

WHITEFISH CITY COUNCIL

January 19, 2021

7:10 P.M.

Via Webex

1) CALL TO ORDER

Mayor Muhlfeld called the meeting to order. Councilors present were Qunell, Feury, Hennen, Davis, and Norton. Councilor Sweeney was absent. City Staff present were, City Clerk Howke, City Manager Smith, City Attorney Jacobs, Planning and Building Director Taylor, Public Works Director Workman, Parks and Recreation Director Butts, Police Chief Dial and Fire Chief Page. Approximately 28 people were in the audience.

2) PLEDGE OF ALLEGIANCE

Mayor Muhlfeld ~~lead~~led 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)

Rhonda Fitzgerald, 412 Lupfer Avenue, supports the request to bid for recycling services. She encourages the Council and staff to remember to allocate an area for compostable food waste drop off as well.

4) COMMUNICATIONS FROM VOLUNTEER BOARDS

None

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 January 4, 2021 Special Session (p.23)
- b) Minutes from January 4, 2021 Regular Session (p.24)
- c) Resolution No. 21-02; A Resolution extending the term of the Whitefish Strategic Housing Plan Steering Committee (p.29)

Councilor Norton had corrections to the January 4, 2021 regular session minutes. On page 27 of the packet, third paragraph, fourth line 'The ~~danish~~Danish study'; and fourth paragraph, first line, 'nobody likess them'. **Councilor Norton made a motion, seconded by Councilor Hennen to approve the Consent Agenda as corrected. The motion carried by roll call.**

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

- a) Consideration of proposed use of tax monies to be included in ballot language (p.31)

City Manager Dana Smith presented her staff report that is provided in the packet on the website. The proposed uses of resort tax monies are as follows:

A. Property tax reduction for taxpayers residing in the city in an amount equal to twenty five percent (25%) of the three percent (3%) resort tax revenues derived during the preceding fiscal year;

B. Provision for the repair, maintenance, and improvement of streets, storm sewers, all underground utilities, sidewalks, curbs, and gutters, in an amount equal to fifty-eight percent (58%) of the three percent (3%) resort tax revenues derived during the preceding fiscal year;

C. Improvements and maintenance of bicycle/pedestrian paths and other park acquisition, capital improvements and equipment in an amount equal to ten percent (10%) of the three percent (3%) resort tax revenues derived during the preceding fiscal year;

D. Provisions for the maintenance and replacement of existing improvements of the Whitefish Trail in an amount equal to two percent (2%) of the three percent (3%) resort tax revenues derived during the preceding fiscal year. Any amounts not spent within five fiscal years may be appropriated for the maintenance of bicycle/pedestrian paths;

E. Cost of administering the resort tax in an amount equal to five percent (5%) of the three percent (3%) resort tax per year (as provided in subsection 3-3-5C of this chapter).

Manager Smith presented estimated Resort Tax monies by use based on Fiscal Year 2020 Actual Collections:

ACTUAL

FY20 Collections	Property Tax Relief	Streets	Parks & Rec	Debt Service (Haskill Basin CE)
\$ 4,270,328	\$ 1,123,950	\$ 1,947,697	\$ 149,889	\$ 1,048,793

PROPOSED

FY20 Collections	Property Tax Relief	Streets	Parks & Rec	Whitefish Trail
\$ 4,270,328	\$ 1,123,950	\$ 2,596,779	\$ 449,666	\$ 99,933

The proposed changes would be effective February 1, 2025. The ballot language is due to the Flathead County Election Department by August 16, 2021. The next steps will include education, a resolution calling for a vote, and specific noticing requirements.

Councilor Norton asked and Manager Smith stated as drafted if a piece of property became available, we could expand our park use. It would take time to accrue funds. We have done that with our Haskill Basin bond. Councilor Norton also asked, and Manager Smith stated if we do have underground utilities that need to be replaced, we do at that time of street reconstruction projects.

Councilor Qunell asked and Manager Smith stated that would be a stretch in how this language was drafted to move funds towards historic preservation. There are a couple of bills at the legislature that could be helpful if passed.

Mayor Muhlfeld asked, and Manager Smith stated in relation to the trail maintenance, this allocation would all be maintenance of the trail, including dust abatement, plowing, garbage pickup etc. The Resort Tax is City funds that are collected by the City and maintained by the City. The city council appropriates those funds on an annual basis.

Mayor Muhlfeld opened the Public Hearing.

Chuck Stearns, 698 Woodside Lane, is a strong supporter of the resort tax and extending the resort tax. It is essential to our community. A lot of the support for the resort tax was to fix the city roads which were more potholes at times than asphalt. At this point it is good to add maintenance. He likes what public works has been doing with crack sealing and the slurry seal. He thinks that can be expanded because it is a great way to make our roads last longer rather than having to reconstruct them more often. He has concerns about adding equipment. Equipment can tend to be a big black hole at times. He would not want to invest in equipment at the expense of the reconstructions of the roads. He supports the parks trails maintenance and the 2% for the Whitefish Trail maintenance. It is a very small allocation for something like that. He thinks the City Council should consider an allocation to support and improve local transit. Improving local transit was a recommendation in the Sustainable Tourism Management Plan. It will be hard to do any improvements to local transit without a local tax infusion and resort tax is more appropriate and palatable than the property tax. There is a better connection or nexus between tourist traffic which generates the problems in the summer. Using resort taxes generated from tourists to improve local transit and diminish traffic congestion and work with Eagle Transit as the long-term solution. They get the federal funds for transit and if City were to provide money to them, they could improve the local service and have more consistent schedules. He thinks 3% would have to come at the expense of the street's allocation. If you want to decrease traffic congestion, especially in the summer, transit is a big way to do it. This is a good opportunity and time to do it.

Mayor Muhlfeld had a follow-up question for Chuck. He asked Chuck if he is comfortable with the language as drafted and if we were to consider local transit, would that complicate it further? Chuck agrees to keep it simple, not change it very much. It has been successful, and it has worked. He also thinks this is the opportunity to do it.

Joan Vetter Ehrenberg, 744 Hidden Valley Drive, supports continuing the resort tax. She sees a couple of needs for our future growth we are not meeting, connectivity with bike paths and pedestrian paths. We have to continue to work for bike connectivity. She supports the Whitefish Trail allocation. We are not just a summer destination; we are a year-around destination. We have to look at public transportation and park and ride locations. Let us plan 10 and 20 years out for what our vision needs to look for and lay the foundation now.

Heidi Van Everen, 4 Pine Avenue, Whitefish Legacy Partner (WLP) Executive Director, has been tracking and participating in the reworking of the allocation for the resort tax. Few communities in the state and nationwide think about maintenance and infrastructure of trails, paths, and streets. We have made huge improvements over the years with the streets. Regarding Mayor Muhlfeld's question about if a percentage of Resort Tax goes into the Whitefish Trail maintenance, how that

would be handled. The City holds a Whitefish Trail grant fund and manage on behalf of the Whitefish Trail. WLP as one partner in the project make contributions twice a year to that fund as do other partners including Flathead Area Mountain Bikers, Glacier Nordic, etc. There are already other systems in place to manage that.

Rhonda Fitzgerald, 412 Lupfer Avenue, agrees with everything in the proposal. She would like to keep the conservation easement concept language. The increase to 3% was approved by the community because it contained a conservation easement component. She thinks since it was already a part of the Resort Tax it perhaps is a simpler process to include language around that and identify funds to go toward conservation and open space acquisition. She agrees transit would be great to have but she is not sure this is the funding mechanism.

Chris Schustrom, 504 Spokane Avenue, Resort Tax Monitoring Committee Vice Chair. The committee voted unanimously to recommend the Council move forward with the proposed language. These are all great projects. He served as the chair on the Snow Bus Committee from 1998 through 2018 and coordinated the snow bus. His last three years he coordinated the ~~g~~Glacier ~~p~~Park express bus, where the big mountain commercial association spent \$80,000 per summer to run a bus to and from Glacier Park. The ridership was minimal. He does not think it is the right time to move funds to transit. He would rather not see funds be taken away from streets. Looking at the priority list, there are a lot of projects coming up.

Mayor Muhlfeld had a follow-up question for Chris, has the Resort Tax Committee given any thought how to help the City with public outreach and education? Chris committee has talked about it but not about a full-on campaign.

Mayor Muhlfeld asked, and Manager Smith stated once we have the draft language and the call to vote, it becomes education about what the Resort Tax has done, here is the question we are asking. As public employees and officials, we have to be cautious about telling people which way to vote. The next step is to come up with ideas on how to reach the public and inform them of what is going on. We will lean on WLP, and the Resort Tax Committee to get that word out.

There being no further public comment, Mayor Muhlfeld closed the Public Hearing and turned the matters over to Council for consideration.

Councilor Davis asked Chuck Stearns if public transit should be a subpart of the allocation of streets or its own line item? Chuck thought if you put it in the same language with streets, it creates some flexibility for the council to allocate; if transit is important it should have a percentage allocation. It could work either way. Councilor Davis ask and Chuck stated it is a good point, it could be a concern since there is not a proposal or plan.

Councilor Norton likes the idea of keeping conservation language and also adding transportation option. Councilor Davis stated what is proposed is great. He finds the local transit idea interesting and a strong supporter of public transit. He has not seen or evaluated a proposal to have a concept of what it costs or how it would be done. Councilor Qunell mentioned he wished we could build in

some flexibility for public transit. Mayor Muhlfeld supports the allocation as presented. We need to tie this reauthorization as closely as we can to the original intent. He also agrees transit is something that is needed in this community, he does not think this is the mechanism upon which to do it, especially when we do not have a transit plan crafted or conceptualized.

City Manager Smith clarified nothing prohibits the City Council from asking voters again that we have decided transportation should be added. If there is a community need to be funded that way, it is an option. This is not the only and last time for public comment. There will be additional time for public comment when we go to the resolution calling for a vote.

Councilor Feury made a motion, seconded by Councilor Norton to move forward the draft language as presented for a resolution calling for a vote based on the draft ballot language included in the packet. Councilor Feury has concerns we do not have a local transit plan and he does not know if we would generate the kind of revenue necessary to run a program. He thinks there are other sources of revenue for that. He has concerns adding in ambiguous things that do not have a plan. Councilor Norton stated this discussion should be a part of the transportation plan. These are community goals for some people, but they do not necessarily need to go through the Resort Tax.

The motion carried by roll call.

- b) **Resolution No. 21-03; A Resolution approving an agreement a Memorandum of Understanding with the Montana Department of Fish, Wildlife & Parks for the Beaver Lake Fishing Access Site (p.36)**

City Attorney Angela Jacobs presented her staff report that is provided in the packet on the website.

Mayor Muhlfeld opened the Public Hearing.

Heidi Van Everen, 4 Pine Avenue, Whitefish Legacy Partner (WLP) Executive Director, the Fish Wildlife and Parks had an agreement with DNRC and they were paying \$3,500 before the City took over management. It was providing Fish Wildlife and Parks a great value because DNRC was in the stage of raising rates and with the City we all agreed that keeping that flat rate would be a benefit to them. WLP will be absorbing the need to fundraise for the additional \$2,000 that a partner group will not be offering. Fish Wildlife and Parks made a commitment to support dust abatement and the Porta Potty. She thinks they would like to be involved and help support providing another fishing access site out there. They can provide value and want to work with us on that. Hopefully, we will be talking about this more as time goes on.

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

Councilor Norton made a motion, seconded by Councilor Hennen to approve Resolution No. 21-03; A Resolution approving an agreement a Memorandum of Understanding with the Montana Department of Fish, Wildlife & Parks for the Beaver Lake Fishing Access Site. The motion carried by roll call.

7) COMMUNICATIONS FROM PUBLIC WORKS DIRECTOR

- a) **Consideration to authorize to Bid for Recycling Services (p.44)**

Public Works Director Craig Workman presented his staff report that is provided in the packet on the website. The Bid for Recycling Services is for two separate and distinct services. The first part is Design and Management of a Central Recycling Site, and the second part is Curbside Collection, as an option.

Discussion followed between Council and staff. Councilor Qunell would like to add some of the language that Mayre Flowers suggested in her email to the City Council that is appended to the packet on the website. Mayre's suggestion was to add to 7B, 'bearproofing of site, proposed signage for recycling bins to encourage proper sorting and signs to educate the public as to items not accepted, etc.' Director Workman stated those are included. Once we receive bids from contractors, there will be a contract negotiation process to discuss more detail.

Mayor Muhlfeld asked, and Director Workman stated the intention of the central recycling site would be for residences and businesses within the City of Whitefish. The curbside collection would be residential only. Commercial businesses have the opportunity to contract with somebody for collection of recyclable materials.

Councilor Norton addressed Mayre Flowers to provide comment. A copy of Mayre's is appended to the packet on the website. Mayre Flowers reminded the Council that plastic has become a real issue. She encourages the Council to look at adding wording to know what material recovery facility the materials are being shipped to. She also questioned if the city would want to include pickup for the recycling bins that are at the farmers market and the depot park and other recycling bins.

Councilor Qunell made a motion, seconded by Councilor Feury to authorize Public Works Director Workman to bid for recycling services. Councilor Qunell stated it is important to continue recycling in Whitefish. Councilor Feury stated including space for food composting in the future is a good idea. He does not think these two contracts are related. **The motion carried by roll call.**

8) COMMUNICATIONS FROM CITY MANAGER

a) Written report enclosed with the packet. Questions from Mayor and Council? (p.68)

Councilor Qunell asked if a bill ever got moved forward about providing a different tax structure for people with second homes. Manager Smith stated she has not seen one brought forward yet.

b) Other items arising between January 13th through January 19th.

Manager Smith reported negotiations are starting with the Police and Fire Unions. From a legislative perspective, there is one draft bill that is of concern. Bill LC0304 is drafted to prohibit inclusionary zoning. It would effectively as written, eliminate our Legacy Homes Program. We have talked to Bozeman, who is the only other community right now with Inclusionary Zoning, and they have a lobbyist with Missoula who they share and have met with the individual who is carrying this bill. They are hoping to get amendments, she has not picked up the bill yet and introduced it. So, it is still sitting out there. If it goes to committee and have an opportunity to comment obviously, we will oppose that type of legislation.

Manager Smith provided comment on HB107, which would require a 2/3 majority vote for any voted levies. Right now, we are a simple majority. A lot of comment was submitted. There is potential that might still move through. There are various zoning bills that would restrict municipalities on what they can allow in certain zones. SB80 is being carried by Senator Regier of Kalispell, which would limit all interlocal agreements to no more than a five-year term. Interlocal agreements were made to build

efficiencies in government. To have us renegotiate every five years when both governments willingly entered into the agreement seems like it is adding more work and less efficiencies.

Representative Fern is carrying HB154, which is a resort tax bill proposing to increase the population up to 10,000 for a resort community and 3,500 for a resort area. We are supportive of that, but our interpretation of the Montana code is as long as our resort tax does not expire, we can at any point ask the voters to change our resort tax including the extension for dates.

Manager Smith has been working closely with North Valley Hospital, to coordinate a vaccine clinic in Whitefish. Currently they can expect anywhere from 100 to 200 vaccines a week and then four weeks later the second dose. Manager Smith has been asked to help with finding volunteers for both clinical and non-clinical. She asked permission from Council for the City to help further by assisting and scheduling the actual appointments. The county is getting phone calls by the hundreds, so they are behind. If they can send us a list of numbers, we would assist the county and North Valley in scheduling those clinics. She is concerned with the availability of staff time, or if the volunteers become a city volunteer. We pay work comp for city volunteers. It is a small amount per quarter, and we could probably request FEMA funds. She has concerns of how much time council wants us to assist with this. She thinks it is a great community benefit for those that are interested in a vaccine. If was not for North Valley Hospital working with her, we would not have a north valley location. The county health does not have the time to step up a location. There could be some staff to help out but when your scheduling 200 appointments once a week it could be a little tedious.

As of right now, the mask directive does remain in effect, the liability limit bill is still out there. If Governor Gianforte lifts the mask requirements, our ordinance would go into effect and we would start enforcing that.

She also reported that we are hopeful, planned and prepared for a calm inauguration day.

The Council unitedly supports Dana helping the County and North Valley Hospital with the vaccine clinics.

9) COMMUNICATIONS FROM MAYOR AND CITY COUNCILORS

a) COVID-19

None

b) Letter from K. Craven requesting the speed limit on US Highway 93 West to be lowered to 25 mph (p.71)

Director Workman stated MDT has reduced the speed limit from 45 mph to 35 mph to Fairway Drive. MDT does a speed study anytime there is a speed limit reduction requested. MDT did a speed study within the last two years; it is unlikely they will reduce it from 35 mph to 25 mph.

Councilor Qunell stated that section would be safer if we had a better more visible crosswalk at the cemetery, and at Karrow. Councilor Norton thought another conversation with MDT about other mitigation for safety. Director Workman stated when the 95 Karrow project was approved it came with requirements for crosswalks at Karrow Avenue.

Council Comments

January 19, 2021

Councilor Qunell would like to look into adding sidewalks on Karrow from 7th Street to Second Street. He would also like to consider a way the amount of resort tax rebate given back to full-time residents versus part-time residents. Mayor Muhlfeld responded oftentimes sidewalk improvements need to be part and parcel to the larger Resort Tax project where the street is reconstructed. Director Workman added we are wrapping up \$5 million worth of improvements on State Park Road where we now have a shared use path that goes from Highway 93 to the tracks. Edgewood and Texas are the next projects which were elevated in priority on the list. Our goal with resort tax is to use the west, north east segment system. After Edgewood and Texas, it will be on the east with Armory Road, and then Karrow on the west side of town. The three buckets are Resort Tax, Impact Fees and Cash in Lieu for sidewalk construction.

Councilor Davis if the Council might be interested or willing to consider a proposal if there was a central compost drop off at this new recycling center. Director Workman stated the RFP for the recycling center does not discuss food waste composting directly, but it does require the contractor to partner with the City to design a site to provide space for future food waste composting. Solicitation for a vendor to provide composting service would be another invitation to bid. Manager Smith stated we are going to have to charge a fee for just the central recycling site, and a compost site.

Mayor Muhlfeld asked Director Butts where we are in the process of the Roy Duff building and the memorial plaques that were never installed. Director Butts reported she plans to budget for it in FY22 to be done through the Park Sign Master Plan Project.

10) ADJOURNMENT

Mayor Muhlfeld adjourned the meeting at 9:32 p.m.

/s/John Muhlfeld

Mayor Muhlfeld

Attest:

/s/Michelle Howke

Michelle Howke, Whitefish City Clerk