Code. Applicant must be qualified by experience or training to pass on matters pertaining to building construction. The Committee meets as needed.

Interested citizens – Please submit a letter of interest to serve on the above committees to the Whitefish City Clerk’s Office at 418 E. 2nd St.; mail to P.O. Box 158, Whitefish, MT 59937, or email mhowke@cityofwhitefish.org. Please include your name, mailing address, physical address, and phone number. Letters of interest will be accepted until the positions are filled. If you have any questions, please call Michelle Howke, City Clerk at 863-2402 or visit the City’s website: www.cityofwhitefish.org *THANK YOU FOR YOUR INTEREST*

Publish 12/21/2022
Greetings Mayor John Muhlfeld!

I am elated to be applying for the board member vacancy on the Whitefish Housing Authority Board. As an active member of the Whitefish community with a background in public health and administration, I believe I have the skills and passion to positively contribute to the Board and am eager to put my knowledge and experience to work.

I am a Whitefish local, born and raised. When my family started the process of homebuying in 2020, I thought living in the town I grew up in would be out of my reach. I was so lucky to be able to purchase a home through the Whitefish Housing Authority in the Trailview Subdivision. My family purchased one of the first six houses constructed in Trailview and I wholeheartedly can say it has changed my family’s future. I get to raise my family in the beautiful town I grew up in, a mile away from my childhood home where my parents live. My two children get to grow up as Bulldogs in our amazing school system. Having a stable home brings my family a sense of peace and a feeling of belonging.

My passion for attainable housing has also stemmed from my experience as a program manager at the Flathead City-County Health Department, I have witnessed the repercussions inadequate housing has had on our community. The lack of affordable housing has affected families’ ability to meet other essential expenses, placing many under tremendous financial strain. It has contributed to our community members’ poor health; they cannot manage chronic disease, are turning to substance use, and are struggling with mental health. My motto is “Housing is Healthcare” and we owe it to our community to reduce the barriers to attaining a home so they can focus on their health and their family’s well-being.

I firmly believe that every person deserves a safe and affordable place to live. For Whitefish to thrive, we need to provide diverse rental and purchasing options so locals can stay local and we can welcome new community members to our town and workforce. It would be such an honor to give back to my community and advocate for developing additional housing, lead the efforts for affordable housing, and bring awareness to the local programs working to house our community members. I am confident I have the passion, drive, and expertise that would fit on your board perfectly. I look forward to hearing from you.

Warmly,

Mandie Fleming
Montana Code Annotated 2021

TITLE 7, LOCAL GOVERNMENT
CHAPTER 15, HOUSING AND CONSTRUCTION
Part 44. Municipal Housing Authorities

Appointment Of Commissioners

7-15-4431. Appointment of commissioners. (1) An authority consists of seven commissioners appointed by the mayor. The mayor shall designate the first presiding officer. A commissioner may not be a city official.

(2) Two of the commissioners must be directly assisted by the housing authority and are known as resident commissioners. The staff of the housing authority may not involve itself in the nomination or appointment of resident commissioners, except that the housing authority shall notify all of the households directly assisted by the housing authority when a resident commissioner position is vacant.

(3) The mayor shall file with the city clerk a certificate of the appointment or reappointment of any commissioner, and the certificate is conclusive evidence of the proper appointment of the commissioner.

History: En. Sec. 5, Ch. 140, L. 1935; re-en. Sec. 5309.5, R.C.M. 1935; R.C.M. 1947, 35-105(part); amd. Sec. 2, Ch. 514, L. 1989; amd. Sec. 5, Ch. 472, L. 1997; amd. Sec. 1, Ch. 197, L. 2001.

Montana Code Annotated 2021

TITLE 7, LOCAL GOVERNMENT
CHAPTER 15, HOUSING AND CONSTRUCTION
Part 44. Municipal Housing Authorities

Term Of Office

7-15-4432. Term of office. (1) Subject to subsection (2), the commissioners who are first appointed must be designated by the mayor to serve for terms of 1, 2, 3, 4, and 5 years, respectively, from the date of their appointment. After the initial appointments, the term of office is 5 years.

(2) The resident commissioners who are first appointed shall serve for terms of 1 and 2 years, respectively, from the date of their appointment. After the initial appointments, the term of office is 2 years.

(3) A commissioner shall hold office until the commissioner's successor has been appointed and qualified.

History: En. Sec. 5, Ch. 140, L. 1935; re-en. Sec. 6309.6, R.C.M. 1935; R.C.M. 1947, 35-105(part); amd. Sec. 3, Ch. 514, L. 1989; amd. Sec. 2, Ch. 197, L. 2001.
<table>
<thead>
<tr>
<th>Vacant- WHA resident</th>
<th>Housing Authority Resident</th>
<th>12/31/2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sandy Cooper</td>
<td>100 4th Street, Apt 224</td>
<td>12/31/2022</td>
</tr>
<tr>
<td></td>
<td>Housing Authority Resident</td>
<td></td>
</tr>
<tr>
<td>Vacant- member-at-large</td>
<td></td>
<td>12/31/2026</td>
</tr>
<tr>
<td>Maggie Schwenker</td>
<td>112 2nd Ave E, Cfalls</td>
<td>270-293-9723</td>
</tr>
<tr>
<td></td>
<td><a href="mailto:maggie@coffeetraders.com">maggie@coffeetraders.com</a></td>
<td></td>
</tr>
<tr>
<td>Marney McCleary</td>
<td>192 Browns Road, Kalispell 59901</td>
<td>406-471-2328</td>
</tr>
<tr>
<td></td>
<td><a href="mailto:Mccleary60@yahoo.com">Mccleary60@yahoo.com</a></td>
<td></td>
</tr>
<tr>
<td>Katie Williams</td>
<td>427 E. 2nd St, Whitefish</td>
<td>406-210-2181</td>
</tr>
<tr>
<td></td>
<td><a href="mailto:katherine.williams.mt@gmail.com">katherine.williams.mt@gmail.com</a></td>
<td></td>
</tr>
<tr>
<td>Ben Johnson</td>
<td>5000 Whitefish Stage Road, Whitefish</td>
<td>406-381-1794</td>
</tr>
<tr>
<td></td>
<td><a href="mailto:ben.johnson.mt@gmail.com">ben.johnson.mt@gmail.com</a></td>
<td></td>
</tr>
</tbody>
</table>
January 3, 2023

Mayor Muhlfeld and City Councilors
City of Whitefish
Whitefish, Montana

Community Solar Project at Wastewater Treatment Plant

Introduction/History

Installation of a solar photovoltaic (PV) facility on the property of the wastewater treatment plant was identified in the City’s Climate Action Plan as one of the four priority energy-saving actions to meet the 2025 emissions reduction target. The public works department had two feasibility studies done for a potential solar PV facility to help power the new wastewater treatment plant. The latest feasibility study considered a 500 kW (DC) facility that would provide approximately 32% of the energy needs of the wastewater plant. The estimated cost was about $882,000 with a payback period of about 28 years.

Subsequently, Council Goal PB# 19-05 directed staff to create a master plan for the 88-acre City-owned property on Monegan Road, the location of the wastewater treatment plant (WWTP) and Parks maintenance shop. Using the currently available site plan for the new WWTP, City staff laid out a potential site plan for the property which addresses future needs of the City and incorporates the sustainable features described in the Climate Action Plan. Council approved the plan in July 2019. The plan, which is attached to the report, dedicated 8 acres to solar energy production.

On November 1, 2021 a modified site plan was presented to Council. The change was promulgated by a request from the Whitefish Housing Authority for immediately available land for a potential affordable housing development. The updated plan, which is also attached, dedicated 32 Acres to wastewater treatment, which included area for solar energy production.
Over the past year the public works department has had discussions with Flathead Electric Cooperative about a potential community solar project at the wastewater treatment plant. At their November 17th 2021 meeting, the Climate Action Plan Standing Committee passed a motion requesting that a city council work session be scheduled to discuss the potential project. At the January 18, 2022 Council work session information was presented on the proposed 200 KW Flathead Electric Cooperative (FEC) community solar project. Additional information was presented at a July 18, 2022 work session. The council directed the public works department to continue working with FEC on the project and to return at a future meeting with additional information.

**Current Report**

The new wastewater treatment plant started operating in August 2021. With data from the new plant FEC was able to compare monthly energy usage to the predicted solar generation. The chart below shows that comparison. While the panel owners will ultimately be the ones who can claim the rights to “offsetting” their usage, land provided at the WWTP will include a community solar project capable of generating approximately 1/3 of the annual power requirement at the wastewater treatment facility.

![Solar Generation vs Waste Water Treatment Usage Chart]

Flathead Electric Cooperative (FEC) has constructed two community solar facilities over the past several years. The community solar PV facilities are managed and maintained by FEC and the solar panels were sold to FEC members. With the purchase of a panel the energy produced is
deducted as an energy credit from the member’s utility bill over time. FEC currently has a waiting list of members interested in purchasing a solar PV panel.

The PV community solar facility would produce about 200 KW (DC). It would include 456 PV panels producing 440 watts each. It would likely be a fixed panel system, but FEC would look at design options. The facility would take up about one acre of space.

Attached is a draft community solar agreement provided by Katie Pfennigs, Community Relations Manager at FEC. The community solar agreement was approved at the December 21, 2022 FEC Board meeting and has been signed by Mark Johnson, FEC General Manager. An opt out clause has been added concerning third party funding. This clause, No.7, allows either party to opt out if adequate third party funding is not available. The draft agreement states that “it is the intent of the parties that one or more third persons or entities will contribute financially to the cost of the system, thereby lowering the cost to FEC members.” If the city agrees to proceed, FEC will apply for a USDA REAP (Rural Energy for America Program) grant for about 30% of the project cost (approximately $140,000). The grant application is due March 31, 2023. In order to apply the project must have been designed, bid and a contractor selected. FEC has met with USDA staff and believes the project will qualify for a REAP grant.

Under the IRA (Inflation Reduction Act) FEC may also qualify for the federal government’s 30% tax credit for solar projects. FEC would receive this federal credit as a direct payment. If FEC qualifies for the 30% tax credit, then the credit would not be available for individual cooperative members. With these federal programs, the panel cost per member would be significantly reduced from the originally estimated $1000. The cost per PV panel is estimated to be between $400 and $700, depending on third party funding. Due to the requirements of the federal grant program FEC would sell the panel’s energy output, rather than the physical panel.

As part of the agreement FEC would lease about 1 acre of wastewater treatment plant property. The approximate location of the solar facility along Monegan Road is shown on the attached wastewater treatment property map. Of the 32 acres set aside for the wastewater treatment facility, about 4.5 acres is shown on the map as potential solar area. The draft agreement proposes that FEC provide the energy output from one PV panel. The output will show as a credit on the city’s electricity bill and will offset energy usage at the wastewater treatment plant. The panels would be installed this summer or fall.

The Bonneville Environmental Foundation has expressed interest in purchasing several panels and donating them to offset energy use of local low-income residents. FEC would coordinate this program with the LIEAP (Low Income Energy Assistance Program) run by the Community Action Partnership of Northwest Montana. Also, a Whitefish resident has committed to purchasing and donating $5,000 worth of solar panels to offset the energy use of low income area residents. FEC has asked that the city assist in spreading the word about the opportunity to purchase the panel energy output. Explore Whitefish has offered to help with this effort.
Recommendation

We ask that the council provide direction concerning the draft agreement with FEC to construct a community solar facility on the wastewater treatment plant property. At the work session Public Works will propose purchasing the energy output from additional panels to help offset energy use of the wastewater treatment facility.

Sincerely,

Karin Hilding, P.E.
Engineering & Sustainability Project Manager
Community Solar Phase III Agreement

THIS AGREEMENT is made and entered into this ___ day of ______, 2022 (“Effective Date”), by and between Flathead Electric Cooperative, Inc., a Montana cooperative corporation (“FEC”), and the City of Whitefish, (“Landowner”). These parties are hereinafter sometimes referred to individually as “Party” or collectively as “Parties”. This Agreement will refer to the Whitefish Wastewater Treatment Plant, and the Landowner’s physical address of 825 Monegan Rd, Whitefish Montana, as “Facility.” The collective photovoltaic (PV) package installed at the Landowner’s Facility is referred to as the “System”.

Landowner hereby represents and warrants that it is the owner of the Facility and as such is authorized to enter into this agreement without the approval or consent of any other person or entity.

The term of this Agreement (“Contract Term”) shall commence on the Effective Date and shall continue for the warranted lifetime of the solar panels, not to extend beyond September 1st, 2053. After the Contract Term, the continuation of the Agreement shall be up to the reasonable and sole determination of FEC. If the Project can continue to operate, using commercially reasonable efforts but without the necessity of significant additional capital expenditures, based upon projected costs, economics and other factors determined by FEC to be relevant at that time. FEC’s exercise of such discretion shall be binding upon Landowner.

1. Components to be Installed at Landowner’s Facility

FEC will install the System in and upon the Facility. The System will be a solar photovoltaic (PV) array with a nameplate capacity under 200 kW AC and will consist of multiple component parts including but not limited to the following: solar panels and associated mounting structures, inverter(s), optimizers, consumption meter, disconnect switch, transformer, vault, conduits, and wiring.

2. System Ownership

The System will be owned by FEC as part of FEC’s Community Solar program. Subject to Landowner’s exercise of the rights granted to it in § 3(B)(6) and § 3(B)(7) below, the generation from the panels will be made available for purchase by participating FEC Members or, if unsold, by FEC.

3. Obligations

A. System, Facility and Property Maintenance

Landowner agrees to:

(1) Keep trees, bushes and hedges trimmed so that the solar PV array associated with the System receives as much sunlight as it did when first installed.

(2) Not modify Facility in a way that shades the System’s photovoltaic panels.

(3) Be responsible for any conditions at Facility that affect the System (e.g., blocking access or removing a tree that is in the way).

(4) Not remove any markings or identification tags on all the equipment in the System.

(5) Not permit or allow to exist any condition or circumstance that would cause the System not to operate as intended at the Facility.

(6) Notify FEC if the System is not working, damaged or appears unsafe, or if the System is stolen.

(7) Work with installers and FEC to schedule the following activities:
a. Installation of the System. Facility owners should expect multiple visits to complete installations.

b. Installation of trench, conduit, vault, transformer, and meter by FEC and FEC contractors.

B. FEC’s Obligations for System Construction, Repair, and Maintenance

FEC agrees to:

(1) Schedule the installation of the System at a mutually convenient date and time.

(2) Construct the System according to written plans.

(3) Notify Landowner if the System design must be materially changed.

(4) Respect Landowner’s property and maintain a clean and safe environment during the construction of the System.

(5) Monitor the System performance and make repairs if needed.

(6) Assign to the Landowner the kWh output associated with one of the photovoltaic panels in the project. The kWh output of the panels will show as a credit on the Landowner’s electricity bill and be used only to offset kWh usage at the Facility.

(7) Make available to purchase by the Landowner, the amount of generation up to the 50 kW Net Metering limit, at the same cost as all other generation will be sold and to be determined by FEC at the end of construction.

C. Insurance

FEC will insure the System. FEC reserves the right to self-insure any portion of its insurance program. Landowner shall maintain property and casualty insurance on the Facility in amounts no less than it has in place for the Facility as of the date hereof and provide proof of coverage to FEC. FEC shall be added as an additional insured on such policies during the period of time that the System remains installed at the Facility.

D. No Alterations

Landowner agrees to not make any modifications, improvements, repairs, revisions or additions to the System, cause harm to the System, or take any other action that could void the Limited Warranty on the System without FEC’s prior written consent.

E. Access to the System

(1) Landowner agrees to grant FEC and its employees, agents, and installers the right to reasonably access all the Property with a minimum of 24 hours’ notice as necessary for the purposes of:

a. installing, constructing, operating, owning, repairing, removing, and replacing the System or making any additions or alterations to the System;

b. enforcing FEC’s rights as to this Agreement and the System;
c. installing, using, and maintaining electric lines, inverters, and meters, necessary to interconnect the System to the electric system at the Facility and/or to FEC's electric distribution system; or

d. taking any other action reasonably necessary in connection with the construction, installation, operation, maintenance, removal, or repair of the System.

(2) For educational and informational purposes, FEC may access the Facility during normal business hours to take photos and/or videos of the Facility and provide tours of the System installation. FEC will provide a minimum of 48 hours' notice.

(3) Landowner shall ensure that FEC's access rights are preserved and shall not interfere with or permit any third party to interfere with such rights or access.

(4) Landowner understands that FEC will be selling to its members the right to participate in the System as a community solar project, such that Landowner understands and agrees that FEC shall be entitled to all legal and equitable remedies available to it to enforce its rights under this Agreement and the rights of its member-participants.

4. Renewable Energy Credits

For each kWh generated by the System that FEC installs in Landowner's Facility, there is an associated environmental credit. For the term of this agreement, title to and ownership of any and all environmental credits belongs to FEC. FEC shall maintain title to and ownership of all such environmental credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation of energy from the System. The calculation, use and retirement of any and all environmental credits shall be at the sole and exclusive discretion of FEC.

5. Promotion and Publication

For educational and informational purposes, FEC may use Landowner's name, Facility address, photos and/or videos of the Facility. Facility and Landowner representatives and FEC will partner to develop and distribute all communication and marketing activities and both parties will approval all content associated with the Project, including but not limited to public relations activities, advertisements, web content, and project promotional materials. In recognition that FEC receives the majority of its power from carbon free resources, references to “carbon offsets” or “emission reductions” achieved by the project will not be used in communication efforts.

6. Liability and Indemnification

Landowner hereby releases, and shall defend, indemnify and hold harmless FEC, its successors and assigns, and the trustees, officers, employees and agents of FEC and its successors and assigns from any and all claims, losses, costs, liabilities, damages and expenses of any kind or character (including, but not limited to, reasonable attorneys' fees) arising out of or in connection (a) any third-party claim for injury alleged to have been incurred at the Facility or (b) to the extent that they result from Landowner's negligence or other wrongful conduct in connection with the design, construction or operation of Landowner's Facility.

7. Third Party Funding

It is the intent of the Parties that one or more third persons or entities will contribute financially to the cost of the System, thereby lowering the cost to FEC members. Up until FEC commits to procure materials from a vendor, either FEC or Landowner may terminate this agreement without cost or penalty if it determines
in its sole discretion that such third-party funding is insufficient to achieve the desired solar panel cost. Once FEC commits to purchasing materials for the System, neither Party may terminate this agreement based on the inadequacy third party funding.

Landowner:
City of Whitefish, Flathead County, Montana

By
Craig Workman
Public Works Director

FEC:
Flathead Electric Cooperative, Inc.

By
Mark Johnson
General Manager

12/21/27
Immediate Housing
~ 8 Acres

Parks & Rec
~ 8 Acres

Wastewater Treatment
(Includes Sludge Drying, Solar, Composting, & Tree Nursery)
~ 32 Acres

Possible Solar Area
~ 4.5 Acres
Design 1  Whitefish WWTP, 350 Monegan Rd, Whitefish, MT 59937

System Metrics

<table>
<thead>
<tr>
<th>Description</th>
<th>Design 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Module DC Nameplate</td>
<td>231.8 kW</td>
</tr>
<tr>
<td>Inverter AC Nameplate</td>
<td>200.0 kW</td>
</tr>
<tr>
<td>Load Ratio</td>
<td>1.16</td>
</tr>
<tr>
<td>Annual Production</td>
<td>307.1 MWh</td>
</tr>
<tr>
<td>Performance Ratio</td>
<td>82.9%</td>
</tr>
<tr>
<td>kWh/kWp</td>
<td>1,324.5</td>
</tr>
<tr>
<td>Weather Dataset</td>
<td>TMY, 10km Grid (48.35, -114.35), NREL (prospector)</td>
</tr>
<tr>
<td>Simulator Version</td>
<td>63ee6c5b8f-982797a583-9e3d921f46-1eb25fe50</td>
</tr>
</tbody>
</table>

Monthly Production

![Monthly Production Graph]

Annual Production

<table>
<thead>
<tr>
<th>Description</th>
<th>Output</th>
<th>% Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Global Horizontal Irradiance</td>
<td>1,340.9</td>
<td></td>
</tr>
<tr>
<td>POA Irradiance</td>
<td>1,597.6</td>
<td>19.1%</td>
</tr>
<tr>
<td>Shaded Irradiance</td>
<td>1,545.7</td>
<td>-3.3%</td>
</tr>
<tr>
<td>Irradiance after Reflection</td>
<td>1,498.8</td>
<td>-3.0%</td>
</tr>
<tr>
<td>Irradiance after Soiling</td>
<td>1,468.8</td>
<td>-2.0%</td>
</tr>
<tr>
<td><strong>Total Collector Irradiance</strong></td>
<td><strong>1,468.9</strong></td>
<td><strong>0.0%</strong></td>
</tr>
<tr>
<td>Nameplate</td>
<td>340,726.7</td>
<td></td>
</tr>
<tr>
<td>Output at Irradiance Levels</td>
<td>337,867.0</td>
<td>-0.8%</td>
</tr>
<tr>
<td>Output at Cell Temperature Derate</td>
<td>336,749.3</td>
<td>-0.3%</td>
</tr>
<tr>
<td>Output After Mismatch</td>
<td>325,481.6</td>
<td>-3.3%</td>
</tr>
<tr>
<td>Optimal DC Output</td>
<td>324,546.9</td>
<td>-0.3%</td>
</tr>
<tr>
<td>Constrained DC Output</td>
<td>323,525.6</td>
<td>-0.3%</td>
</tr>
<tr>
<td>Inverter Output</td>
<td>308,607.6</td>
<td>-4.6%</td>
</tr>
<tr>
<td><strong>Energy to Grid</strong></td>
<td><strong>307,064.6</strong></td>
<td><strong>-0.5%</strong></td>
</tr>
</tbody>
</table>

Temperature Metrics

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avg. Operating Ambient Temp</td>
<td>7.3 °C</td>
</tr>
<tr>
<td>Avg. Operating Cell Temp</td>
<td>15.3 °C</td>
</tr>
</tbody>
</table>

Simulation Metrics

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Hours</td>
<td>4679</td>
</tr>
<tr>
<td>Solved Hours</td>
<td>4679</td>
</tr>
</tbody>
</table>
Annual Production Report

Page 21 of 58

City Council Packet, January 3, 2023

<table>
<thead>
<tr>
<th>Condition Set</th>
<th>Description</th>
<th>Weather Dataset</th>
<th>Solar Angle Location</th>
<th>Transposition Model</th>
<th>Temperature Model</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Condition Set 1</td>
<td>TMY, 10km Grid (48.35,-114.35), NREL (prospector)</td>
<td>Meteo Lat/Lng</td>
<td>Perez Model</td>
<td>Sandia Model</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Temperature Model Parameters</th>
<th>Rack Type</th>
<th>a</th>
<th>b</th>
<th>Temperature Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Tilt</td>
<td>-3.56</td>
<td>-0.075</td>
<td>3°C</td>
<td></td>
</tr>
<tr>
<td>Flush Mount</td>
<td>-2.81</td>
<td>-0.0455</td>
<td>0°C</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Soiling (%)</th>
<th>J</th>
<th>F</th>
<th>M</th>
<th>A</th>
<th>M</th>
<th>J</th>
<th>A</th>
<th>S</th>
<th>O</th>
<th>N</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Irradiation Variance</th>
<th>5%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cell Temperature Spread</td>
<td>4°C</td>
</tr>
<tr>
<td>Module Binning Range</td>
<td>-2.5% to 2.5%</td>
</tr>
<tr>
<td>AC System Derate</td>
<td>0.50%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Module Characterizations</th>
<th>Module</th>
<th>Uploaded By</th>
<th>Characterization</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CS6U 345M (Canadian Solar)</td>
<td>Folsom Labs</td>
<td>Spec Sheet Characterization, PAN</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Component Characterizations</th>
<th>Device</th>
<th>Uploaded By</th>
<th>Characterization</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PV50kW-480 (Solectria Renewables)</td>
<td>Folsom Labs</td>
<td>CEC 2014-08-16</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Components</th>
<th>Component Name</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inverters</td>
<td>PV50kW-480 (Solectria Renewables)</td>
<td>4 (200.0 kW)</td>
</tr>
<tr>
<td>Strings</td>
<td>10 AWG (Copper)</td>
<td>64 (6,386.4 ft)</td>
</tr>
<tr>
<td>Module</td>
<td>Canadian Solar, CS6U 345M (345W)</td>
<td>672 (231.8 kW)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Wiring Zones</th>
<th>Description</th>
<th>Combiner Poles</th>
<th>String Size</th>
<th>Stringing Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Wiring Zone</td>
<td>-</td>
<td>9-11</td>
<td>Along Racking</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Field Segments</th>
<th>Description</th>
<th>Racking</th>
<th>Orientation</th>
<th>Tilt</th>
<th>Azimuth</th>
<th>Intrarow Spacing</th>
<th>Frame Size</th>
<th>Frames</th>
<th>Modules</th>
<th>Power</th>
</tr>
</thead>
<tbody>
<tr>
<td>Field Segment 1</td>
<td>Fixed Tilt</td>
<td>Landscape (Horizontal)</td>
<td>30°</td>
<td>180°</td>
<td>18.0 ft</td>
<td>4x1</td>
<td>168</td>
<td>672</td>
<td>231.8 kW</td>
<td></td>
</tr>
</tbody>
</table>

© 2022 Folsom Labs

February 14, 2022
CITY COUNCIL REGULAR MEETING AGENDA

The Following is a summary of the items to come before the City Council at its regular session to be held on Tuesday, January 3, 2023 at 7:10 p.m., at City Hall 418 East Second Street, 2nd Floor
Hybrid (In-person and/or Remotely via Teams)

To attend the meeting via Microsoft Teams, and provide live comment on your computer, tablet or smartphone, attendees should go to the web link below.

Meeting Link: Microsoft Teams Link  Meeting Number: 282 385 838 364  Password: 9NYyKg
For the Audio Conference Call option: call the number below and enter the access code.
  • United States Toll Free: 833-563-1751  Access code: 836 999 771#
  • View live streaming on the City of Whitefish YouTube Channel
  • We encourage individuals to provide written public comment; to the City Clerk, Michelle Howke at mhowke@cityofwhitefish.org or deliver by 4:00 p.m. Tuesday, January 3, 2023, to City Hall. Written comments should include name, address, should be short and concise, courteous, and polite. All written comments received by 4:00 p.m. will be provided to the City Council and appended to the packet following the meeting.
  • Public comment by those attending the meeting "live" via Microsoft Teams or in-person will be limited to three minutes per individual.

Ordinance numbers start with 23-01. Resolution numbers start with 23-01.

1) CALL TO ORDER

2) PLEDGE OF ALLEGIANCE

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

4) COMMUNICATIONS FROM VOLUNTEER BOARDS

5) CONSENT AGENDA (The consent agenda is a means of expediting routine matters that require the Council’s action. Debate does not typically occur on consent agenda items. Any member of the Council may remove any item for debate. Such items will typically be debated and acted upon prior to proceeding to the rest of the agenda. Ordinances require 4 votes for passage – Section 1-6-2 (E)(3) WCC)
   a) Minutes from December 19, 2022 Closed Executive Session — Pursuant to §2-3-212 (4) M.C.A., the minutes may not be made available for inspection except pursuant to a court order
   b) Minutes from December 19, 2022 Regular Meeting (p.32)
   c) Resolution No. 23— : A Resolution extending the term of the Fire Department Strategic Planning Committee (p.34)

6) PUBLIC HEARINGS (Items will be considered for action after public hearings) (Resolution No. 07-33 establishes a 30-minute time limit for applicant’s land use presentations. Ordinances require 4 votes for passage – Section 1-6-2 (E)(3) WCC))
   a) None

7) COMMUNICATIONS FROM CITY MANAGER
   a) Written report enclosed with the packet. Questions from Mayor and Council? (p.36)
   b) Other items arising between December 14th through December 19th
   c) Resolution No. 23— ; A Resolution establishing the Whitefish Community Housing Committee (p.37)
   d) Resolution No. 23— : A Resolution approving the Mortgage securing Whitefish Lake Golf Course’s financing with Glacier Bank to fund the remodel and update of the clubhouse (p.40)

8) COMMUNICATIONS FROM MAYOR AND CITY COUNCILORS
   a) Letter from the Flathead Conservation District requesting to extend Angela Jacobs Urban Supervisor term until a replacement is found (p.58)

9) 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
(This page left blank intentionally to separate printed sections)
Tuesday, January 3, 2023 City Council Agenda Report

There will be a Special Session beginning at 5:30 pm to conduct an interview for the Whitefish Housing Authority, member-at-large position. At 5:45 pm Flathead Electric Cooperative will provide an update to the Community Solar Project at the Wastewater Treatment Plan. Then at 6:15 pm, the Mayor and City Council will go into a CLOSED EXECUTIVE SESSION, pursuant to §2-3-203 (4) M.C.A., for a litigation update. Food will be provided.

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 December 19, 2022 Closed Executive Session – Pursuant to §2-3-212 (4) M.C.A., the minutes may not be made available for inspection except pursuant to a court order
b) Minutes from December 19, 2022 Regular Meeting (p.)
c) Resolution No. 23–____: A Resolution extending the term of the Fire Department Strategic Planning Committee (p.)

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

Items “a, b & c” are 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) None

COMMUNICATIONS FROM CITY MANAGER

a) Written report enclosed with the packet. Questions from Mayor and Council? (p.)
b) Other items arising between December 14th through December 19th

From City Manager Dana Smith’s staff report.

Background
In 2017, the City Council adopted the Whitefish Strategic Housing Plan and established the Whitefish Strategic Housing Plan Steering Committee (HSC) to work on the strategies and the five-year update of the plan. In 2022, the City contracted with WSW Consulting to update the Whitefish Area Housing Needs Assessment and the 2017 Whitefish Strategic Housing Plan. On November 21, 2022, the City Council adopted the Whitefish Community Housing Roadmap (Roadmap), a partnership framework, that identifies core components and housing strategies.
Current Report
One of the core components identified in the Roadmap is a revised composition of the Whitefish Strategic Housing Plan Steering Committee to broaden community engagement and expertise of committee members. The HSC met in December 2022, before it expired, to discuss and recommend a revised composition. The HSC recommends a nine-member committee with the following positions:

- One representative of the Whitefish Housing Authority;
- One representative of Housing Whitefish;
- One representative of the Whitefish Chamber of Commerce;
- One representative of the Whitefish Convention and Visitors Bureau;
- One member of the public with relevant professional or personal expertise in real estate development;
- One member of the public with relevant professional or personal expertise in fundraising or financing; and
- Two members of the public with relevant professional or personal expertise in housing policy, property management, housing programs, end-users of community housing programs, or housing advocacy.

Furthermore, to ensure communication to the community is consistent with the Roadmap, the HSC recommends changing the name of the proposed committee to the Whitefish Community Housing Committee.

Financial Requirements
There are no financial requirements.

RECOMMENDATION: Staff respectfully recommends the City Council adopt Resolution No. 23-__; A Resolution establishing the Whitefish Community Housing Committee.

This item is an administrative matter.

d) Resolution No. 23-__; A Resolution approving the Mortgage securing Whitefish Lake Golf Course’s financing with Glacier Bank to fund the remodel and update of the clubhouse (p.)

From City Manager Dana Smith’s staff report.

Introduction/History
In 2011, the City Council approved a lease through December 31, 2040, to Whitefish Lake Golf Club, Inc., to operate the Whitefish Municipal Golf Course and appurtenant facilities such as a club house, pro shop, maintenance shed, restaurant/bar, and other miscellaneous facilities. On June 6, 2022, the City Council approved the request from Whitefish Lake Golf Club, Inc., to remodel and upgrade of the existing club house in excess of $200,000, in accordance with the lease.

Current Report
To complete remodel and upgrade the existing club house, Whitefish Lake Golf Club, Inc., is requesting to secure their financing with the City owned land and facilities, known as the Whitefish Lake Golf Course, up to $1.5 million. The mortgage documents are attached as Exhibit A of the proposed Resolution.

Financial Requirement
There are no direct costs to the City for the execution of the loan and related documents. However, there is some financial risk should a default occur and having City property as the means of security. The City Council may need to invest any outstanding and unpaid amounts in the property to ensure the City did not lose a valuable community asset. Based on the financial history of the Whitefish Lake Golf Course operations, default is deemed highly unlikely.

RECOMMENDATION: Staff respectfully recommends the City Council adopt Resolution No. 23-__; A Resolution approving the Mortgage securing Whitefish Lake Golf Course’s financing with Glacier Bank to fund the remodel and update of the clubhouse.

This item is an administrative matter.

COMMUNICATIONS FROM MAYOR AND CITY COUNCILORS

b) Letter from the Flathead Conservation District requesting to extend Angela Jacobs Urban Supervisor term until a replacement is found (p.)

ADJOURNMENT

Sincerely,

Dana Smith, C.P.A
City Manager
The motions below are listed in order of precedence. Any motion can be introduced if it is higher on the chart than the pending motion.

### Privileged Motions

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjourn</td>
<td>I move to adjourn</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>Majority</td>
<td>Yes</td>
</tr>
<tr>
<td>Take a break</td>
<td>I move to recess for</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Majority</td>
<td>No</td>
</tr>
<tr>
<td>Register complaint</td>
<td>I rise to a question of privilege</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>None</td>
<td>No</td>
</tr>
<tr>
<td>Orders of the day</td>
<td>I call for the orders of the day</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>None</td>
<td>No</td>
</tr>
</tbody>
</table>

### Subsidiary Motions

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Lay aside temporarily</td>
<td>I move to lay the question on the table</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>Majority</td>
<td>Negative vote only</td>
</tr>
<tr>
<td>Close debate</td>
<td>I move the previous question</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>2/3</td>
<td>Yes</td>
</tr>
<tr>
<td>Limit / extend debate</td>
<td>I move that debate be limited to...</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>2/3</td>
<td>Yes</td>
</tr>
<tr>
<td>Postpone to a certain time</td>
<td>I move to postpone the motion to...</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Majority</td>
<td>Yes</td>
</tr>
<tr>
<td>Refer to a committee</td>
<td>I move to refer the motion to...</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Majority</td>
<td>Yes</td>
</tr>
<tr>
<td>Amend a motion</td>
<td>I move to amend the motion by...</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Majority</td>
<td>Yes</td>
</tr>
<tr>
<td>Kill main motion</td>
<td>I move that the motion be postponed indefinitely</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Majority</td>
<td>Affirmative vote only</td>
</tr>
</tbody>
</table>
## RENEWAL MOTIONS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Take matter from table</td>
<td>I move to take from the table...</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>Majority</td>
<td>No</td>
</tr>
<tr>
<td>Cancel or change previous action</td>
<td>I move to rescind / amend the motion...</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>2/3 or majority w/notice</td>
<td>Negative vote only</td>
</tr>
<tr>
<td>Reconsider motion</td>
<td>I move to reconsider the vote on...</td>
<td>No</td>
<td>Yes</td>
<td>Varies</td>
<td>No</td>
<td>Majority</td>
<td>No</td>
</tr>
</tbody>
</table>

No order of precedence. Arise incidentally and decided immediately.

## INCIDENTAL MOTIONS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Enforce rules</td>
<td>Point of order</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>None</td>
<td>No</td>
</tr>
<tr>
<td>Submit matter to assembly</td>
<td>I appeal from the decision of the chair</td>
<td>Yes</td>
<td>Yes</td>
<td>Varies</td>
<td>No</td>
<td>Majority</td>
<td>Yes</td>
</tr>
<tr>
<td>Suspend rules</td>
<td>I move to suspend the rules which...</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>2/3</td>
<td>No</td>
</tr>
<tr>
<td>Avoid main motion altogether</td>
<td>I object to the consideration of the question</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>2/3</td>
<td>Negative vote only</td>
</tr>
<tr>
<td>Divide motion / question</td>
<td>I move to divide the question</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Majority</td>
<td>No</td>
</tr>
<tr>
<td>Demand rising vote</td>
<td>I call for a division</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>None</td>
<td>No</td>
</tr>
<tr>
<td>Palliamentary law question</td>
<td>Parliamentary inquiry</td>
<td>Yes (if urgent)</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>None</td>
<td>No</td>
</tr>
<tr>
<td>Request information</td>
<td>A point of information, please.</td>
<td>Yes (if urgent)</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>None</td>
<td>No</td>
</tr>
</tbody>
</table>

No order of precedence. Introduce only when nothing else pending.

## MAIN MOTIONS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bring business to motion</td>
<td>I move that (or “to”)...</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Majority</td>
<td>Yes</td>
</tr>
</tbody>
</table>

No order of precedence. Arise incidentally and decided immediately.
1) CALL TO ORDER

Mayor Muhlfeld called the meeting to order. Councilors present were Qunell, Feury, Caltabiano, Davis, Sweeney, and Norton. City Staff present were, City Clerk Howke, City Manager Smith, City Attorney Jacobs, Finance Director Gospodarek, Planning and Building Director Taylor, Public Works Director Workman, and Police Chief Kelch. Approximately 2 people were in the audience and 2 attended virtually.

2) PLEDGE OF ALLEGIANCE

Mayor Muhlfeld asked Ben Johnson 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)

4) COMMUNICATIONS FROM VOLUNTEER BOARDS

Whitefish Housing Authority Chair, Ben Johnson reported they are currently conducting interviews for the interim Director for the Housing Authority. They are hoping to have the position filled in January 2023.

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

   a) Minutes from December 5, 2022 Special Meeting (p.9)
   b) Minutes from December 5, 2022 Regular Meeting (p.10)
   c) Ordinance No. 22-17; An Ordinance amending Ordinance No. 21-17 to correct a typographical error (Second Reading) (p.15)
   d) Ordinance No. 22-18; An Ordinance approving the Depot Park Townhomes (formerly known as “The Snow Lot”) Preliminary Plat and Planned Unit Development to develop an eleven-lot north of Railway Street, east of Columbia Avenue, and south of the railroad tracks, Whitefish (WPP 22-06/WPUD 22-03) (Second Reading) (p.18)
   e) Consideration of a request from Mike and Diane Rice for a Final Plat for Rice Subdivision, a 3-lot subdivision located at 423 West 9th Street, zoned WR-2 (Two-Family Residential District) (WFP 22-08) (p.23)

Councilor Caltabiano made a motion, seconded by Councilor Sweeney to approve the Consent Agenda. The motion carried.

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

   a) None

7) COMMUNICATIONS FROM CITY MANAGER

   a) Written report enclosed with the packet. Questions from Mayor and Council? (p.55)

None

   b) Other items arising between December 14th through December 19th

City Council Packet, January 3, 2023 Page 32 of 58
Manager Smith reported she has been meeting with Turner Strategies to discuss the 2023 Legislative Session. Turner Strategies has been meeting with the lobbyist for Bozeman and Missoula. The Council also tentatively set the date for the Council Retreat for February 25, 2023.

8) COMMUNICATIONS FROM MAYOR AND CITY COUNCILORS

Councilor Feury asked people to be safe on the lakes and rivers. The lakes and rivers have ice, but it is not thick enough or safe enough to venture out on. The Council thanked the staff and fellow Councilor for a good year and to have a Happy Holiday season.

9) 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 7:23 p.m.

________________________________________
Mayor Muhlfeld

Attest:

________________________________________
Michelle Howke, Whitefish City Clerk
RESOLUTION NO. 23-___

A Resolution of the City Council of the City of Whitefish, Montana, extending the term of the Fire Department Strategic Planning Committee.

WHEREAS, the Whitefish Fire Department Long-Range Master Plan adopted by the City Council provides recommendations to address the needs of the Whitefish Fire Department over the next 10 years; and

WHEREAS, the Whitefish Fire Department Master Plan called for a strategic plan to be developed to implement the recommendations; and

WHEREAS, on December 20, 2021, Resolution No. 21-42 established the Whitefish Fire Department Strategic Planning Committee through December 20, 2022, to set tangible prioritized goals, with defined objectives, timelines, funding, and assigned responsibilities, as recommended in the Long-Range Fire Department Master Plan; and

WHEREAS, on December 8, 2022, the City was notified that it was not awarded the SAFER Grant requiring additional updates to the draft strategic plan developed by the Fire Department Strategic Planning Committee; and

WHEREAS, it is in the best interests of the City and its inhabitants to extend the Whitefish Fire Department Strategic Planning Committee to complete the development of the strategic plan.

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

Section 1: The Fire Department Strategic Planning Committee is hereby extended through June 30, 2023.

Section 2: This Resolution will take effect immediately upon its adoption by the City Council and signing by the Mayor thereof.


______________________________
John M. Muhlfeld, Mayor

ATTEST:

______________________________
Michelle Howke, City Clerk
(This page left blank intentionally to separate printed sections)
CITY MANAGER’S REPORT
December 27, 2022

MEETINGS
I met with Housing Whitefish’s new Executive Director, Daniel Sidder, to discuss the recently adopted Whitefish Community Housing Roadmap and ways the City can partner with Housing Whitefish to move initiatives forward, especially as we search for a Housing Coordinator/Long-range Planner II.

Work continues with the City’s lobbyist, Robin Tuner, of Turner Strategies. With the 2023 Montana Legislative Session starting in January, tracking of bills will begin and a bi-weekly report will be provided to the City Council within my manager’s report.

OTHER
The City Council retreat has been scheduled for February 25th with the facility reserved. Please save the date!

CITY HALL CLOSURES
City Hall will be closed on Monday, January 16th, for Martin Luther King Jr. Day.

NEXT CITY COUNCIL MEETING
The next City Council meeting is scheduled for Tuesday, January 17th in the City Council Chambers with remote participation available to the public. A work session is tentatively scheduled to discuss the proposed annexation policy, as well as the “Go Gallatin” presentation from the Western Transportation Institute regarding public transit.

Respectfully submitted,

Dana M. Smith, CPA
City Manager
RESOLUTION NO. 23—___

A Resolution of the City Council of the City of Whitefish, Montana, establishing the Whitefish Community Housing Committee.

WHEREAS, in 2017, the Whitefish City Council adopted the Whitefish Strategic Housing Plan which created a step-by-step approach for addressing the housing needs identified in the 2016 Whitefish Area Housing Needs Assessment; and

WHEREAS, Resolution No. 17-50, established the Whitefish Strategic Housing Plan Steering Committee recommended by the Whitefish Strategic Housing Plan; and

WHEREAS, on November 21, 2022, at a lawfully notice public hearing, the Whitefish City Council adopted the Whitefish Community Housing Roadmap, based on the 2022 Whitefish Area Housing Needs Assessment, which represents the next step evolution and plan update of the 2017 Whitefish Strategic Housing Plan; and

WHEREAS, the Whitefish Community Housing Roadmap calls for a reconfiguration of the Whitefish Strategic Housing Plan Steering Committee to advise the Whitefish City Council on actions listed in the Roadmap that are the responsibility of the City; and

WHEREAS, it will be in the best interests of the City of Whitefish, and its inhabitants, to establish the Whitefish Community Housing Committee.

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

Section 1: There is hereby established the Whitefish Community Housing Committee.

Section 2: Members of the Committee shall be appointed by the Mayor and ratified by a simple majority of the City Council in attendance at a special or regular session. Committee members shall receive no compensation.

Section 3: The specific purpose of the Committee will be to implement the housing strategies that are the responsibility of the City, to liaison with the Housing Coordinator, and to report to City Council. The Committee shall keep decisions and discussions within the confines of City Council directives.

Section 4: The Committee will consist of nine members with representation as follows: the Mayor or one member of the City Council; one representative of the Whitefish Housing Authority; one representative of Housing Whitefish; one representative of the Whitefish Chamber of Commerce; one representative of the Whitefish Convention and Visitors Bureau; one member of the public with relevant professional or personal expertise in real estate development; one member of the public with relevant professional or personal expertise in fundraising or financing; and two members of the public with relevant professional or personal expertise in housing policy, property management, housing programs, end-users of community
housing programs, or housing advocacy. A majority of the Committee members shall constitute a quorum. The Committee shall meet as often as necessary to accomplish its general purpose, as described above, but at least quarterly. The Committee shall cease to exist as provided in Section 5.

Section 5: The Committee will begin its deliberations as soon as practical after its creation and will automatically disband at the end of 2023.

Section 6: A member of the Committee may be removed by the City Council, after a hearing for misconduct or nonperformance of duty. Absences from three (3) consecutive meetings, including regular and special work sessions, or absences from more than fifty percent (50%) of such meetings held during the calendar year shall constitute grounds for removal. The circumstances of the absences shall be considered by the City Council prior to removal. Any person who knows in advance of his or her inability to attend a specific meeting shall notify the Chairperson of the Committee at least twenty-four (24) hours prior to any scheduled meeting.

Section 7: Any vacancy occurring on the Committee will be filled in the same manner that the initial position was filled.

Section 8: The Committee will not have authority to make any expenditure on behalf of the City or disburse any funds provided by the City or to obligate the City for any funds.

Section 9: The Committee will have no authority to direct City staff with respect to any matter but may request information and assistance from City staff.

Section 10: This Resolution will take effect immediately upon its adoption by the City Council and signing by the Mayor thereof.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF WHITEFISH, MONTANA, ON THIS _______ DAY OF ___________________ 2023.

John M. Muhlfeld, Mayor

ATTEST:

Michelle Howke, City Clerk
Staff Report

To: Mayor John Muhlfeld and City Councilors
From: Dana Smith, City Manager
Date: December 27, 2022
Re: A Resolution Establishing the Whitefish Community Housing Committee.

Background
In 2017, the City Council adopted the Whitefish Strategic Housing Plan and established the Whitefish Strategic Housing Plan Steering Committee (HSC) to work on the strategies and the five-year update of the plan. In 2022, the City contracted with WSW Consulting to update the Whitefish Area Housing Needs Assessment and the 2017 Whitefish Strategic Housing Plan. On November 21, 2022, the City Council adopted the Whitefish Community Housing Roadmap (Roadmap), a partnership framework, that identifies core components and housing strategies.

Current Report
One of the core components identified in the Roadmap is a revised composition of the Whitefish Strategic Housing Plan Steering Committee to broaden community engagement and expertise of committee members. The HSC met in December 2022, before it expired, to discuss and recommend a revised composition. The HSC recommends a nine-member committee with the following positions:

- One representative of the Whitefish Housing Authority;
- One representative of Housing Whitefish;
- One representative of the Whitefish Chamber of Commerce;
- One representative of the Whitefish Convention and Visitors Bureau;
- One member of the public with relevant professional or personal expertise in real estate development;
- One member of the public with relevant professional or personal expertise in fundraising or financing; and
- Two members of the public with relevant professional or personal expertise in housing policy, property management, housing programs, end-users of community housing programs, or housing advocacy.

Furthermore, to ensure communication to the community is consistent with the Roadmap, the HSC recommends changing the name of the proposed committee to the Whitefish Community Housing Committee.

Financial Requirements
There are no financial requirements.

Recommendation
Staff and the Whitefish Strategic Housing Plan Steering Committee respectfully recommend the City Council adopts the proposed resolution to establish the Whitefish Community Housing Committee.
RESOLUTION NO. 23-__

A Resolution of the City Council of the City of Whitefish, Montana, approving the Mortgage securing Whitefish Lake Golf Course's financing with Glacier Bank to fund the remodel and update of the clubhouse.

WHEREAS, the City of Whitefish owns property situated in Sections 26 and 35, Township 31 North, Range 22 West, Flathead County, Montana commonly known as "The Whitefish Lake Golf Course"; and

WHEREAS, the City and Whitefish Lake Golf Course entered into a lease of the above-described property in January of 2011; and

WHEREAS, the lease agreement between the City and Whitefish Lake Golf Course required Whitefish Lake Golf Course to obtain the City's permission before making improvements to the property in excess of $200,000; and

WHEREAS, in April of 2022, Whitefish Lake Golf Course requested that the City approve a remodel and update of the clubhouse costing more than $200,000; and

WHEREAS, on June 6, 2022, the City Council approved Whitefish Lake Golf Course's request; and

WHEREAS, Whitefish Lake Golf Course desires to use the property owned by the City to secure a mortgage in the amount of $1,500,000 from Glacier Bank to fund the remodel and update of the clubhouse as set forth in Exhibit A attached hereto; and

WHEREAS, it will be in the best interests of the City of Whitefish, and its inhabitants, for the City Council to authorize Whitefish Lake Golf Course to use the property owned by the City to secure a mortgage in the amount of $1,500,000.

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

Section 1: Whitefish Lake Golf Course is hereby authorized to use the property owned by the City to secure a mortgage in the amount of $1,500,000 from Glacier Bank as set forth in Exhibit A.

Section 2: This Resolution shall take effect immediately upon its adoption by the City Council and signing by the Mayor thereof.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF WHITEFISH, MONTANA, ON THIS _______ DAY OF _____________ 2023.

John M. Muhlfeld, Mayor

ATTEST:

Michelle Howke, City Clerk
WHEN RECORDED MAIL TO:
Glacier Bank
Whitefish Branch
319 Second St.
PO BOX 220
Whitefish, MT 59937

RECORDATION REQUESTED BY:
Glacier Bank
Whitefish Branch
319 Second St.
PO BOX 220
Whitefish, MT 59937

SEND TAX NOTICES TO:
Glacier Bank
Whitefish Branch
319 Second St.
PO BOX 220
Whitefish, MT 59937

FOR RECORDER'S USE ONLY

MAXIMUM LIEN. The total principal indebtedness that may be outstanding at any given time which is secured by this Mortgage is $1,500,000.00.

THIS MORTGAGE dated October 28, 2022, is made and executed between WHITEFISH LAKE GOLF CLUB, INC., whose address is 1200 US HIGHWAY 93 W, WHITEFISH, MT 59937-3124 (referred to below as "Grantor") and Glacier Bank, whose address is 319 Second St., PO BOX 220, Whitefish, MT 59937 (referred to below as "Lender").

GRANT OF MORTGAGE. For valuable consideration, Granter mortgages and conveys to Lender all of Granter's right, title, and interest in, to and under the lease described below of the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation any rights Granter later acquires in the fee simple title to the land, subject to the Lease, and all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in FLATHEAD County, State of Montana:

ALL THAT LAND AND BUILDINGS SITUATED IN SECTION 26 AND 35, TOWNSHIP 31 NORTH, RANGE 22 WEST, FLATHEAD COUNTY, MONTANA, OWNED BY LESSOR AND COMMONLY KNOWN AS "THE WHITEFISH LAKE GOLF COURSE", EXCEPTING, AND RESERVING A 20 FOOT WIDE STRIP ALONG THE EAST BOUNDARY LINE OF LOT 6 OF RAMSEY ADDITION TO BE USED AS A BUFFER ZONE BETWEEN THE CEMETERY AND THE GOLF COURSE AND TO BE PLANTED AND MAINTAINED IN TREES AND/OR BUSHES AND SHRUBS

The Real Property or its address is commonly known as 1200 US HIGHWAY 93 W, WHITEFISH, MT 59937-3124.

Granter presently assigns to Lender all of Granter's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Granter grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS MORTGAGE. THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS ALSO GIVEN TO SECURE ANY AND ALL OF GRANTOR'S OBLIGATIONS UNDER THAT CERTAIN CONSTRUCTION LOAN AGREEMENT BETWEEN GRANTOR AND LENDER OF EVEN DATE HEREWITH. ANY EVENT OF DEFAULT UNDER THE CONSTRUCTION LOAN AGREEMENT, OR ANY OF THE RELATED DOCUMENTS REFERRED TO THEREIN, SHALL ALSO BE AN EVENT OF DEFAULT UNDER THIS MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Granter shall pay to Lender all amounts secured by this Mortgage as they become due and shall strictly perform all of
Grantor's obligations under this Mortgage.

POSSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property. The following provisions relate to the use of the Property or to other limitations on the Property.

Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's leasehold interest in the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws; (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owner or occupant of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Real Property, together with the other premises comprising the Property, at all reasonable times to attend to Lender's interests and to inspect the Real Property for compliance of the Property with this section of the Mortgage. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Mortgage, including the obligation to indemnify and defend, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance; Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste or theft or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Removal of Improvements. Grantor shall not demolish or remove any Improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any Improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such Improvements with Improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Mortgage.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.
Duty to Protect. Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

Compliance with Lease. Grantor will pay all rents and will strictly observe and perform on a timely basis all other terms, covenants, and conditions of the Lease. Grantor will indemnify, defend, and hold Lender harmless against all losses, liabilities, actions, suits, proceedings, costs including attorneys' fees claims, demands, and damages whatsoever which may be incurred by reason of Grantor's failure to pay rents or strictly observe or perform under the Lease.

Other Agreements Relating to the Lease. Grantor further agrees (1) not to surrender, terminate, or cancel the Lease, and (2) not to modify, change, supplement, alter, or amend the Lease, either orally or in writing, without Lender's prior written consent. Any attempt by Grantor to do any of the foregoing without Lender's prior written consent will be void and of no force and effect. At Lender's option, Grantor will deposit with Lender as further security all original documents relating to the Lease and the leasehold interest in the Property. Unless Grantor is in breach or default of any of the terms contained in this Mortgage, Lender will have no right to cancel, modify, change, supplement, alter or amend the leasehold interest. No estate in the Property, whether fee title to the leasehold premises, the leasehold estate, or any subleasehold estate, will merge without Lender express written consent; rather these estates will remain separate and distinct, even if there is a union of these estates in the landlord, Grantor, or a third party who purchases, or otherwise acquires the estates. Grantor further agrees that if Grantor acquires all or a portion of the fee simple title, or any other leasehold or subleasehold title to the Property, that title will, at Lender's option, immediately become subject to the terms of this Mortgage, and Grantor will execute, deliver and record all documents necessary or appropriate to assure that such title is secured by this Mortgage.

Notices Relating to the Lease. Grantor will promptly notify Lender in writing:

1. if Grantor is in default in the performance or observance of any of the terms, covenants, or conditions which Grantor is to perform or observe under the Lease;

2. if any event occurs which would constitute a default under the Lease;

3. if any notice of default is given to Grantor by the landlord under the Lease;

4. if, pursuant to the Lease, any proceeds received for the Property are deposited with someone other than Lender, whether received from any insurance on the Property or from the taking of any or all of the Property by eminent domain; and

5. if any arbitration or appraisal proceedings are requested or instituted pursuant to the Lease.

Grantor agrees to provide Lender promptly with a copy of all written materials relating to any of the above and to provide Lender with such other information as Lender may reasonably request. Grantor agrees that promptly after the execution and delivery of this Mortgage, Grantor will notify the landlord under the Lease in writing of the execution and delivery of this Mortgage and of the name and address of Lender and will deliver a copy of this Mortgage to the landlord.

Option to Cure Lease Default. Upon Lender's receipt of any written notice of Grantor's default under the Lease, Lender may, at Lender's option, cure such default, even though Grantor, or any party on behalf of Grantor, questions or denies the existence of such default or the nature of the default. Grantor expressly grants to Lender the absolute and immediate right to enter upon the Property to such extent and as often as Lender in its sole discretion deems necessary or desirable in order to prevent or cure any such default by Grantor.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Mortgage:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of any liens having priority over or equal to the interest of Lender under this Mortgage, except for the Existing Indebtedness referred to in this Mortgage or those liens specifically agreed to in writing by Lender, and except for the lien of taxes and assessments not due as further specified in the Right to Contest paragraph.

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of
the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys’ fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials and the cost exceeds $1,000.00. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Mortgage:

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all Improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption and boiler insurance as Lender may require. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of thirty (30) days' prior written notice to Lender and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person.

Should the Real Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain flood insurance, if available, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan. Flood insurance may be purchased under the National Flood Insurance Program, from private insurers providing “private flood insurance” as defined by applicable federal flood insurance statutes and regulations, or from another flood insurance provider that is both acceptable to Lender in its sole discretion and permitted by applicable federal flood insurance statutes and regulations.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property if the estimated cost of repair or replacement exceeds $1,000.00. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed Improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Mortgage. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Mortgage, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

Compliance with Existing Indebtedness. During the period in which any Existing Indebtedness described below is in effect, compliance with the insurance provisions contained in the instrument evidencing such Existing Indebtedness shall constitute compliance with the insurance provisions under this Mortgage, to the extent compliance with the terms of this Mortgage would constitute a duplication of insurance requirement. If any proceeds from the insurance become payable on loss,
the provisions in this Mortgage for division of proceeds shall apply only to that portion of the proceeds not payable to the holder of the Existing Indebtedness.

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (6) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Mortgage or any Related Documents, including but not limited to Grantor's failure to comply with any obligation to maintain Existing Indebtedness in good standing as required below, or to discharge or pay when due any amounts Grantor is required to discharge or pay under this Mortgage or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note’s maturity. The Mortgage also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon the occurrence of any Event of Default.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Mortgage:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the leasehold interest in the Property pursuant to the Lease, free and clear of all liens and encumbrances other than those set forth in the Real Property description of in the Existing Indebtedness section below or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage; and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Lender under this Mortgage, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Mortgage shall survive the execution and delivery of this Mortgage, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's Indebtedness shall be paid in full.

EXISTING INDEBTEDNESS. The following provisions concerning Existing Indebtedness are a part of this Mortgage:

Existing Lien. The lien of this Mortgage securing the Indebtedness may be secondary and inferior to an existing lien. Grantor expressly covenants and agrees to pay, or see to the payment of, the Existing Indebtedness and to prevent any default on such indebtedness, any default under the instruments evidencing such indebtedness, or any default under any security documents for such indebtedness.

No Modification. Grantor shall not enter into any agreement with the holder of any mortgage, deed of trust, or other security agreement which has priority over this Mortgage by which that agreement is modified, amended, extended, or renewed without the prior written consent of Lender. Grantor shall neither request nor accept any future advances under any such security agreement without the prior written consent of Lender.
MORTGAGE
(Continued) Page 6

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Mortgage:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys’ fees incurred by Lender in connection with the condemnation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender’s lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Mortgage or upon all or any part of the Indebtedness secured by this Mortgage; (2) a specific tax on Grantor which Grantor is authorized or required to deduct from payments on the Indebtedness secured by this type of Mortgage; (3) a tax on this type of Mortgage chargeable against the Lender or the holder of the Note, and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Grantor.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT, FINANCING STATEMENTS. The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender’s security interest in the Rents and Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Mortgage as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Mortgage may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Mortgage.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Mortgage:

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender’s designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements,
continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Grantor's obligations under the Note, this Mortgage, and the Related Documents, and (2) the liens and security interests created by this Mortgage on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Grantor pays all the Indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination on file evidencing Lender's security interest in the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Mortgage:

Payment Default. Grantor fails to make any payment when due under the Indebtedness.

Default on Other Payments. Failure of Grantor within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Environmental Default. Failure of any party to comply with or perform when due any term, obligation, covenant or condition contained in any environmental agreement executed in connection with the Property.

Other Defaults. Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Mortgage or any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor.

Default in Favor of Third Parties. Should Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Grantor's ability to repay the Indebtedness or Grantor's ability to perform Grantor's obligations under this Mortgage or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Mortgage or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Mortgage or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Insolvency. The dissolution or termination of Grantor's existence as a going business, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Lease Default. Grantor defaults under the terms of the Lease, or any other event (whether or not Grantor's fault) results in the termination or cancellation of Grantor's leasehold rights.

Existing Indebtedness. The payment of any installment of principal or any interest on the Existing
Indebtedness is not made within the time required by the promissory note evidencing such indebtedness, or a default occurs under the instrument securing such indebtedness and is not cured during any applicable grace period in such instrument, or any suit or other action is commenced to foreclose any existing lien on the Property.

Breach of Other Agreement. Any breach by Grantor under the terms of any other agreement between Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the Indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

Right to Cure. If any default, other than a default in payment, is curable and if Grantor has not been given a notice of a breach of the same provision of this Mortgage within the preceding twelve (12) months, it may be cured if Grantor, after Lender sends written notice to Grantor demanding cure of such default: (1) cures the default within twenty (20) days; or (2) if the cure requires more than twenty (20) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of an Event of Default and at any time thereafter, Lender, at Lender's option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate Indebtedness. Lender shall have the right at its option without notice to Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty that Grantor would be required to pay.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Judicial Foreclosure. Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

Nonjudicial Foreclosure. If permitted by applicable law, Lender may foreclose Grantor's interest in all or in any part of the Personal Property or the Real Property by non-judicial sale.

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

Tenancy at Sufferance. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2)
vacate the Property immediately upon the demand of Lender.

Other Remedies. Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity.

Sale of the Property. To the extent permitted by applicable law, Grantor hereby waives any and all right to have the Property marshalled. In exercising its rights and remedies, Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Mortgage, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies. Nothing under this Mortgage or otherwise shall be construed so as to limit or restrict the rights and remedies available to Lender following an Event of Default, or in any way to limit or restrict the rights and ability of Lender to proceed directly against Grantor and/or against any other co-maker, guarantor, surety or endorser and/or to proceed against any other collateral directly or indirectly securing the Indebtedness.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Mortgage, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, paralegal fees, and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

NOTICES. Any notice required to be given under this Mortgage, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telecopy (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Mortgage. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. Any party may change its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Mortgage:

Amendments. This Mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration of or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Caption Heads. Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

Governing Law. This Mortgage will be governed by federal law applicable to Lender and, to the
The word "Guaranty" means the guaranty from guarantor, endorser, surety, or grantor.

The words "Existing Indebtedness" mean the indebtedness described in the mortgage.

The words "Event of Default" mean any of the events of default set forth in this mortgage.


The words "Event of Default" mean any of the events of default set forth in this mortgage.

The words "Existing Indebtedness" mean the indebtedness described in the Existing Liens provision of this mortgage.

The word "Grantor" means WHITEFISH LAKE GOLF CLUB, INC.

The word "Guaranty" means the guaranty from guarantor, endorser, surety, or grantor.

The word "Grantor" means WHITEFISH LAKE GOLF CLUB, INC.

The word "Guaranty" means the guaranty from guarantor, endorser, surety, or grantor.

The word "Grantor" means WHITEFISH LAKE GOLF CLUB, INC.
accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Lender to enforce Grantor's obligations under this Mortgage, together with interest on such amounts as provided in this Mortgage.

Lease. The word "Lease" means the lease of the Property dated January 1, 2011, between CITY OF WHITEFISH, A MUNICIPAL CORPORATION, Landlord and Grantor, which was recorded as follows: The Lease was recorded in the Flathead County Clerk and Recorder's office, as part of an Assignment of Lease for Collateral Security, on August 3, 2012, as Document No. 201200017802.

Lender. The word "Lender" means Glacier Bank, its successors and assigns.

Mortgage. The word "Mortgage" means this Mortgage between Grantor and Lender.

Note. The word "Note" means the promissory note dated October 28, 2022, in the original principal amount of $1,500,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property, together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property. However, should the Real Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Personal Property is limited to only those items specifically covered (currently or hereafter) by Coverage A of the standard flood insurance policy issued in accordance with the National Flood Insurance Program or under equivalent coverage similarly issued by a private insurer to satisfy the National Flood Insurance Act (as amended).

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Mortgage.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness; except that the words do not mean any guaranty or environmental agreement, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.
GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND GRANTOR AGREES TO ITS TERMS.

GRANTOR:

WHITEFISH LAKE GOLF CLUB, INC.

By: COPY
   KAREN S. JACOBSON, President of WHITEFISH LAKE GOLF CLUB, INC.

By: COPY
   TERRY NELSON, Secretary of WHITEFISH LAKE GOLF CLUB, INC.

______________________________

CORPORATE ACKNOWLEDGMENT

STATE OF _______________________

COUNTY OF _____________________

This record was acknowledged before me on ____________, 20____ by KAREN S. JACOBSON, President of WHITEFISH LAKE GOLF CLUB, INC. and TERRY NELSON, Secretary of WHITEFISH LAKE GOLF CLUB, INC.

______________________________

(Signature of notarial officer)

______________________________

(Official stamp) Printed name and title of officer
(if not shown in stamp)
The City of Whitefish, a Municipal Corporation, the Lessor in the referenced Lease described in page one, hereby consents to the foregoing Mortgage.

City of Whitefish, a Municipal Corporation

__________________________________________________________________________

By: ________________________________________________________________

Title: ______________________________________________________________

Date: _____________________________________________________________

STATE OF MONTANA )

: ss

County of Flathead )

This instrument was acknowledged before me on ________________________, 20__,
by ________________________________________________________________, as ________________________________ of City
of Whitefish, a Municipal Corporation.
EXHIBIT "A"

Tract 1:
A tract of land located in the South Half of the Southeast Quarter of the Northeast Quarter of Section 35, Township 31 North, Range 22 West, M.P.M., described as follows:
Beginning at the Southeast corner of the Northeast Quarter thereof;
thence North along the Section line a distance of 250 feet;
thence West and parallel to the South boundary line thereof, a distance of 522 feet 8 inches;
thence South and parallel to the East boundary line a distance of 250 feet to the South boundary of said Northeast Quarter;
thence East and along the said Southerly boundary thereof 522 feet 8 inches to the Place of Beginning.

Tract 2:
The South Half of the Southeast Quarter of the Northeast Quarter of Section 35, Township 31 North, Range 22 West, M.P.M., Flathead County, Montana.
EXCEPTING THEREFROM the following described tracts:
Beginning at the Southeast corner of the Northeast Quarter thereof;
thence North along the Section Line, a distance of 250.00 feet;
thence West and parallel to the South boundary line thereof, a distance of 522.00 feet 8.0 inches;
thence South and parallel to the East boundary line, a distance of 250.00 feet to the South boundary of said Northeast Quarter;
thence East and along the said Southerly boundary thereof, a distance of 522.0 feet 8.0 inches to the Place of Beginning.

AND
Beginning at the Quarter corner common to Sections 35 and 36;
thence North 89°41'30" West, a distance of 30.00 feet to the West edge of Karrow Avenue;
thence North 00°04'00" East, a distance of 635.35 feet along the West boundary of Karrow Avenue to the True Point of Beginning of the tract herein described;
thence South 89°42'30" West, a distance of 125.00 feet to a point;
thence North 00°04'00" East, a distance of 30.00 feet to a point;
thence South 89°42'30" East, a distance of 125.00 feet to the West boundary of Karrow Avenue;
thence North 00°04'00" West, a distance of 30.00 feet to the Point of Beginning.
ALSO EXCEPTING THEREFROM any portion lying within the boundary of Karrow Avenue.

Tract 3:
A tract of land in the Southeast Quarter of the Northeast Quarter of Section 35, Township 31 North, Range 22 West, M.P.M., Flathead County, Montana, described as follows:
Commencing at the Northwest corner of the Southeast Quarter of the Northeast Quarter;
thence South along the West line thereof, a distance of 60.00 feet to the South line of the present existing highway, which is the Point of Beginning of the tract herein conveyed;
thence South along the West line thereof, a distance of 600.00 feet to a point;
thence at right angles East, a distance of 145.20 feet to a point;
thence North and parallel with the West line thereof, a distance of 600.00 feet to an intersection with the South line of the present existing highway;
thence West along the South line of said highway, a distance of 145.20 feet to the Point of Beginning.

Tract 4:
Tract D of Grouse Mountain Phase I, according to the map or plat thereof on file and of record in the office of the Clerk and Recorder of Flathead County, Montana.

Tract 5:
All that portion of Grouse Mountain Phase I, shown and described as Golf Course, according to the official plat thereof, on file and of record in the office of the Clerk and Recorder of Flathead County, Montana.
EXCEPTING THEREFROM Parcel A of the Amended Plat of Tract B and a portion of Golf Course, Grouse Mountain, Phase I, according to the map or plat thereof on file and of record in the office of the Clerk and Recorder of Flathead County, Montana.

Tract 6:
All that portion of Grouse Mountain Phase II, shown and described as Golf Course North, according to the official plat thereof, filed in Official Records of Flathead County, Montana.

Tract 7:
All that portion of Grouse Mountain Phase II, shown and described as Golf Course South, according to the official plat thereof, filed in Official Records of Flathead County, Montana.
Tract 1 of Certificate of Survey No. 10172, situated, lying and being in the South Half of the Southeast Quarter of Section 35, Township 31 North, Range 22 West, P.M.M., Flathead County, Montana.

Tract 2 of Certificate of Survey No. 14050, situated, lying and being in the Southeast Quarter of the Southwest Quarter of Section 35, Township 31 North, Range 22 West and in Government Lots 2, 3 & 6 and the Southwest Quarter of the Northeast Quarter of Section 2, Township 30 North, Range 22 West, P.M.M., Flathead County, Montana.

AND

All that land and buildings situated in Section 26 and 35, Township 31 North, Range 22 West, Flathead County, Montana, owned by LESSOR and commonly known as "The Whitefish Lake Golf Course", excepting and reserving a 20 foot wide strip along the East boundary line of Lot 6 of Ramsey Addition to be used as a buffer zone between the Cemetery and the Golf Course and to be planted and maintained in trees and/or bushes and shrubs.
Staff Report

To: Mayor Muhlfeld and City Council
From: Dana Smith, City Manager
Date: December 27, 2022
Re: A Resolution approving the Mortgage securing Whitefish Lake Golf Course's financing with Glacier Bank to fund the remodel and update of the clubhouse.

Introduction/History

In 2011, the City Council approved a lease through December 31, 2040, to Whitefish Lake Golf Club, Inc., to operate the Whitefish Municipal Golf Course and appurtenant facilities such as a club house, pro shop, maintenance shed, restaurant/bar, and other miscellaneous facilities. On June 6, 2022, the City Council approved the request from Whitefish Lake Golf Club, Inc., to remodel and upgrade of the existing club house in excess of $200,000, in accordance with the lease.

Current Report

To complete remodel and upgrade the existing club house, Whitefish Lake Golf Club, Inc., is requesting to secure their financing with the City owned land and facilities, known as the Whitefish Lake Golf Course, up to $1.5 million. The mortgage documents are attached as Exhibit A of the proposed Resolution.

Financial Requirement

There are no direct costs to the City for the execution of the loan and related documents. However, there is some financial risk should a default occur and having City property as the means of security. The City Council may need to invest any outstanding and unpaid amounts in the property to ensure the City did not lose a valuable community asset. Based on the financial history of the Whitefish Lake Golf Course operations, default is deemed highly unlikely.

Recommendation

Staff respectfully recommends that the City Council approve the proposed Resolution approving the Mortgage securing Whitefish Lake Golf Course's financing with Glacier Bank to fund the remodel and update of the clubhouse.
From: Samantha Tappenbeck <samantha@flatheadcd.org>

Sent: Tuesday, December 13, 2022 11:57 AM

To: Michelle Howke

Cc: John Ellis; Angela Jacobs; Ginger Kauffman

Subject: Urban Supervisor appointments

Hi Michelle,

I’m following up regarding the appointment of Urban Supervisors to the Flathead Conservation District Board of Supervisors. I believe I’ve managed to make this as confusing as possible so please bear with me while I try to clarify where things stand and what is needed moving forward:

Urban Supervisor John Ellis’ term ends on 12/31/2022. John was appointed for another 3-yr term by the City Council on August 15, 2022. In my letter to the City Council requesting the appointment of Urban Supervisors, I mistakenly assumed and indicated that John was interested in continuing on in the Urban Supervisor position. I was informed last night that John Ellis is NOT interested in continuing on in the Urban Supervisor position, but he IS willing to serve for a few months until we find a replacement.

Urban Supervisor Angela Jacobs’ term ends on 12/31/2022. Although she is NOT interested in continuing on in the Urban Supervisor position for a 3-yr term, she IS also willing to serve for a few months until we find a replacement. However, because Angela’s term ends on 12/31/2022, we technically need the City Council to reappoint her for another 3-yr term. Would it be possible to add this to an upcoming City Council meeting agenda?

Both Supervisors Ellis and Jacobs will need to sign Oaths of Office for their terms beginning 1/1/2023. Once we have found replacements for their positions, they will simply resign those positions and we will request appointments by the City Council to fill the vacancies. Flathead CD will continue to do outreach to try and recruit candidates for the Urban Supervisor positions. In the meantime, could the City please include a public notice for two Urban Supervisor positions?

Let me know if I can provide any additional information or clarification on this. If it would be helpful for me to draft a formal letter to provide these requests to the City Council, or to attend a City Council meeting to provide explanation, I would be happy to do so. Apologies for the confusion!

Thanks,

--

Samantha Tappenbeck
Resource Conservationist

ATTENTION: External Email - This email originated from outside of the City of Whitefish. Use caution when clicking links or opening attachments unless you recognize the sender and are expecting the contents. Contact the IT Helpdesk if in doubt.