

WEST YELLOWSTONE TOWN COUNCIL
Town Council Meeting
August 6, 2013

COUNCIL MEMBERS PRESENT: Mayor Jerry Johnson, Brad Schmier, and Doc Stewart, and Tom Cherhoniak

OTHERS PRESENT: Operations Manager Becky Guay, Social Services Director Jack Dittmann, Finance Director Lanie Gospodarek, Public Services Superintendent James Patterson, Chief of Police Gordon Berger

The meeting is called to order by Mayor Jerry Johnson at 7:00 PM in the Povah Community Center

Portions of the meeting are being recorded.

The Treasurer's Report with corresponding banking transactions is on file at the Town Offices for public review during regular business hours.

ACTION TAKEN

- 1) Motion carried to pay the claims, which total \$151,866.61. (Stewart, Schmier)
- 2) Motion carried to approve the business license application for JED Enterprises (Stewart, Schmier)
- 3) Motion carried to approve the business license application for Redneck Nuts & Such to operate as a mobile concession during the Rod Run, August 3-4, 2013. (Stewart, Schmier)
- 4) Motion carried to approve the business license application for RV Fixit Pro. (Schmier, Stewart)
- 5) Motion carried to approve the business license relocation for Utah Transportation LC. (Schmier, Stewart) Stewart is opposed, passes with majority.
- 6) Motion carried to approve the northwest corner of Pioneer Park for the location of the ice rink for the winter of 2013-2014. (Cherhoniak, Schmier)

Council Comments

Schmier says that the Yellowstone Rod Run this past weekend was a great success and hopes that event will continue for many years in the future. Johnson says that they are accepting applications for appointment to the Town Council until Thursday, August 8, 2013 at 4 PM. Johnson says they distributed copies of the questions they used for the last appointment to the Council this evening and they should get back to Operations Manager with any comments by Friday at noon. The Council agrees to schedule the interviews appointment for next Tuesday, August 13, 2013.

Public Comment Period

WY Chamber of Commerce Executive Director Marysue Costello reminds those in attendance of the upcoming Cycle Yellowstone Tour which is expected to bring close to 800 bicyclists to Town for the weekend that includes August 10, 2013. Town Clerk Liz Roos shares an email from retired Council Member Mary Phillips, who relocated to Missoula but misses West Yellowstone very much.

DISCUSSION

- 1) Schmier asks Chief Berger about the claim to Lisacs Tires for new tires for a police vehicle. He asks if he shopped locally for the tires and Berger indicates that he did not. He says that the last time he bought tires, the local business could not match the state price for tires. Schmier says he called today and the local business could match the price and they would also have saved the cost of traveling to Butte to get the tires. Schmier

requests that in the future they shop locally whenever possible. Stewart asks about a couple claims that appear to be over budget but Guay explains that since they are still adjusting the budget for FY 2014, they are showing that way but there is adequate money budgeted. He also asks about the claim for chemicals at the lagoon and if there is anything they can do about the smell that comes from the lagoon. Patterson says they can't change the way it smells, but they have set the pumps to go on and off at certain times and that seems to have made things a little better. Cherhoniak asks why they published the ad for the Town Council vacancy in the Big Sky newspaper, but Town Clerk Liz Roos explains that "Big Sky Publishing" is the parent corporation for the West Yellowstone News and it was only published in the local paper.

- 3) Guay explains that this application was not received in time to put it before the Council prior to the Rod Run. She says they went ahead and approved the application on a temporary basis so they could operate during the event because they had all the relevant health and safety permits and it was a two-day event. She adds that the staff and mayor have discussed some sort of preliminary approval for such licenses in the future because this situation has come up more than once. Mayor Johnson suggests that they consider a new policy that could address this situation and handle it that way before they consider changing the ordinance.
- 4) The Council discusses whether the applicant will be selling parts and if they should be taxed. Guay indicates they will consult with the attorney to get a clear answer on that. The license is only approved for service repair and not sale of parts.
- A) **Operations Manager's Report:** Operations Manager Becky Guay reports on current issues: **Town Hall Project** – Walk through with Architect and Contractor scheduled for this week. Waiting for built in furniture for administration and public works offices, installation of fiber optic line, server and wi-fi, and telephone service. James is beginning landscaping work. **UPDL Window Replacement Project** – A second bid in the amount of \$48,165.83 was obtained from Rand Olsen Construction for the Firehole Room windows. Staff has asked the architect, Dennis Johnson, to request bids from other contractors. **Septic Dump Station at Wastewater Treatment Plant** – Dick Dyer is overseeing Saurey Construction's work at the plant. Concrete pour scheduled for this week. **Capital Improvement Plan and Budget** – Preparation of the Budget and CIP are nearly complete. **Social Services** – Beginning preparations for the move. Clothing bank will likely remain at the current office and be open on a greatly reduced schedule. **Audit Firm Selection** – The Finance Director and Operations Manager recommend that the Town engage Amatics CPA Group as the Town's auditor. Our current auditor, Mogan Scarr, left JCCS and helped to form Amatics in association with 23 former JCCS employees. Amatics has agreed to honor the Town's current price of \$9,100 for FY 13 and \$9,400 for FY 14, with an option to renew for a third year at a fee of \$9,700. **Litter and Garbage Issues** – Betty Richey attended the department head meeting on July 25 to discuss litter issues. **Skating Rink** – James has confirmed with the developer of Yellowstone Aerial Adventures that the skating rink will need to be moved this fall. S.J. Shepherd, working with the Parks and Recreation Board has developed a draft location plan for Pioneer Park. **Parkway Drainage Improvements Bids** – Pre-bid conference is scheduled for August 9. Bids are due on August 19. **Legal Services RFP** – Proposals are due on August 16. **CAAT Meeting** – I attended the CAAT meeting on July 31. The CTEP entryway sign landscaping project, accomplishments of CAAT and other groups, and litter issues were discussed. The group would also like the DID to conduct a survey of local businesses regarding garbage and litter issues.

The Council and staff discuss the suggestion to leave the Social Services clothing bank in the Union Pacific Dining Lodge. Guay explains that she and Social Services Director Jack Dittmann have discussed this idea because there is not really enough space in the new building for the clothing bank without cluttering up their entire space. The Council expresses concerns about leaving the clothing bank in the UPDL because the goal had always been to completely vacate the building. Dittmann points out that they would not

heat the space or keep it open during the winter. It would only be staffed by volunteers. Guay says that she does not think the clothing bank is a vital service for Social Services. The Council indicates that they need to discuss this issue further in the new future.

- 5) The Council discusses the business license for Utah Transportation LC to relocate a taxi business to another piece of property that includes nightly and residential rentals. There was concern at a previous meeting that the 20' driveway was not wide enough to allow access by emergency vehicles. Guay says they did obtain a legal opinion from Town Attorney Jim McKenna on this issue and it was his opinion that it is unlikely that a claimant could establish that the Town, by issuing a business license, caused damages to any person. Stewart disagrees and says that they are violating the public trust by allowing such a narrow driveway. Patterson clarifies that the driveway is not a public roadway and they have no jurisdiction to require that it be wider. Schmier says he hopes that by designating the parking areas, the property owner will be encouraged to clean up the property.

- 6) Vickie Barta, Chair for the Parks & Recreation Advisory Board, and SJ Shepherd, Architect, present a conceptual drawing for improvements in Pioneer Park. Barta explains that their original assignment was to make a recommendation as to where to move the ice skating rink. The Council and the Board agreed that they should look at the park as a whole and work on a long-term plan. Shepherd explains that they do recommend putting the rink in the northwest corner of the park. She says the group felt that they should put the rink there this year and test it out this winter. She says that if they do go ahead and make that corner the permanent location, they should plan ahead so the concrete pad can also be utilized during the summer as a splash park, additional parking, or picnic area. Mayor Johnson says that it could even be a skate park. She says that locating the ice rink in that corner will allow for the most planning and development of the rest of the park. She points out some of the other elements in the plan that the Town could consider in the future. Patterson says that he thinks they should consider putting the pavilion that has been proposed by the Downtown Improvement District Advisory Board in the Park. He says that he thinks they could put some individual picnic tables in that area between McDonalds and the Museum and then put the pavilion in the park. Schmier says he really likes the proposed location of the parking lot but questions why they wouldn't put the rink closer to the parking lot. Barta says they did consider that and other areas, but points out that would make that corner very "hard" meaning a lot of concrete and pavement. They also felt that area is already a successful picnic area with a lot of trees, so they did not want to interrupt that. The group discusses the plan at length. Mayor Johnson credits the advisory board and Shepherd for putting this plan together and getting it done so quickly. He asks if they are ready to put the plan out for public comment. Barta clarifies that they are suggesting both a new location for the rink and a conceptual plan for the entire park. Johnson suggests that they put the plan out in the paper and publicize it and request public comment. Barta agrees and says they might even come up with even better ideas for the plan. Shepherd asks if the Council can act tonight on selecting a location for the rink for this winter, establishing temporary lighting, and temporary restrooms. Johnson says that they can. The group briefly discusses the lights at the rink and what will need to be done to move the lights over for this winter and any adjustments they need to make to the budget before it is adopted at the next meeting.

The meeting is adjourned. (9:00 PM)

Mayor

ATTEST:

Town Clerk

WEST YELLOWSTONE TOWN COUNCIL
Town Council Appointment Interviews
August 13, 2013

COUNCIL MEMBERS PRESENT: Mayor Jerry Johnson, Brad Schmier, and Doc Stewart, and Tom Cherhoniak

OTHERS PRESENT: Operations Manager Becky Guay, Public Services Superintendent James Patterson

The meeting is called to order by Mayor Jerry Johnson at 7:00 PM in the Povah Community Center

Portions of the meeting are being recorded.

The Treasurer's Report with corresponding banking transactions is on file at the Town Offices for public review during regular business hours.

Public Comment Period

No public comment is received.

Mayor Johnson opens the meeting and briefly describes the procedure and protocol for the Town Council appointment interviews. Two residents applied for the appointment, Lewis Scott and John Costello.

The first interview is with Lewis Scott. Scott briefly describes his history in West Yellowstone, where he has lived since 1989. He explains that after relocating to West Yellowstone he decided to go back to practicing law, passed the Montana Bar exam, and opened a small private practice. He also served as the City Judge in West Yellowstone for twelve years. He says that he enjoys living in West Yellowstone and has kept up on current events by talking to people and reading the newspaper. Scott explains, as he did in his cover letter, that he thinks all of the individuals that serve on the Town Council should be elected. He indicates that if he is appointed, he will resign on January 1, 2014 so the seat will be filled by the highest vote getter that is not elected. He says that he will not have any trouble attending meetings and names his membership status with local and regional bar associations. He agrees that local officials are held to a higher standard and elaborates on how that is addressed in state law. Scott says that he can offer legal expertise, especially in regards to choosing a law firm to represent the Town. He also says that he is a good listener and is not afraid to change his mind when new information is presented. Scott says that economic stability is not an issue, which is clearly indicated by the resort tax increasing steadily over the last several years. He says there is potential for infrastructure instability, but economic instability does not seem to be a problem. Scott says projects he would champion include a local government review-which has to be done every ten years, he also thinks there should be a thorough review of the Town's municipal code, and there should also be some serious consideration of the airport. Scott says he other priorities are streets and sidewalks, acquisition of the 80 acres adjacent to the Town from the Forest Service, and good acoustics in the Town Council meeting room. Scott says it is good public policy to allow non-profits or local businesses to use public property, but only with extreme caution. Scott says that healthcare funding has been taken care of and whoever provides it needs to be here for the long-term, he supports the acquisition of the Forest Service land to provide needed things like housing, and in regards to future use of public buildings he names four municipal priorities: water, sewer, public safety, and maintenance of public assets including buildings.

The second applicant is John Costello. He explains that he and his wife, Marysue, moved to West Yellowstone in 1975. Since that time he has been a real estate broker. Over the years, he has been heavily involved in the Town's Planning & Zoning Board, Search & Rescue, briefly was appointed to the Town Council in the 1980s, and is currently involved with healthcare by serving on the Healthcare Services Board and as treasurer for the Yellowstone West Medical Center. He explains that he did not run for election after he was appointed to the Council because of business concerns. He says that he is willing to offer his time and services on the Town Council and that he feels he can commit to Town Council meetings. Mayor Johnson asks how would he handle meetings that, perhaps, may run too long without being effective. Costello

admits that is something that would be difficult for him, and Johnson says that is not necessarily a negative thing. Costello indicates that he does not think there would be conflict for him to serve on the Town Council as well as the other boards he is associated with. He says that he has no problem with whatever standards are expected of Town Council members. He says that he believes he is a good listener, does not respond pressure, does not have a set “agenda,” and feels that he can listen to what people have to say and make a good decision. Stewart asks Costello to describe his guidelines for making a decision. Costello says he would consider two things: what is right, and what is the law. Costello says that he is a believer of free enterprise and the less government influence, the better. He feels the Council should encourage and guide, but not necessarily be the leader when it comes to economic stability. Schmier asks Costello if he thinks resort tax collections are an accurate barometer of the Town’s economic stability. Costello says it certainly plays a part, but does not think it is the main one or the most accurate because it does not take into account details like number of visitors. Costello says he does not have any specific projects or priorities that he would champion over the next two years. Johnson clarifies that he would strive to make fair decisions based on the information that is presented to the Council. Costello says that he does not think there is anything wrong with allowing the Fire Department to sell hamburgers during a special event or even an event like the Rod Run operating from the City Park. However, he does not think it is appropriate for private businesses to use public property as storage or to operate a business. Stewart asks him how he feels about a situation such as allowing a healthcare clinic on public land. Costello says that would be a very individual circumstance that would need to be considered carefully. Costello says that he is not positive. He says that future use of town-owned buildings needs to be considered carefully. In regards to the acquisition of the Forest Service land, he thinks that is the single most important issue that will face the Town in the next 30, 40, or 50 years. He says that the last map he says did not designate the most useful land, but perhaps the land that the Forest Service most wants to get rid of. He says he is passionate about healthcare in West Yellowstone and healthcare funding. He says it has been proven that we cannot keep independent healthcare providers in West Yellowstone without funding support. Johnson says that the other applicant, Lewis Scott, indicated he was willing to serve on the Council until January but would then resign so they would have a full elected council. He asks Costello how he feels about that idea. Costello says that there will be four seats on the ballot this fall and seven candidates. He says that in that circumstance, they will essentially appoint the fifth highest vote getter out of seven, which he believes is someone the voters do not want because they will not have elected that person.

The Council takes a 5-minute break before reconvening to make a decision. Mayor Johnson asks each sitting Council Member to share their thoughts about the interviews. Cherhoniak indicates support for Lewis Scott. Schmier says that Scott’s proposal to resign after the election is very interesting, but he does not think that is the right way to go. He thinks that Costello is a very “electable” applicant. Stewart says that after tonight, they will have more appointed than elected members on the Council and that is troubling. He says that if they accept Scott’s proposal, they will have a full elected council in a couple months and at least two sitting members will be re-elected. Johnson says that both applicants bring a lot of qualities to the table and care about West Yellowstone. He thinks Scott’s proposal is valid and in accordance with the policy, but acknowledges Costello’s point that appointing the fifth-highest vote getting is appointing someone that was not chosen by the electorate. They are both long-term residents and will likely continue to live here for several more years.

A motion is carried by Schmier, seconded by Stewart, to appoint John Costello to the Town Council to serve the seat vacated by Pierre Martineau through December 31, 2013. The vote is a tie. Cherhoniak and Stewart are opposed, Johnson and Schmier are in favor. The Council Members agree to “caucus” with each other in sets of two to discuss the appointment. Each of the four Council Members meet privately with each other member. After approximately 35 minutes, the Council reconvenes but they all indicate that they have not changed their vote. Mayor Johnson suggests they caucus with each other one more time and get back together to decide what they will do next. The next round of caucuses lasts about 15 minutes. Rocky Hermanson requests to make a couple comments. He says that it was mentioned earlier that there is a public perception that the current council members are just appointing their buddies, but he thinks it looks even worse to just make a short-term appointment to manipulate what will

happen later. They should make the best decision for the long-term. James Patterson agrees with Hermanson's comments. He says that they are still going to make an appointment in five months, which could very easily be one of themselves. In that circumstance, then it just appears they were trying to protect their own job. Johnson says that prior to coming this evening, he was very much in favor of accepting Scott's proposal. However, he believes their "charge" is to appoint someone that can fill Martineau's vacated seat.

Johnson asks if any of the council members want to change their vote. Stewart requests that a caucus with Johnson and they leave the room.

The Council reconvenes again. Mayor Johnson calls for the questions on the original motion to appoint John Costello. Johnson, Stewart, and Schmier are in favor, Cherhoniak is opposed.

Town Clerk, Elizabeth Roos, administers the oath of office for John Costello.

The meeting is adjourned. (8:15 PM)

Mayor

ATTEST:

Town Clerk

WEST YELLOWSTONE TOWN COUNCIL
Town Council Meeting
August 20, 2013

COUNCIL MEMBERS PRESENT: Mayor Jerry Johnson, Brad Schmier, and Doc Stewart, John Costello, and Tom Cherhoniak by speakerphone

OTHERS PRESENT: Operations Manager Becky Guay, Social Services Director Jack Dittmann, Finance Director Lanie Gospodarek, Public Services Superintendent James Patterson, Chief of Police Gordon Berger

The meeting is called to order by Mayor Jerry Johnson at 7:00 PM in the Povah Community Center

Portions of the meeting are being recorded.

The Treasurer's Report with corresponding banking transactions is on file at the Town Offices for public review during regular business hours.

ACTION TAKEN

- 1) Motion carried to pay the claims, which total \$158,429.02. (Stewart, Schmier)
- 2) Motion carried to approve the Consent Agenda, which includes the minutes of the July 16, 2013 Town Council Meeting, July 23, 2013 Work Session, August 6, 2013 Town Council Meeting and August 13, 2013 Town Council Interviews. (Stewart, Cherhoniak)
- 3) Motion carried to approve the new business license application for Botas la Acienda. (Stewart, Cherhoniak)
- 4) Motion carried to approve the new business license application for Yellowstone Classic Cabins and RV, LLC, contingent upon securing all applicable county and state licenses for the rental cabin. (Stewart, Schmier)
- 5) Motion carried to waive the \$500 resort tax bond for Yellowstone Classic Cabins, LLC based on a satisfactory payment history for the owners other business, Altius Handcrafted Firearms. (Stewart, Cherhoniak)
- 6) Motion carried to approve Resolution No. 638, a Resolution determining the mill levy for FY 2014. (Stewart, Schmier) Costello abstains, motion passes with a majority vote.
- 7) Motion carried to approve Resolution No. 639, a resolution adopting the budget for FY 2014. (Cherhoniak, Stewart) Costello abstains, motion passes with a majority vote.
- 8) Motion carried to approve the 3-year contract for municipal audit services with Amatics CPA Group. (Stewart, Schmier)
- 9) Motion carried to assess penalties based on four months of delinquency, \$190.01. (Costello, Stewart)

Council Comments

Schmier and the Council welcome Costello to the Town Council. Johnson says he wants to mention that they have a lot of events come through Town and the bicycle cycle tour that was here this weekend was pretty impressive. He's not sure what kind of a financial impact it had but it was interesting. Town Clerk Liz Roos briefly explains that the Town has already decided to conduct the election this year by mail ballot. There is going to be a Gallatin County College mill levy on the ballot this year, and for this reason the City of Bozeman has offered to pay for the return postage for the ballots for the entire county. In the past, the Town has not provided return postage.

Public Comment Period

Marysue Costello, Executive Director for the Chamber of Commerce, thanks the Town for all the support during the Yellowstone Cycle Tour that was in Town over the weekend. She says the event appeared and then was gone with amazing efficiency. She also credits the members of the local highschool sports teams for their efforts and support during the event. She also mentions that the Chamber of Commerce will be hosting a candidates forum prior to the election.

Public Hearing, FY 2014 Municipal Budget

Mayor Johnson opens the hearing and invites Operations Manager Becky Guay to highlight some of the more notable elements in this years budget. The hearing was advertised in the August 9, 2013 and August 16, 2013 editions of the West Yellowstone News. Guay briefly describes the budget and specific projects that are in the budget including construction of an equipment storage barn, continuing to replace the windows in the Union Pacific Dining Lodge, cleanup and repair to the UPDL generator building, repairs to the water tower roof, and construction of a picnic pavilion. The Town is also focusing on a master planning effort for Pioneer Park and the relocation of the ice rink to the park. The Town will undertake a major project to improve drainage in the interior parkways, pave the parking lot at the Dispatch Center and new Town Hall, replace/install sections of sidewalk throughout the community, and pursue the acquisition of up to 80 acres of Forest Service land. No public comment or questions are received.

DISCUSSION

- 1) Stewart and Schmier ask a couple of questions about the claims, but no changes are made. Schmier asks about the claim for \$2000 from Chuck Spangenberg. Patterson explains that was to catch and remove 39 pigeons from the generator building. Stewart asks about the \$732 to Big Fork Web and clarifies that charge is for hosting the website annually and hosting the email server.

- 4) There is brief discussion about whether the business name is Yellowstone Classic Cabins and RV, LLC or Caldera Cabins, LLC, and the staff indicates they will clarify with the owners. The Council agrees that they also need to ensure that the proper state and county licenses are in place for the rental cabin.

- 7) Johnson says that he does not think that they should approve \$28,000 for a picnic pavilion in the area off of South Canyon, between McDonalds and the Museum. He says he also has concerns about the \$30,000 estimate for the generator building. He says he thinks they need to figure out what the \$30,000 estimate from Buffalo Restoration actually included. Guay agrees and points out that the pigeons have been removed and they hope to seal up the building themselves, but they will review that estimate. He also asks about the budget for the roof on the water tower. There is brief discussion about the problem and it is determined that there is \$40,000 in the budget for the project, but they do expect insurance coverage. Stewart comments that he has reviewed a lot of budgets over the years and was rather impressed at how complete and thorough this budget it.

- 8) Stewart points out paragraph 13 which refers to the exit interview. Stewart says that he understands that the previous audit group offered but they did not actually take them up on the offer. He says he would like to make sure that the auditors are willing to come down and meet with the Council to conduct that interview. Gospodarek says that she is quite sure this group would be willing to come down and meet with the Council.

- 9) Gospodarek explains that the resort tax for Yellowstone Townhouses for the month of July 2012 was not remitted when due. She says that they should have notified the owner, Rob Klatt, of the missing payment in December 2012 when they sent out reminder letters, but apparently a letter was not sent. A letter was sent in May 2013 and Klatt made the payment in August 2013. She says it is the recommendation of the finance office that only penalize Klatt for 7 months of delinquency rather than the full 13 months. Gospodarek also explains how the penalties are calculated on a monthly basis and

answers multiple questions from the Council about the procedure they follow to notify and collect delinquencies. Klatt also addresses the Council and explains that he has owned the Yellowstone Townhouses business since 1979 and has always paid his resort tax. He says that he did miss his payment last July because of several interruptions and changes in his life, but has no intention of skipping out on taxes owed to the city. He admits his true transgression was that he received the letter in May 2013 and did not respond until August 2013. He also points out that they grossed just over \$40,000 that month, but since the townhouses are individually owned, he only earned about 15% of that amount. Schmier says that the recommendation from the Operations Manager and staff is to penalize just for seven months, which comes up to \$657.65 rather than \$2,058.53 for the full 13 months of delinquency. Klatt points out that since he was notified in May, perhaps he should only be penalized for the amount of time that has passed since then. There is ample discussion about notifying delinquent business owners more regularly and issues with the software. Johnson says that it is worth noting that the tax is based on gross sales but penalties really come out of the business owners profits. He also points out that all the other business owners that did get a notice in December 2012, paid the penalty. He says it wouldn't be fair to not charge penalties for those months. The Council members all suggest different numbers of months that should be used to

- A) **Operations Manager's Report:** Operations Manager Becky Guay reports on current issues: **Town Hall Project** – Walk through with Architect and Contractor was completed. Dick Anderson reports that it will take 2-3 weeks to complete punch list items. We are still waiting for built in furniture for administration and public works offices, server and wi-fi, and telephone service. James is beginning landscaping work, with the sprinkler system to be installed within the next week. **UPDL Window Replacement Project** – A second bid in the amount of \$48,165.83 was obtained from Rand Olsen Construction for the Firehole Room windows. Staff has asked the architect, Dennis Johnson, to request bids from other contractors. **Septic Dump Station at Wastewater Treatment Plant** – Project is nearing completion. Concrete was poured last week. **Capital Improvement Plan and Budget** – Adoption is scheduled for this evening. **Audit Firm Selection** – The Finance Director and Operations Manager recommend that the Town engage Amatics CPA Group as the Town's auditor. Our current auditor, Mogan Scarr, left JCCS and helped to form Amatics in association with 23 former JCCS employees. Amatics has agreed to honor the Town's current price of \$9,100 for FY 13 and \$9,400 for FY 14, with an option to renew for a third year at a fee of \$9,700. **Parkway Drainage Improvements Bids** – Pre-bid conference was held on August 9. We received three bids for the project and will be making a recommendation for award at the September 3 Council meeting. **Legal Services RFP** – The Town received six proposals for legal services. I will make recommendations on how to proceed later in the meeting. **CAAT Meeting** – I attended the CAAT meeting on August 14. The CTEP entryway sign landscaping project and accomplishments of CAAT and other groups were discussed. The litter survey has been placed on hold and will not be issued at this time. **Affordable Housing** – I met with Pierre Martineau and representatives from Habitat for Humanity and Gallatin County HRDC to discuss affordable housing options for West Yellowstone. We need to collect data on housing stock condition and availability in order to prepare a grant application for CDBG Housing Plan funds. It is anticipated that data collection and preparation of a CDBG grant application will cost approximately \$5,000. The Town revolving CDBG loan fund contains just over \$77,000. If the State CDBG program approves using revolving loan fund monies for data collection/grant preparation, we will be recommending that the Town Council consider appropriating funds for this purpose.

Guay says that she would like to thank Recreation Coordinator Brandy Holland and her staff for completing another successful year of the Summer Recreation Program. She also mentions that staff is working on making some improvements at the Fir Ridge Cemetery. Johnson refers to the letter they received from Helen Young about the ADA compliance at the library. Patterson indicates that they have made all the adjustments

that are needed and Johnson suggests they e-mail Young and let her know. In reference to the Parkway and Interior Parks drainage project, Schmier asks if they will have to re-bid the project. Guay says she is going to check with the attorney about that. Patterson says that if they do re-bid the project, he recommends that the Town purchases the materials and only bid out the labor and equipment. The Town is also going to grade the parkways for the project. Guay says they are also going to look into taking out a loan so they have enough cash on hand to do the entire project. Patterson explains that all the bids they received were over the engineer's estimate, which was \$466,000. The bids ranged from \$510,000 to \$611,000. He says he reviewed the estimates and says that considering the mobilization costs, they are not unreasonable.

CORRESPONDENCE/FYI

Dated August 1, 2013, West Yellowstone Foundation Executive Director Carrie Pope writes to notify the Town that they are providing a one-time check for \$500 to be used for the town's recreation classes/activities offered during the school year for families in need. Dated August 6, 2013, Town Attorney Michael Q. Davis, Jr. writes a memo to issue the opinion that vacation rentals by owner are subject to the same rules and laws as hotels and motels.

Operations Manager Becky Guay states that they received six responses to the Legal Services Request for Proposals. She suggests forming a committee of two council members, herself, the Finance Director and Chief of Police. Council members Cherhoniak and Stewart offer to serve on the committee with Guay, Gospodarek, and Berger to review legal services proposals.

The meeting is adjourned. (9:15 PM)

Mayor

ATTEST:

Town Clerk

WEST YELLOWSTONE TOWN COUNCIL
**Town Council Meeting & Work Session with
Montana Aeronautics Division/Yellowstone Airport
August 27, 2013**

COUNCIL MEMBERS PRESENT: Mayor Jerry Johnson, Brad Schmier, and Doc Stewart, John Costello and Tom Cherhoniak

OTHERS PRESENT: Operations Manager Becky Guay, Public Services Superintendent James Patterson, Chief of Police Gordon Berger, Greg Forsythe, Marysue Costello

Montana Aeronautics Division Representatives: Debbie Alke, Tim Conway, Jeff Kadlec-
Yellowstone Airport Manager

Airport Advisory Board Members: Jerry Schmier, Byrns Fagerburg

The meeting is called to order by Mayor Jerry Johnson at 6:30 PM in the Povah Community Center

Portions of the meeting are being recorded.

The Treasurer's Report with corresponding banking transactions is on file at the Town Offices for public review during regular business hours.

SPECIAL MEETING

- 1) Motion carried to accept the recommendation from the Town Engineer and Public Services Superintendent to award the Alley Reconstruction and Parkway Improvements Project Bid to Montana Underground for \$510,625.00 and borrow the additional necessary funds for the project from another Town fund as recommended by the Operations Manager. (Stewart, Schmier)

- 1) Operations Manager Becky Guay explains that they budgeted this year to complete half of the drainage and parkway improvements project in the interior parks. The Town Engineer bid the project, but bid it to include all 22 of the interior parks that have not been done already. They feel like the bids they received are very attractive and they should consider options to finance the entire project. She says they can borrow the additional funds from the State Intercap program, a local financial institution, or just borrow it from other city funds. She says the interest rate from Intercap is only 1% right now, but has averaged 4.41% since the inception of the program. The recommendation from the staff is to borrow the additional funds from the street reconstruction fund, a project they won't need to do for several years. She says that they are also recommending that the Council does not award Alternate A of the project, the grading, as Public Services Superintendent James Patterson is confident the city crew can accomplish the grading in-house. Cherhoniak says that Patterson seems to keep taking on more projects and questions whether he can handle everything. Patterson states that he can get three times as much done as they are doing now and he shouldn't ask that question until something doesn't get done. Schmier asks a couple questions about the specific details of the project, which are answered by Patterson. Once the grading component is removed from the project, the low bidder is Montana Underground with a total bid of \$510,625.00. Costello asks about the timeline for the project. Patterson explains that the contractor will start this fall in the business district and likely complete the rest of the town in the spring. He says they are expecting the State to tear up and rebuild Canyon Street next summer starting in May and they want to be out of the way before that project starts. Patterson says he thinks they can get at least half of the interior parks done this fall, over the next six weeks, and complete everything in the spring. Patterson says he really thinks they should do what they can to get the entire project done now as prices are only going to go up.

WORK SESSION

Mayor Johnson asks everyone present to introduce themselves and explains that the purpose of the meeting is to discuss the Yellowstone Airport, the Town's Airport Advisory Board, and the relationship between the Town and the airport. Debbie Alke and Tim Conway of the Montana Aeronautics Board, explain that funding for all the airports owned by the State was cut back in the last legislative session, so they are always interested in any potential financial support for the airport. The local funding match was changed from a 5% local match to 10%. They have been able to use unallocated Department of Transportation funds to help meet that match, but that funding source is uncertain. She says that the State Aeronautics Board is a 9-member board appointed by the Governor and is still functional. She turns the time over to Jeff Kadlec, General Manager for the Yellowstone Airport. He briefly mentions on-going issues at the airport including repaving the runways, water quality issues, and wildlife issues and impacts. Mayor Johnson brings up a couple airport issues for the benefit of some of the newer Council Members. He says that the Essential Air Service subsidy was awarded to SkyWest Airlines this spring for two more years, but asks what the subsidy amount is. The annual subsidy rate for this contract is \$535,141. She clarifies that Delta opted not to run a bigger plane, a jet, to the airport but that option has not gone away. Kadlec also briefly talks about the recent airplane crash of a private plane at the airport. One of the occupants of the plane was killed and the other was hospitalized. He says they felt like the emergency response from the Fire and Police Departments was very good and they also received aid from the Park Service, Forest Service, and local smokejumper base. The group discusses the Airport Advisory Board and steps they could take to revitalize it. Johnson says there are no terms assigned for the board members, so they do need to contact the current members and determine if they still want to be involved. Alke suggests setting up some meetings between the Aeronautics Division and the advisory board. Marysue Costello asks Kadlec about the number of passengers for the season. He responds that they appear to be up about 8% from this time last year, approximately 6000 passengers for the season. He says they would like to get up to 10,000 passengers as there is a lot more federal money available that could be used for improvements. Johnson says that at one time, they discussed working with the airport to repave the streets at the same time they repave the runways at the airport. Conway explains that the oil for the runways is different, but they might be able to save money on mobilization and labor costs. Alke says they also work closely with DOT, who is really good about assisting them with projects. Johnson says they should be aware that DOT intends to completely reconstruct the intersection of Canyon and Yellowstone next year, and they might want to combine another project at the airport with it. There is some discussion about improving the parking lots and public areas at the airport. The discussion centers around the deed restrictions that were imposed on the State of Montana (Aeronautics Division) in 1968 by the Department of Agriculture. There are seven deed restrictions on the deed including a prohibition of overnight and commercial facilities and being prohibited from charging landing fees from any aircraft that receives federal aid. Alke says that they are optimistic that they may finally be able to lift those deed restrictions through the new secretary for the Department of Transportation. The group discusses revitalizing the Airport Advisory Board and setting up some meetings to address the issues brought up tonight. There is brief discussion about extending the resort tax area to include the airport, as was discussed a couple years ago. Chief of Police Gordon Berger asks if they have heard anything about the Transportation Security Agency (TSA) services being offered through private contract. Alke and Conway answer that a Request for Proposals for private firms to offer the service was released earlier this year but was pulled due to technicalities. They do expect, however, the service will eventually be offered through a private company.

The meeting is adjourned. (8:15 PM)

Mayor

ATTEST:

Town Clerk