

Town of West Yellowstone

WEDNESDAY, November 5, 2014

West Yellowstone Town Hall, 440 Yellowstone Avenue

7:00 PM

TOWN COUNCIL MEETING AGENDA

Pledge of Allegiance

Purchase Order

Treasurer's Report/Securities Report ∞

Claims ∞

Consent Agenda: **October 21, 2014, Town Council Meeting** ∞

Business License Applications

Advisory Board Report(s)

Operations Manager & Department Head Reports

Assignments Report

Council Comments

Public Comment Period

NEW BUSINESS

Special Event Permit, Wild Bill Octane Show ∞

Discussion/Action

Resolution No. 657, Exempt Alcohol in Pioneer Park, March 13-14, 2015 ∞

Discussion/Action

Outside Amplification Permit, Wild Bill Octane Show ∞

Discussion/Action

CDBG Housing Planning Grant Acceptance ∞

Discussion/Action

Revolving Loan Committee Review, Appoint Council Member ∞

Discussion/Action

Staff Proposal for Management of the Union Pacific Dining Lodge ∞
by the Yellowstone Historic Center

Discussion/Action

Correspondence/FYI

Meeting Reminders



Policy No. 16 (Abbreviated)
Policy on Public Hearings and Conduct at Public Meetings

Public Hearing/Public Meeting

A public hearing is a formal opportunity for citizens to give their views to the Town Council for consideration in its decision making process on a specific issue. At a minimum, a public hearing shall provide for submission of both oral and written testimony for and against the action or matter at issue.

Oral Communication

It is the Council's goal that citizens resolve their complaints for service or regarding employees' performance at the staff level. However, it is recognized that citizens may from time to time believe it is necessary to speak to Town Council on matters of concern. Accordingly, Town Council expects any citizen to speak in a civil manner, with due respect for the decorum of the meeting, and with due respect for all persons attending.

- No member of the public shall be heard until recognized by the presiding officer.
- Public comments related to non-agenda items will only be heard during the Public Comment portion of the meeting unless the issue is a Public Hearing. Public comments specifically related to an agenda item will be heard immediately prior to the Council taking up the item for deliberation.
- Speakers must state their name for the record.
- Any citizen requesting to speak shall limit him or herself to matters of fact regarding the issue of concern.
- Comments should be limited to three (3) minutes unless prior approval by the presiding officer.
- If a representative is elected to speak for a group, the presiding officer may approve an increased time allotment.
- If a response from the Council or Board is requested by the speaker and cannot be made verbally at the Council or Board meeting, the speaker's concerns should be addressed in writing within two weeks.
- Personal attacks made publicly toward any citizen, council member, or town employees are not allowed. Citizens are encouraged to bring their complaints regarding employee performance through the supervisory chain of command.

Any member of the public interrupting Town Council proceedings, approaching the dais without permission, otherwise creating a disturbance, or failing to abide by these rules of procedure in addressing Town Council, shall be deemed to have disrupted a public meeting and, at the direction of the presiding officer, shall be removed from the meeting room by Police Department personnel or other agent designated by Town Council or Operations Manager.

General Town Council Meeting Information

- Regular Town Council meetings are held at 7:00 PM on the first and third Tuesdays of each month at the West Yellowstone Town Hall, 440 Yellowstone Avenue, West Yellowstone, Montana.
- Presently, informal Town Council work sessions are held at 12 Noon on Tuesdays and occasionally on other mornings and evenings. Work sessions also take place at the Town Hall located at 440 Yellowstone Avenue.
- The schedule for Town Council meetings and work sessions is detailed on an agenda. The agenda is a list of business items to be considered at a meeting. Copies of agendas are available at the entrance to the meeting room.
- Agendas are always published at least 48 hours prior to Town Council meetings and work sessions. Agendas are posted at the Town Offices and at the Post Office. In addition, agendas and packets are available online at the Town's website: www.townofwestyellowstone.com. Questions about the agenda may be directed to the Town Clerk at 646-7795.
- Official minutes of Town Council meetings are prepared and kept by the Town Clerk and are reviewed and approved by the Town Council. Copies of approved minutes are available at the Town Clerk's office or on the Town's website: www.townofwestyellowstone.com.



REPURCHASE CONFIRMATION

Treasurer's Office
 Town of West Yellowstone
 P.O. Box 1570
 West Yellowstone, MT 59758
 via Fax: 646-7511

*Securities
 Report
 11-5-14*

Tax ID Number: 81-0299400

REPURCHASE CONFIRMATION

Agreement Number: 60722900
 Trade Date: 10/29/2014
 Settlement Date: 10/29/2014
 Maturity Date: 10/30/2014
 Repurchase Rate: 0.020% (The average investment rate for 91-day T-Bills, adjusted weekly.)
 Current Balance: \$633,147.01
 Accrued Interest: \$6.54

SECURITIES DESCRIPTION

Security	CUSIP	Rate	Maturity	Par	Market Value
Gallatin County, MT SD # 44	36370NBL8	3.00%	6/15/2015	\$200,000	\$205,631
Madison County, MT K-12 SD	55734RAZ0	2.00%	7/1/2017	\$375,000	\$389,186
Lake County, MT SD #30	509405BT2	2.00%	7/1/2015	\$300,000	\$305,289
					\$900,106

Fractional Interest in Securities* : 70%
 *Fractional Interest = [(Current Balance)/(Market Value)] %

This Repurchase Agreement is not a deposit and is not covered by FDIC deposit insurance or the FDIC Transaction Account Guaranty Program. In the event of a bank failure, the Town of West Yellowstone will become the owner of the Securities, or obtains a perfected security interest in these Securities.

Operating Account Information

Account Number: 60722892
 Date: 10/30/2014
 Balance: \$1,000.00
 Current Rate: 0.00%
 Accrued Interest: \$0.01

Money Market Account Information

Account Number: 60606285
 Date: 10/30/2014
 Balance: \$1,357,130.69
 Current Rate: 0.19%
 Accrued Interest: \$200.34

Treasurer's Rpt - September 2014

10/31/14
08:58:26

TOWN OF WEST YELLOWSTONE
Cash Report
For the Accounting Period: 9/14

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Report ID: L160

Fund/Account	Beginning Balance	Received	Transfers In	Disbursed	Transfers Out	Ending Balance
1000 General Fund						
101000 CASH	109,745.60	854,084.94	0.00	706,214.49	255,507.78	2,108.27
101100 Investments - CD's	213,469.50	0.00	0.00	0.00	0.00	213,469.50
101300 Investments - Money Market Accou	992,380.94	480,388.26	0.00	350,000.00	0.00	1,122,769.20
101500 Investment-STIP	127,934.89	210,008.11	0.00	0.00	0.00	337,943.00
103000 Petty Cash	50.00	0.00	0.00	0.00	0.00	50.00
103100 Town Office	50.00	0.00	0.00	0.00	0.00	50.00
103200 Petty Cash/WY Police Dept	50.00	0.00	0.00	0.00	0.00	50.00
103400 Petty Cash-Recreation	150.00	0.00	0.00	0.00	0.00	150.00
Total Fund	1,443,830.93	1,544,481.31		1,056,214.49	255,507.78	1,676,589.97
2100 Local Option Taxation-Resort Tax						
101000 CASH	63,708.73	608,577.15	0.00	651,362.09	7,500.00	13,423.79
101300 Investments - Money Market Accou	0.28	0.00	0.00	0.00	0.00	0.28
101500 Investment-STIP	89,115.00	220,000.00	0.00	10,885.00	0.00	298,230.00
102200 Bond Reserve Cash Acct-10%	12,328.68	0.14	0.00	0.00	0.00	12,328.82
102215 STIP Investment-Rev Bond current	10,907.44	10,886.02	0.00	0.00	0.00	21,793.46
102225 STIP Reserve Acct Town Hall 10%	135,920.03	12.75	0.00	0.00	0.00	135,932.78
Total Fund	311,980.16	839,476.06		662,247.09	7,500.00	481,709.13
2101 Marketing & Promotions (MAP)						
101000 CASH	33,364.64	15,097.00	0.00	0.00	0.00	48,461.64
101300 Investments - Money Market Accou	2,013.50	0.30	0.00	0.00	0.00	2,013.80
101500 Investment-STIP	65,900.00	0.00	0.00	0.00	0.00	65,900.00
Total Fund	101,278.14	15,097.30				116,375.44
2102 TBID (Tourism Business Improvement District)						
101000 CASH	52,283.26	51,416.53	0.00	1,542.50	51,895.97	50,261.32
2111 Off Street Parking						
101000 CASH	1,820.64	0.02	0.00	0.00	0.00	1,820.66
101500 Investment-STIP	68,696.77	6.45	0.00	0.00	0.00	68,703.22
Total Fund	70,517.41	6.47				70,523.88
2210 Parks & Recreation						
101000 CASH	6,137.36	1,700.00	350.00	0.00	2,800.00	5,387.36
2211 Parks/Rec Donations - Teen Center						
101000 CASH	719.79	4,438.28	0.00	0.00	0.00	5,158.07
2212 Parks - Volleyball Court						
101000 CASH	3,882.48	0.04	0.00	0.00	0.00	3,882.52
2213 Community Garden						
101000 CASH	591.88	65.01	0.00	0.00	0.00	656.89
2214 Smoking Waters Day Camp -scholarships						
101000 CASH	2,360.13	0.03	0.00	0.00	0.00	2,360.16
2220 Library						
101000 CASH	1,023.05	17,444.32	0.00	0.00	17,594.20	873.17
103000 Petty Cash	50.00	0.00	0.00	0.00	0.00	50.00
Total Fund	1,073.05	17,444.32			17,594.20	923.17
2240 Cemetery						
101000 CASH	5,214.03	0.06	0.00	0.00	0.00	5,214.09
101500 Investment-STIP	6,831.15	0.00	0.00	0.00	0.00	6,831.15
Total Fund	12,045.18	0.06				12,045.24
2390 Drug Forfeiture						

TOWN OF WEST YELLOWSTONE
Cash Report
For the Accounting Period: 9/14

Fund/Account	Beginning Balance	Received	Transfers In	Disbursed	Transfers Out	Ending Balance
101000 CASH	6,233.84	0.00	0.00	0.00	0.00	6,233.84
101500 Investment-STIP	23,858.85	0.00	0.00	0.00	0.00	23,858.85
Total Fund	30,092.69					30,092.69
2392 CDBG-Local Source						
101000 CASH	10,754.91	175.12	0.00	0.00	0.00	10,930.03
101500 Investment-STIP	68,822.72	0.00	0.00	0.00	0.00	68,822.72
Total Fund	79,577.63	175.12				79,752.75
2701 Cemetery Perpetual Care (7050)						
101000 CASH	1,866.81	0.02	0.00	0.00	0.00	1,866.83
101500 Investment-STIP	35,904.67	3.37	0.00	0.00	0.00	35,908.04
Total Fund	37,771.48	3.39				37,774.87
2820 Gas Tax Apportionment						
101000 CASH	9,856.47	2,486.91	0.00	0.00	8,224.45	4,118.93
101300 Investments - Money Market Accou	10,018.13	1.47	0.00	0.00	0.00	10,019.60
101500 Investment-STIP	64,969.15	6.10	0.00	0.00	0.00	64,975.25
Total Fund	84,843.75	2,494.48			8,224.45	79,113.78
2850 911 Emergency						
101000 CASH	-16,484.76	2,407.83	0.00	0.00	2,997.75	-17,074.68
101500 Investment-STIP	0.84	0.00	0.00	0.00	0.00	0.84
Total Fund	-16,483.92	2,407.83			2,997.75	-17,073.84
2917 Crime Victims Assistance						
101000 CASH	19,381.67	98.00	0.00	0.00	0.00	19,479.67
2956 Community Transportation Enhancement Program						
101000 CASH	-135.02	135.02	0.00	0.00	0.00	0.00
3050 GO Bond						
101000 CASH	9,298.79	803.65	0.00	0.00	0.00	10,102.44
101300 Investments - Money Market Accou	104,134.02	15.32	0.00	0.00	0.00	104,149.34
101500 Investment-STIP	47,637.59	4.47	0.00	0.00	0.00	47,642.06
Total Fund	161,070.40	823.44				161,893.84
4000 Capital Projects/Equipment						
101000 CASH	15,261.03	0.17	0.00	0.00	0.00	15,261.20
101500 Investment-STIP	123,071.72	11.55	0.00	0.00	0.00	123,083.27
Total Fund	138,332.75	11.72				138,344.47
4060 Public Works Equipment Replacement						
101000 CASH	700.89	0.00	0.00	0.00	0.00	700.89
101500 Investment-STIP	237.90	0.02	0.00	0.00	0.00	237.92
Total Fund	938.79	0.02				938.81
4070 Parkway Construction/Mtn						
101000 CASH	35,723.48	179,972.22	2,086.96	0.00	217,782.66	0.00
101300 Investments - Money Market Accou	52,751.76	7.76	0.00	50,000.00	0.00	2,759.52
101500 Investment-STIP	134,016.04	12.58	0.00	129,972.22	0.00	4,056.40
Total Fund	222,491.28	179,992.56	2,086.96	179,972.22	217,782.66	6,815.92
4075 Street Construction /Maintenance						
101500 Investment-STIP	246,076.15	23.09	0.00	0.00	0.00	246,099.24
5210 Water Operating Fund						
101000 CASH	44,438.60	35,882.48	0.00	0.21	18,279.84	62,041.03
101300 Investments - Money Market Accou	10,018.12	1.47	0.00	0.00	0.00	10,019.59
101500 Investment-STIP	182,091.04	17.09	0.00	0.00	0.00	182,108.13

TOWN OF WEST YELLOWSTONE
Cash Report
For the Accounting Period: 9/14

Fund/Account	Beginning Balance	Received	Transfers In	Disbursed	Transfers Out	Ending Balance
102245 Replacement & Depreciation Ent.	148,620.27	13.95	0.00	0.00	0.00	148,634.22
Total Fund	385,168.03	35,914.99		0.21	18,279.84	402,802.97
5220 Water Replacement Depreciation Fund						
101000 CASH	11,077.00	0.00	0.00	0.00	0.00	11,077.00
101500 Investment-STIP	211,720.40	19.87	0.00	0.00	0.00	211,740.27
Total Fund	222,797.40	19.87				222,817.27
5310 Sewer Operating Fund						
101000 CASH	59,757.11	42,335.91	2,009.05	6.29	47,529.97	56,565.81
101300 Investments - Money Market Accou	64,025.30	9.42	0.00	0.00	0.00	64,034.72
101500 Investment-STIP	365,794.45	34.33	0.00	0.00	0.00	365,828.78
101510 Mad Add Construction-STIP	60,453.45	5.67	0.00	0.00	0.00	60,459.12
102245 Replacement & Depreciation Ent.	129,848.72	12.19	0.00	0.00	0.00	129,860.91
Total Fund	679,879.03	42,397.52	2,009.05	6.29	47,529.97	676,749.34
5320 Sewer Replacement Depreciation Fund						
101000 CASH	322.00	0.00	0.00	0.00	0.00	322.00
101500 Investment-STIP	270,034.03	25.34	0.00	0.00	0.00	270,059.37
Total Fund	270,356.03	25.34				270,381.37
7010 Social Services/Help Fund						
101000 CASH	18,949.90	20.20	0.00	0.00	701.24	18,268.86
7195 Court Collections Trust Acct						
101000 CASH	11,806.49	0.00	0.00	0.00	0.00	11,806.49
7458 Court Surcharge HB176						
101000 CASH	14,820.00	100.00	0.00	0.00	0.00	14,920.00
7467 MT Law Enforcement Academy (MLEA)						
101000 CASH	14,714.00	90.00	0.00	0.00	0.00	14,804.00
7468 Public Defender Fee						
101000 CASH	2,430.00	0.00	0.00	0.00	0.00	2,430.00
7469 City Court - Judge Brandis						
101000 CASH	5,346.00	2,135.00	0.00	970.00	600.00	5,911.00
7910 Payroll Fund						
101000 CASH	8,567.19	0.00	152,260.16	148,432.33	0.00	12,395.02
7930 Claims Fund						
101000 CASH	6,836.47	0.00	474,707.69	430,703.82	0.00	50,840.34
Totals	4,652,327.96	2,740,993.00	631,413.86	2,480,088.95	631,413.86	4,913,232.01

*** Transfers In and Transfers Out columns should match. There are a couple exceptions to this: 1) Canceled Electronic Checks and 2) Payroll Journal Vouchers that include local deductions set up with receipt accounting. Please see cash reconciliation procedure in manual or call for more details.

10/31/14
15:42:44

TOWN OF WEST YELLOWSTONE
Claim Approval List
For the Accounting Period: 11/14

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Report ID: AP100

* ... Over spent expenditure

Claim	Vendor #/Name/	Document \$/	Disc \$						Cash
Check	Invoice #/Inv Date/Description	Line \$		PO #	Fund Org Acct	Object	Proj	Account	
40425	2845 Kastig, Kauffman & Mersen, P.C.	8,484.93							
	10/08/14 legal services	8,295.00		LEGAL	1000 411100	352		101000	
	10/08/14 postage/copies	88.78		LEGAL	1000 411100	870		101000	
	10/08/14 phone/fax	0.35		LEGAL	1000 411100	345		101000	
	10/08/14 travel	100.80		LEGAL	1000 411100	373		101000	
40427	2852 Fremont Communications	300.00							
	10/15/14 fiber optic, Town Hall	300.00		TWNHAL	1000 411250	345		101000	
40429	42 Fall River Electric	9,031.04							
	10/14/14 UPDH 4212041 elec service	1,404.83		UPDH	1000 411252	341		101000	
	10/14/14 POLICE 4212008 elec service	209.14		POLICE	1000 411258	341		101000	
	10/14/14 shop 4212018 elec service	132.03		STREET	1000 430200	341		101000	
	10/14/14 ANIMAL 4212029 elec serv	46.60		ANIMAL	1000 440600	341		101000	
	10/14/14 PARK 4212032 Elec ser	143.51		PARK	1000 411253	341		101000	
	10/14/14 PARK 2901001 elec serv	42.41		PARK	1000 411253	341		101000	
	10/14/14 CLORINATOR 4212030 elec serv	47.93		WATER	5210 430500	341		101000	
	10/14/14 MAD ADD WATER 4212017	40.50		WATER	5210 430500	341		101000	
	10/14/14 PUMP 4212005 elec serv	309.00		WATER	5210 430500	341		101000	
	10/14/14 SEWER LIFT STATION 4212006	381.78		SEWER	5310 430600	341		101000	
	10/14/14 SEWER PLANT 4212007 elec ser	1,379.72		SEWER	5310 430600	341		101000	
	10/14/14 MAD SEWER LIFT 4212014 elec	98.73		SEWER	5310 430600	341		101000	
	10/14/14 SEWER TREAT SERV 4212046 ele	2,570.53		SEWER	5310 430600	341		101000	
	10/14/14 library 23 dunraven 4212054	153.51		LIBRY	2220 460120	341		101000	
	10/14/14 povah comm ctr 4212001	245.48		POVAH	1000 411255	341		101000	
	10/14/14 unmetered lights 4212004	1,451.25		STLITE	1000 430263	341		101000	
	10/14/14 Town Hall 4212009	337.54		TWNHAL	1000 411250	341		101000	
	10/14/14 Ice Rink 421010	36.55		PARKS	1000 411253	341		101000	
40434	1514 Verizon Wireless	756.01							
	10/20/14 640-0512, SS Assist	32.12		SOCSE	1000 450135	345		101000	
	10/20/14 640-1103, Operator	32.12		STREET	1000 430200	345		101000	
	10/20/14 640-1438, SS Director	32.12		SOCSE	1000 450135	345		101000	
	10/20/14 640-1460, Library Dir, SP	62.12		LIBRAR	2220 460100	345		101000	
	10/20/14 640-1461, Facilities Tech, SP	62.12		STREET	5210 430500	345		101000	
	10/20/14 640-1462, Operator, SP	62.12		STREET	5210 430500	345		101000	
	10/20/14 640-1463, Deputy PSS, SP	62.12		STREET	5310 430600	345		101000	
	10/20/14 640-1472, Ops Mgr, SP	62.12		ADMIN	1000 410210	345		101000	
	10/20/14 640-1676, Rec Coord, SP	62.12		REC	1000 460440	345		101000	
	10/20/14 640-1754, COP	32.12		POLICE	1000 420110	345		101000	
	10/20/14 640-1755, Police	32.12		POLICE	1000 420110	345		101000	
	10/20/14 640-1756, Police	32.12		POLICE	1000 420110	345		101000	
	10/20/14 640-1757, Police	32.12		POLICE	1000 420110	345		101000	
	10/20/14 640-1758, Police	32.12		POLICE	1000 420110	345		101000	
	10/20/14 640-1759, Police	32.12		POLICE	1000 420110	345		101000	
	10/20/14 640-7547, Facilities Tech	32.12		PARKS	1000 460430	345		101000	

10/31/14
15:42:44

TOWN OF WEST YELLOWSTONE
Claim Approval List
For the Accounting Period: 11/14

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Report ID: AP100

* ... Over spent expenditure

Claim	Vendor #/Name/ Check Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
	10/20/14 640-9074, PSS, SP	62.09		BLDINS	5310 430600	345	101000
40435	2546 Century Link QCC	57.94					
	10/23/14 long dist chg 406-646-7795	0.24		FINADM	1000 410510	345	101000
	10/23/14 long dist chg 406-646-7600	57.70		finadm	1000 410510	345	101000
40436	2813 Century Link	2,661.24					
	10/19/14 DSL Povah, 646-7982	49.00		POVAH	1000 411255	345	101000
	10/19/14 DLS Police 646-0231	64.00		POLICE	1000 420110	345	101000
	10/19/14 DSL Pub Serv Office 646-7949	64.00		BLDINS	1000 430200	345	101000
	10/19/14 Sewer Treat 646-9027	31.06		STREET	5310 430600	345	101000
	10/19/14 Sewer lift 646-5141	30.43		SEWER	5310 430600	345	101000
	10/19/14 PCC Elevator 646-7481	31.93		POVAH	1000 411255	345	101000
	10/19/14 Centrex Finance - 20%	243.35		FINADM	1000 410510	345	101000
	10/19/14 Centrex, Police-20%	243.35		POLICE	1000 420110	345	101000
	10/19/14 Centrex, Soc Ser -10%	121.68		SOC SER	1000 450135	345	101000
	10/19/14 Centrex, Court - 10%	121.68		COURT	1000 410360	345	101000
	10/19/14 Centrex, Bld Ins - 10%	121.68		BLDINS	1000 430200	345	101000
	10/19/14 Centrex, Street - 10%	121.68		STREET	1000 430200	345	101000
	10/19/14 Centrex, PCC - 10%	121.68		POVAH	1000 411255	345	101000
	10/19/14 Centrex, Lib	121.68		COURT	2220 460100	345	101000
	10/19/14 E911 Viper 646-5170	91.36		E911	2850 420750	345	101000
	10/19/14 E911 255-9710	996.08		E911	2850 420750	345	101000
	10/19/14 E911 255-9712	24.51		E911	2850 420750	345	101000
	10/19/14 Alarm Lines, 646-5185	62.09		TWNHAL	1000 411250	345	101000
40437	1912 APT US&C	145.00					
	10/29/14 FY 2015 membership fee, Gospod	145.00		FINADM	1000 410510	335	101000
40438	2096 Pump Tech Co., Inc.	7,480.44					
	22117 10/27/14 harmonic filters, main lift st	7,480.44		SEWER	5310 430630	369	101000
40439	1758 Montana Magazine	30.00					
	10/30/14 renew subscription	30.00		LIB	2220 460100	215	101000
40440	547 WY Chamber of Commerce	70.00					
	08/27/14 membership, Library	70.00		LIB	2220 460100	335	101000
40441	2713 Bruce McPherson	94.01					
	10/28/14 reimb books, Yellow Assoc	94.01		LIB	2220 460100	215	101000
40442	2744 Montana Tax Foundation, Inc.	60.00					
	10/30/14 renew subscription	60.00		LIB	2220 460100	215	101000

10/31/14
15:42:44

TOWN OF WEST YELLOWSTONE
Claim Approval List
For the Accounting Period: 11/14

Page: 3 of 4
Report ID: AP100

* ... Over spent expenditure

Claim	Vendor #/Name/	Document \$/	Disc \$						Cash
Check	Invoice #/Inv Date/Description	Line \$		PO #	Fund Org Acct	Object	Proj	Account	
40443	951 Barnes & Noble	356.38							
2896529	10/06/14 books	121.07		LIB	2220 460100	215		101000	
2896570	10/06/14 books	38.16		LIB	2220 460100	215		101000	
2901695	10/14/14 books	55.18		LIB	2220 460100	215		101000	
2901734	10/14/14 books	41.48		LIB	2220 460100	215		101000	
2905039	10/19/14 books	100.49		LIB	2220 460100	215		101000	
40444	2107 Department of Labor & Industry	31.00							
	10/21/14 Boiler #28061 permit	31.00		STREET	1000 430200	398		101000	
	2013-BOLL-MTN-000377								
40445	2651 Holiday Inn Missoula Downtown	200.88							
	10/23/14 Berger, Conf #64627704	200.88		COURT	1000 410360	370		101000	
40446	471 Northwest Pipe Fittings, Inc.	1,461.88							
	1372446 10/20/14 meter supplies	1,461.88		WATER	5210 430590	251		101000	
40447	2586 Waxie Sanitary Supply	63.21							
	74876558 10/13/14 mango deodorant screens :-	63.21		PARKS	1000 460430	220		101000	
40448	2531 Briggs Roofing Company	11,186.00							
	2014-283 10/24/14 shingle roofing, clinic buil	8,120.00		CLINIC	1000 411251	920		101000	
	2014-284 10/24/14 shingle roofing, library bld	3,066.00		LIB	2220 460120	366		101000	
40449	2881 WYHS Close-Up	111.80							
	10/30/14 holiday wreaths for Town Hall	111.80		TWNHAL	1000 411250	220		101000	
40450	2882 De Lage Landen	205.00							
	43154639 10/11/14 copier lease	205.00		LIB	2220 460100	398		101000	
40451	999999 CANDELARIA ARELLANO	159.00							
	10/21/14 restitution 2014-07	159.00		COURT	7469 212400			101000	
40452	2182 Gallatin County	12,731.06							
	10/30/14 law enforcement 6/1-9/30, 2014	12,731.06*		POLICE	1000 420100	398		101000	
40453	40 Jerry's Enterprises	5.99							
	10/27/14 CDs-appraisal package	5.99		ADMIN	1000 410210	220		101000	
40454	1031 Murdoch's Ranch & Home Supply	204.98							
	10/12/14 uniform-Hoskins	204.98		WATER	5210 430500	226		101000	

10/31/14
15:42:44

TOWN OF WEST YELLOWSTONE
Claim Approval List
For the Accounting Period: 11/14

Page: 4 of 4
Report ID: AP100

* ... Over spent expenditure

Claim	Check	Invoice #/Inv Date/Description	Vendor #/Name/	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
40455		379 Energy Laboratories, Inc 341051872 10/29/14 wastewater samples		309.50 309.50		SEWER	5310 430640	357	101000
40456		489 MSE ANALYTICAL LABORATORY 1410097 10/24/14 water samples		234.00 234.00		WATER	5210 430500	357	101000
40457		1864 Loomis Family Limited 10/24/14 fuel-lawn mower		42.63 42.63		PARKS	1000 460430	231	101000
40458		1796 Barta Electric, Inc. 4222 10/28/14 flag, freezer @ Town Hall		845.51 845.51		TWNHAL	1000 411250	357	101000
40459		2883 Rocky Mountain Truck Center R001028887 10/31/14 PTO pump replace, 02 Frtli		4,720.56 4,720.56		STREET	1000 430200	369	101000
40460		2823 STAPLES Credit Plan 10/12/14 office supplies 10/12/14 office supplies 10/12/14 office supplies		400.49 314.27 55.92 30.30		COURT FINADM DISPAT	1000 410360 1000 410510 1000 420160	220 220 220	101000 101000 101000
40461		324 Joyce Berger 10/31/14 per diem, Fall Training Missou		256.34 256.34		COURT	1000 410360	370	101000
40462		2377 Kathleen Brandis 10/31/14 per diem, Fall Training Missou		130.00 130.00		COURT	1000 410360	370	101000
		# of Claims	32	Total:	62,826.82				
					62,826.82				

WEST YELLOWSTONE TOWN COUNCIL
Work Session & Town Council Meeting
October 21, 2014

COUNCIL MEMBERS PRESENT: Mayor Brad Schmier, Jerry Johnson, John Costello, Cole Parker, Greg Forsythe

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

Head Dispatcher Brenda Martin, Sandi Peppler, Randy Wakefield, WY News Editor Jeremy Weber, John Greve, Katrina and Travis Mann

The meeting is called to order by Mayor Brad Schmier at 7:00 PM in the West Yellowstone Town Hall, 440 Yellowstone Avenue, West Yellowstone, Montana.

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 approve the claims which total \$89,289.00. (Johnson, Forsythe)
- 2) Motion carried to approve the Consent Agenda which includes the minutes of the October 7, 2014 Town Council Meeting. (Forsythe, Costello)
- 3) Motion carried to approve the Marketing and Promotions Fund Recommendations to award \$5000 to the Kids N Snow, 2014-2015 Event Series, \$3500 to the Hebgen Lake Ice Fishing Festival 2015, and \$12,500 to Wild Bill Days. (Johnson, Parker)

Council Comments

Mayor Brad Schmier thanks the staff for all their hard work, he says the last couple months have been very trying and he really appreciates their efforts. He also mentions the recent MLCT conference, which took a lot of extra work and turned out very well.

Council Member Greg Forsythe says that it appears there are a lot of tour buses in Town and parking is starting to be a problem. He suggests that this is something they think about, whether this is something they need to assign to the new police chief or address from the Council table. He says he has had one hotel owner in his office complaining about it multiple times who even brought him a DVD to review. Patterson says that they have been watching the increase in buses in Town, he says they easily have 20 to 25 buses in Town every night during the summer.

Council Member Cole Parker says that he has heard complaints from a couple citizens that they do not have a handrail in front of the Town Hall. He suggests they either install a railing or paint the edge of the steps yellow so they are visible. Patterson says he has already ordered new railings for the backside of the Dining Lodge and he can look into getting a railing for this building, too.

Public Comment Period

No public comment is received.

DISCUSSION

- A) **Advisory Board Reports:** Council Member John Costello reads the minutes from the 911 Advisory Board Meeting, held last week. Communication issues, equipment improvements, and a "Dispatcher of the Year" award were discussed.

- B) **Operations Manager/Department Head Reports:** Operations Manager Becky Guay reports on current issues. **Recruitments:** Police Officer – On-hold until Chief of Police is hired, Chief of Police – The Police Commission interviewed six (6) candidates last Thursday and Friday. Assisting the Commission were Sheriff Gootkin, Councilman Parker, Social Services Director Dittmann and the Operations Manager. The Police Commission has developed a short list of three candidates and we are beginning a background check and psychological evaluation of one of the candidates. **Labor Negotiations** –The Management Team responded to the Association’s opening proposal during a series of meetings on October 14 and 15. The Association has provided a counter to the Town’s proposal, which the team has reviewed and is drafting a response for presentation to the Association at our next meeting on November 13 and 14. **Public Services Department** – Public Services crews have started trimming trees and bushes that encroach over sidewalks, streets and parkways. Montana Underground has been cleaning drains and valve boxes in preparation for winter. Town crews are following behind to exercise valves and note those that are in need of additional maintenance or replacement. **RFQs for Appraisal of 80 acres** – Requests for Qualifications were issued to the appraisers on the list provided by the Forest Service. Responses are due November 7. **Resort Tax Random Compliance Audits** – The auditor was in Town last week to perform random audits on 12 businesses for resort tax compliance.

Public Services Superintendent James Patterson says he has found a snow blower that he thinks they should consider looking at. It is currently in Oregon and he would like to go look at it. He says that it is not new, but appears to be in very good condition and it is open for bid, starting at \$36,500. Guay explains that purchasing another blower is on the Capital Improvement Plan for FY 2016, estimated at \$250,000, which is considerably more. He distributes pictures of the machine for the Council to look at. The Council agrees that it would be a good idea to send Patterson out to look at the machine.

Patterson also explains that the reason they are making the effort to clean out the main line water valves is because they determined that at least half of them were so filled with dirt and sand, they could not be turned off. He says that if they were to have a major water leak, they wouldn’t have been able to turn the water off.

Social Services Director Jack Dittmann reports that the West Yellowstone School beat the Big Sky School in the food drive competition (aka The Battle of 191) by 900 pounds. He also mentions the support they have received from the highschool volleyball team recently, they have been volunteering at the food bank, helping to sort repackage bulk items.

- 3) Forsythe asks for an explanation of how the Marketing and Promotions Fund operates for the benefit of the newer council members. Johnson explains that several years ago, there had been several suggestions for the Town to establish a marketing fund. The Town held public hearings and then amended the resort tax ordinance to allocate 2.5% of the 3% tax that is collected by the merchants in Town to a marketing and promotions fund. The Town established an advisory board to consider applications and make recommendations to the Town Council as to how the money should be awarded. Guidelines have been established for how the money should be allocated, specifically to be used for marketing and promotions of events. Schmier explains that the Marketing and Promotions Advisory Board has recommended awarding \$5000 for the Kids N Snow Events, \$3500 for the Hebgen Lake Ice Fishing Festival, and \$12,500 for the Wild Bill Days. Parker asks Katrina and Travis Mann specific questions about Wild Bill Days, a new event that intends to offer two nights of concerts in West Yellowstone over the second weekend of March, coinciding with the annual snowmobile Expo. Randy Wakefield of Fall River Electric says that he has discussed with the Manns the need for power at the city park. There are currently two services in the city park, 200 amps at each service. Travis Mann indicates that would be an adequate, but Patterson points out that they would need more outlets to service everything.

October 21, 2014
Town Council Meeting
Minutes, Page 3

The meeting is adjourned. (8:15 PM)

Mayor

ATTEST:

Town Clerk

SPECIAL EVENT PERMIT APPLICATION

Town of West Yellowstone
Gallatin County, Montana

Event: WILDBILL OCTANE SHOW / with Snowmobile expo
 Sponsor Organization: _____
 Sponsor Address: PO Box 2002 W Y. MT 59158
 Contact Person: 406-640-0725
 Contact Phone: Katrina Mann Fax: _____
 E-mail Address: kmann@hibernationstation.com
 Date(s) of Event: March 13th & 14th
 Location of Event: City Park

Respond to all sections either on the applicable sheets, or attach sheets as needed. A complete application should be submitted a minimum of 4 weeks prior to the event.

- A. Event detail: Use the attached sheet to describe your event in detail and any special accommodations you are requesting from the Town.
- B. Site Plan: Detail the physical layout of your event on the attached site plan and return with the application.
- C. Liability Insurance: Please provide a copy of the event's liability insurance naming the Town of West Yellowstone as additionally insured. Liability insurance coverage shall be in the minimum amounts of \$750,000 per claimant/\$1,500,000 per occurrence and include alcohol liability, if applicable. The Operations Manager may grant exception to these limits based on general public health, safety and welfare associated with the request for exception, as well as the liability risk and the applicant's ability to pay.

Application Fee: \$ 25.00 *#4932 pd 10/30/14*
 Administration Fee: \$ _____
 Total Due: \$ _____

[Signature]
 Signature of Applicant
10/28/14
 Date

FOR OFFICE USE ONLY

Department	Initials	Date	Comments
Pub Services			
Fire			
Police			
Administration			

Notes/Conditions: _____

Approved Denied

 Town Clerk

 Date

SPECIAL EVENT PERMIT APPLICATION

Town of West Yellowstone
Gallatin County, Montana

Event Details

WILD BILL OCTANE SHOW- Outdoor concerts during Snowmobile EXPO 2015, Friday March 13, and Saturday March 14, including Snowmobile Freestyle aerials during and at concerts event venue location.

We are requesting from the city the following items..

-Location Of Event- Held at the city park (see attached map for location of events)

-Allow Set up- We request set up for event starting Monday March 9th and event removal time allowed until Tuesday March 17th.

-Closing Roads- close down Gibbon Ave from Canyon to Dunraven, allowing us to accommodate the stage and equipment, then closing down Dunraven from the center line to the park, from the corner of Gibbon to the corner of Fire hole Ave. This will accommodate various vendors, who will most likely have trailers, and help facilitate restrooms, additional security and overall safety.

-Outside Amplification-from 10am-1130pm Friday and Saturday , this will allow the various acts to conduct sound check etc.

-Resolution on open container- We ask the Council to pass a resolution to lift the Open Container Ordinance, within city park limits for Friday and Saturday from 5:00-11:30pm

-Fire Works- We ask Council to suspend the Fireworks Ordinance to allow fireworks at the Concert location March 13, &14th 7-1130pm. Fireworks would be provided and detonated by licensed professional pyrotechnic. Location is TBD we are considering Parkway D.

Informational Items...

-Insurance- We are in the process of obtaining insurance for this event, we have to wait until the music acts are fully booked and have their individual requests before we can move forward. We are obtaining quotes independently as well as the option of EXPO event insurance. This will be in place before the event takes place, we will provide a certificate when available.

-Security- Will be overseen by Josh Gregory (brother-in-law of Katrina Mann) he is a Police officer, SWAT member and has security training for crowds as well as few law enforcement officers from the Boise area. They will need to work closely with a local law enforcement

officer in the event there is need for local jurisdiction . There will also be a team of pre screened volunteers to assist with Security around the park area.

-Vendors- Our event will have the following vendors-Food, Alcohol, Merchandise for performing acts, Event Merchandise and Sponsor Merchandise. They will be set up with tents or trailers for their booths. The food and alcohol vendors will be requested from local businesses through an RFP process. They will be responsible for all tax reporting for the town. All other vendors will fall under the Chamber's exposition application that will be submitted at a later date in conjunction with the EXPO vendors.

-Sale Activity- Sales will include, Ticket sales, food sales, alcohol sales, and merchandise sales. It is understood that all sales, including ticket sales, will be required to collect, report, and submit the 3% resort tax

-Parking- Parking will be around the park location. EXPO Shuttle services will be strongly promoted and the hours and service of the EXPO Shuttle will be expanded to accommodate this event.

-Expected Number Of Spectators- 1500 each night.

-Signage- The event will have signs and banners from sponsors, and the event coordinators.

-Fencing- We are looking to build up snow around the outer perimeter of the park area then fence on top of those areas, allowing us to promote as many ticket sales as we can. The perimeter fencing will be orange event fencing. The park bathrooms will also be fenced off so we can utilize the public restrooms for this venue. The stage area will also be fenced off and closed to public access on Gibbon Ave. The freestyle area will be another location we will have fenced off.

-Bathrooms- We plan to utilize the public park bathrooms and bring in additional outhouses, locations for outhouses will be two on Gibbon next to the stage. Remaining bathrooms by the entrance to the event.

-Trash- There will be a dumpster or large trash can at the entrance of the event in addition to trashcans located near the food and drink vendors.

-Decision Time- As time is of the utmost importance in booking the artists and then being able to attend to marketing, ticket sales, and other logistics, we are asking the Town Council to approve this Event Application and location, as well as approve a resolution allowing for both the alcohol open container in the city park as described above and a resolution for the outside amplification outlined above.

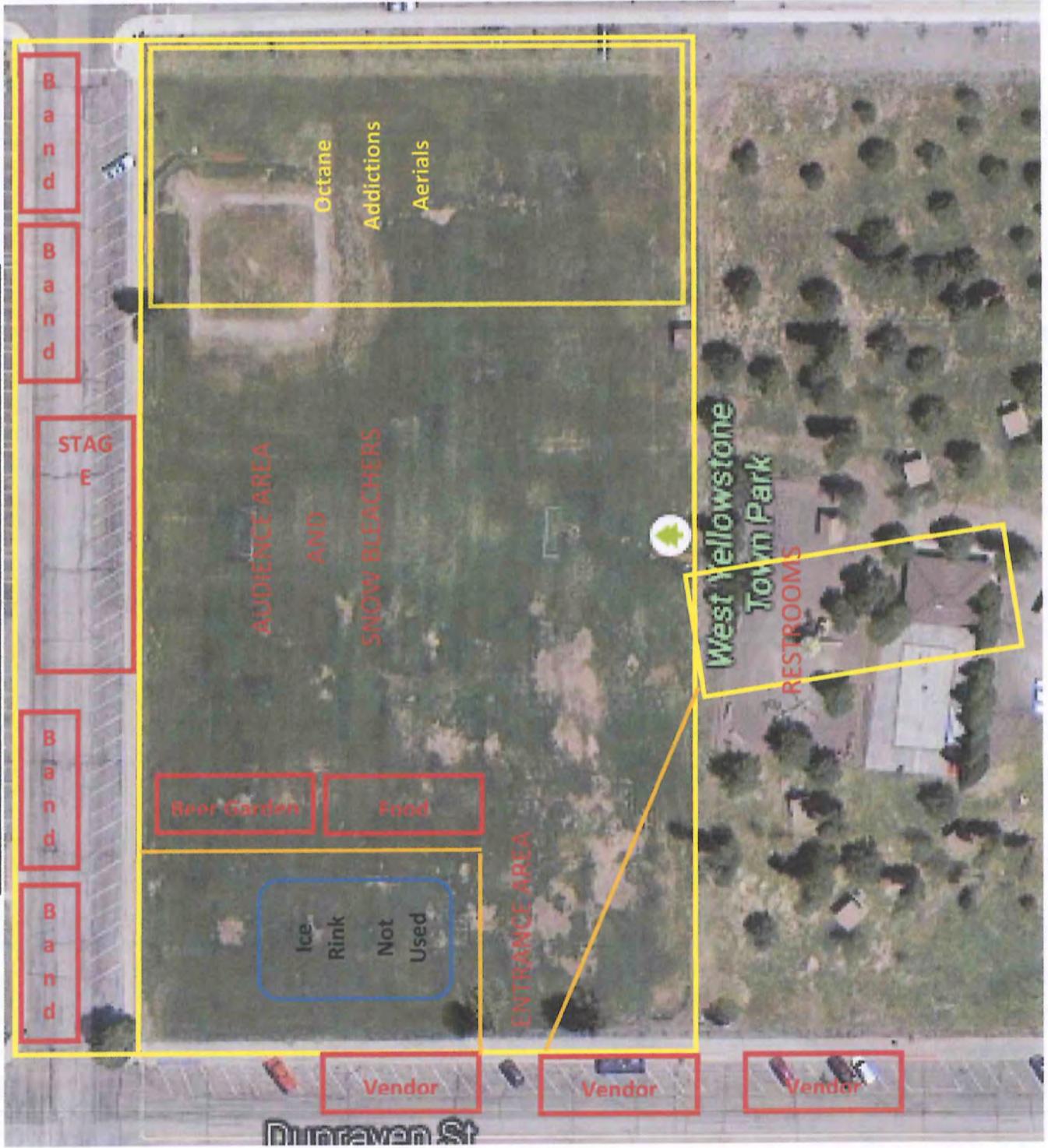
With these approvals, Wild Bill Productions, LLS can then get this show on the road and provide all other detailed documentation as requested in a timely manner.

Event Details

-WILD BILL OCTANE SHOW- The event will be split into two nights with different genres of music. Friday Night is country night with acts such as Confederate Railroad and Blackhawk with fillers throughout the night from Octane Addictions freestyle riders and possibly a jumbotron with videos from 509 or Thunderstruck. Saturday night will be acts such as Outlaws,

Warrant (under contract unable to advertize until complete) & Jackyl (under contract unable to advertize until complete) fillers throughout the night from Octane Addictions freestyle riders and possibly a jumbotron with videos from 509 or Thunderstruck. Fireworks during and after show..

Proposed Detail of the Concert Event Location



Perimeter Fencing

Trailers/vendors/stage

Outline of Perimeter of Requested Event Permit



Resolution No. 657

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WEST YELLOWSTONE, MONTANA TO EXEMPT PIONEER PARK FROM SECTION 9.12.020 OF THE WEST YELLOWSTONE MUNICIPAL CODE, PUBLIC DRINKING PROHIBITED, ON March 13-14, 2015 DURING THE WILD BILL OCTANE SHOW

WHEREAS, the Town Council of the Town of West Yellowstone desires to support and encourage events that bring visitors to the Town; and

WHEREAS, the Wild Bill Octane Show is a new special event held in Pioneer Park in conjunction with the annual World Snowmobile Expo; and

WHEREAS, the organizers and sponsors of the event desire to sell and allow the consumption of alcoholic beverages in Pioneer Park on March 13-14, 2015 between the hours of 5:00 PM and 11:30 PM; and

WHEREAS, in accordance with Section 9.12.020, Part B of the West Yellowstone Municipal Code, the Town Council may exempt a specific area of a public place where an event or activity will be held from the prohibition on public display or public drinking of alcoholic beverages;

NOW THEREFORE BE IT RESOLVED THAT the Town Council of the Town of West Yellowstone, County of Gallatin, State of Montana, grants an exemption to the organizers and the participants of the Wild Bill Octane Show from the Public Drinking Prohibition in Pioneer Park, effective only on March 13-14, 2015 between the hours of 5:00 PM and 11:30 PM.

PASSED AND ADOPTED BY THE TOWN COUNCIL FOR THE TOWN OF WEST YELLOWSTONE THIS 5th DAY OF NOVEMBER 2014.

Mayor

Council Member

Council Member

Council Member

Council Member

ATTEST:

Town Clerk

Application for Outside Amplification Permit
Town of West Yellowstone
Gallatin County, Montana

Event: WILD BILL OCTANE SHOW

Contact Person: Katrina Mann

Address of Contact Person: P O Box 2092 West Yellowstone MT
59758

Phone Number: 406.640.0725

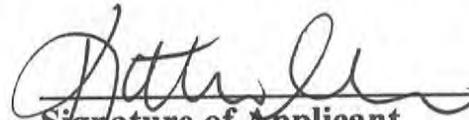
Signature of Property Owner of Record: _____

Date(s) of Event: March 13th and 14th
2015

Location: West Yellowstone City
Park

Amplification between the hours of: 10am AM/PM and
11:30pm AM/PM

Description of Event: Two night concert/freestyle event to be held during
EXPO 2015.



Signature of Applicant
10/30/14

Date

FOR OFFICE USE ONLY

Decision by Town Council: **Approved** **Disapproved**

Conditions: _____

Signature of Mayor/Operations Manager: _____

Date

memo

TOWN OF WEST YELLOWSTONE

Date: October 31, 2014
To: Honorable Mayor and Town Council
From: Becky Guay, Operations Manager 
Regarding: CDBG Planning Grant

Recommendation

It is recommended that the Town Council accept the \$30,000 Community Development Block Grant (CDBG) Program Housing and Public Facilities Planning Grant and authorize staff to seek matching funds in the amount of \$10,000 from the Town's CDBG Revolving Loan Fund Program.

Discussion

The Town of West Yellowstone has received a \$30,000 planning grant from the Montana Department of Commerce's Housing and Public Facilities Planning Grant Program. This grant requires the Town to provide \$10,000 in matching funds. The grant application, prepared by the Human Resources Development Council (HRDC) on behalf of the Town, was awarded to "conduct a feasibility assessment and Preliminary Architectural Report for proposed affordable housing development."

The following locations, shown on the map included as Attachment 1, have been identified as having the potential to be designated as potential affordable housing sites:

- Lot on Parkway D, Bloc 5, Lot 1A
- Lot on E. Geysler, N. of Parkway, Bloc 19, Lot 6
- Old West Motel, Bloc 16, Lot 3
- Lots on W. Geysler, N. of Parkway, Bloc 20, Lots 7 and 1
- Lot on W. Hayden, N. of Parkway, Bloc 21, Lot 8
- Lot on W. Madison, N. side, Bloc 20, Lot 11

These lots will undergo feasibility review as part of the project, with the goal being to select one or more sites for development of affordable housing.

In addition to a feasibility analysis, the project will also estimate the development costs for the identified sites, conduct a market feasibility study, complete the community housing survey and housing plan, and most importantly, conduct the Preliminary Architectural Report (PAR) on the site identified as

the most desirable for development. The PAR must be prepared by a professional architect and is required when seeking funds for construction from the CDBG Public Facilities Grants Program.

The approved grant application is included as Attachment 2 for your review.

Matching Funds

Staff proposes to use monies from the CDBG West Yellowstone Revolving Loan Fund (WYRLF) to provide the required \$10,000 match for the Planning Grant. Staff at the Montana Department of Commerce has confirmed that RLF monies may be used for housing studies that meet the criteria for RLF projects, with no requirement to repay the Fund.

The WYRLF was established in 1989 to provide capital to local entities to further economic expansion, improve housing and employment conditions, and provide essential community services. Projects funded by WYRLF must benefit primarily low to moderate income persons within our community. The last loan issued by the RLF occurred in 2009. There is approximately \$99,000 in the RLF available for loans and projects. A brief description of the WYRLF is included as Attachment 3.

Staff proposes to present this project to the RLF Loan Review Committee for approval. The Loan Committee has been dormant for some time and its members' terms have expired. The Committee is comprised of the following representatives:

- Town Council Member.
- A representative from each local bank.
- A representative from a local business.
- Town Finance Director.
- Town Operations Manager.

The Town Council could appoint Committee members at an upcoming Council meeting and then convene a meeting of the Committee thereafter to discuss this project.

OFFICE OF THE GOVERNOR
STATE OF MONTANA

STEVE BULLOCK
GOVERNOR



JOHN WALSH
LT. GOVERNOR

October 8, 2014

Brad Schmier, Mayor
Town of West Yellowstone
440 Yellowstone Avenue
West Yellowstone, MT 59758

RE: Notice of Community Development Block Grant Program Grant Award

Dear Mayor Schmier,

On behalf of the State of Montana, it is my pleasure to notify you that the Town of West Yellowstone has been selected for a Community Development Block Grant (CDBG) community development planning grant award in the amount of \$30,000 to complete a preliminary architectural report and feasibility assessment for affordable housing.

All planning grant awardees will be contacted directly with more information in the coming weeks by CDBG staff. If you have any questions, please call Ms. Kelly A. Lynch, Division Administrator of the Community Development Division at the Montana Department of Commerce, at 406-841-2770 or by email at DOCCDBG@mt.gov.

Again, congratulations and good luck on the successful completion of your project.

Sincerely,

A handwritten signature in black ink, appearing to read "S. Bullock", written over a horizontal line.

STEVE BULLOCK
Governor

Cc: Becky Guay, Operations Manager

ATTACHMENT 1

TOWN OF WEST YELLOWSTONE

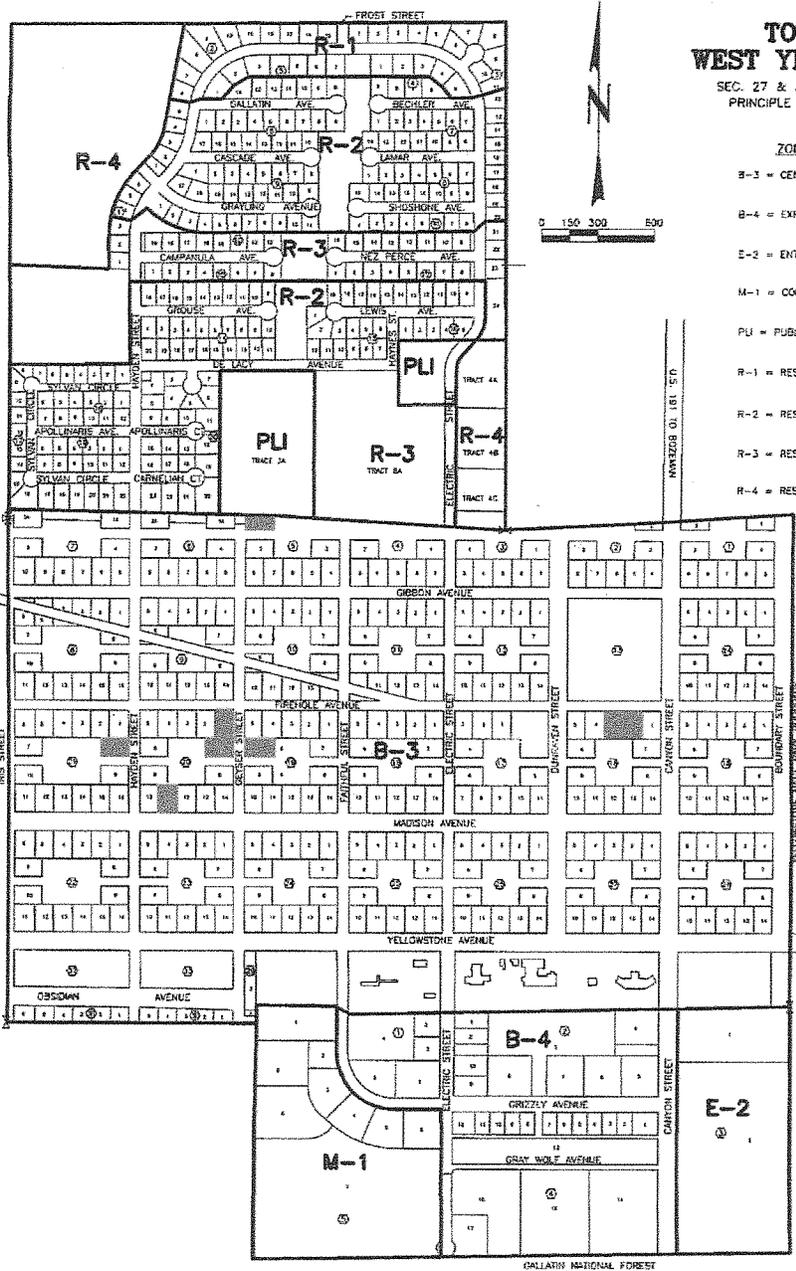
SEC. 27 & 34 T. 13 S., R. 5 E.
PRINCIPLE MERIDIAN MONTANA

ZONING LEGEND

- B-3 = CENTRAL BUSINESS DISTRICT
- B-4 = EXPANDED BUSINESS DISTRICT
- E-2 = ENTERTAINMENT DISTRICT
- M-1 = COMMERCIAL--LIGHT MANUFACTURING
- PLI = PUBLIC LAND AND INSTITUTIONS
- R-1 = RESIDENTIAL--SINGLE-FAMILY--LOW DENSITY
- R-2 = RESIDENTIAL--SINGLE-FAMILY--MEDIUM DENSITY
- R-3 = RESIDENTIAL--MEDIUM DENSITY
- R-4 = RESIDENTIAL--MEDIUM DENSITY APARTMENTS

LEGEND

- ⊙ BLOCK NUMBER
- ⊙ LOT NUMBER



ATTACHMENT 2

CDBG PLANNING GRANT APPLICATION FORM

MONTANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
MONTANA DEPARTMENT OF COMMERCE – COMMUNITY DEVELOPMENT DIVISION

ACCEPTANCE OF CDBG PROGRAM REQUIREMENTS

The Applicant hereby certifies that:

It will comply with all applicable parts of Title I of the Federal Housing and Community Development Act of 1974, as amended, which have not been cited herein, as well as with other applicable federal laws and regulations.

It will comply with all requirements established by the Montana Department of Commerce and applicable State laws, regulations, and administrative procedures.

It accepts the terms, conditions, selection criteria, and procedures established by the Montana Community Development Block Grant (CDBG) Program and expressly waives any statutory or common law right it may have to challenge the legitimacy and propriety of these terms, conditions, criteria, and procedures in the event that it is not selected for an award of CDBG funds.

APPLICANT- CERTIFICATION

To the best of my knowledge and belief, the information provided in this application and in the attached documents is true and correct.

Signature: 
Chief Elected Official or Authorized Representative

Name Brad Schmier Title Mayor

Date July 11~~th~~, 2014

Applicant's Information	
Name of Local Government:	Town of West Yellowstone
Phone #:	406-646-7795
Fax #:	406-646-7511
Mailing Address of Applicant:	Town of West Yellowstone PO Box 1570 West Yellowstone, MT 59758
Federal Tax ID #:	81-0299400
DUNS Number:	623000101
Montana Senate District :	35
Montana House District(s):	70
Primary Contact Person	

Name:	Becky Guay
Affiliation:	Town of West Yellowstone
Job Title	Operations Manager
Phone #:	406-646-7795
Fax #:	406-646-7511
E-mail Address:	rguay@townofwestyellowstone.com
Mailing Address of Applicant:	Town of West Yellowstone 440 Yellowstone Avenue West Yellowstone, MT 59758

CDBG Planning Grant Funds Requested: \$ 30,000		
OTHER FUNDING SOURCES:	AMOUNT	STATUS OF COMMITMENT (Pending or Firm)
Local match (required)	\$ 10,000.00	firm
CDBG Planning Grant	\$ 30,000	
	\$ 30,000	
	\$ 30,000	
TOTAL ESTIMATED PROJECT COST	\$ 40000	

PROVIDE A BRIEF DESCRIPTION OF THE PROPOSED PLANNING ACTIVITY:

The Town of West Yellowstone is seeking assistance to conduct a feasibility assessment and Preliminary Architectural Review for proposed affordable housing development. The town has selected sites for potential redevelopment, rehabilitation, and new construction, and must now assess which option(s) are most likely to result in a sustainable, successful affordable housing project that will meet the needs of West Yellowstone's workforce.

I. ELIGIBLE APPLICANT? *[See Application Guidelines, page 4.]*

- Yes
- No

II. APPLICATION SUBMITTED ON BEHALF OF A NON-PROFIT AGENCY, WATER AND SEWER DISTRICT OR SIMILAR ORGANIZATION? *[If 'Yes', describe the agency/organization.]*

- Yes
- No

Please describe the agency on behalf of which the local government is applying:

III. ELIGIBLE PLANNING ACTIVITY? *[See Application Guidelines, pages 4-5.]*

- Yes
- No

IV. ARE REQUIRED MATCHING FUNDS PROVIDED? *[See Guidelines, pages 6-7.]*

- Yes
- No
- Waiver of match requested with supporting documentation

V. REQUIRED LETTER(S) OF COMMITMENT INCLUDED? *[For funds or resources to be provided by a non-profit agency, water and sewer district, or similar organization; see Application Guidelines, pages 6-7.]*

- Yes
- No
- NA

VI. IS A PROJECT IMPLEMENTATION SCHEDULE PROVIDED? *[Provide a project implementation schedule using Exhibit I attached. Include a brief narrative to explain your proposed project schedule.]*

- Yes
- No

VII. IS THE PROPOSED PROJECT BUDGET AND BUDGET JUSTIFICATION NARRATIVE PROVIDED?
[Use Exhibit 2 attached to list your project budget and to provide a detailed narrative that explains and justifies each line item of your proposed budget.]

- Yes
- No

VIII. DETAILED PROJECT PROPOSAL

Using separate sheets, applicants must thoroughly address each of the questions below, providing detailed responses (500 words or less). If a particular question is not applicable to the proposed planning project, the applicant must address why it is not applicable; simply answer 'n/a' will result in the application being considered incomplete. Visual aids and supplemental documents are encouraged to help illustrate the planning activity funding is being requested for.

A. Describe how the proposed planning project will:

- 1) Promote long term, proactive planning measures;
- 2) Promote equitable, affordable housing;
- 3) Support existing communities;
- 4) Conserve, responsibly utilize, and protect valuable natural resources;
- 5) Value healthy communities and neighborhoods

B. Address the following elements as they relate to the proposed planning project, providing references and supplemental documentation as necessary to adequately illustrate a response:

- 1) The need for financial assistance to complete the planning project;
- 2) The fiscal capacity of the applicant to meet the grant conditions required by the Department, including but not limited to its ability to manage the planning project, demonstrate the use of generally accepted accounting principles;
- 3) Past efforts to ensure sound, effective, long-term community wide planning;
- 4) The ability to obtain and commit the required matching funds;
- 5) The importance of, and the community's current support for, the planning project.

- C. Describe the intended outcome of the proposed planning project; how will the receipt of planning grant funds have a positive impact on the applicant community, and what steps will be taken following the conclusion of the planning activity (additional grant funds sought, implementation, construction, etc.)?

The receipt of planning grant funds will allow West Yellowstone to take the first steps to address their housing affordability and supply issues. Creating new housing units in the downtown core supports sustainable land use, walkable neighborhoods, and strong community building. Providing housing for families will result in increased retention, year-round employment opportunities, and a more diversified local economy. If the town receives the planning grant, the proposed project will assess the feasibility of sites for development potential. The affordable housing constructed as a result of this assessment will likely require grant funding for the units targeted to lower income populations. In addition to the construction of new housing, the redevelopment of the downtown core will contribute the revitalization of that area. The feasibility study will also attract the development of market rate housing, which will further alleviate housing supply issues.

Alternative accessible formats of this document will be provided upon request.

If you need this document in an alternative format, such as large print, Braille, audio tape, or computer diskette, please contact the Montana Department of Commerce Community Development Division at (406) 841-2770, or the Relay Services number, 711.

EXHIBIT I

**MONTANA DEPARTMENT OF COMMERCE
CDBG PLANNING GRANT
CDBG HOUSING, PUBLIC FACILITIES & COMMUNITY PLANNING PROGRAM**

PROJECT IMPLEMENTATION SCHEDULE

TASK	MONTH
<u>PROJECT START UP</u> Preparation of MDOC Contract	Month 1: August-2014 Nov.
<u>PROCUREMENT OF PROFESSIONAL ASSISTANCE</u> <i>Including professional engineers, architects, and community development consultants, etc.</i>	
Submit Request for Proposals (RFP) to DOC for review <i>(Architectural and engineering services must be procured in compliance with Section 18-8-201, MCA)</i>	Months 1 and 2: August-September 2014 Nov. - Dec.
Publish RFP or RFQ	Month 2: September 2014 Dec.
Select professional	Month 3: October 2014 Jan. 2015
Execute agreement with professional	Month 3: October 2014 Jan. 2015
<u>PROJECT IMPLEMENTATION</u>	
Prepare draft plan/report	Months 4-7: Nov. 2014-Feb. 2015 Feb. 2015 - May 2015
Submit interim drawdown of funds, and 50% draft of final product	Month 7: February 2015 May
Public review and comment	Months 8-9: March-April 2015 June - July
Finalize plan/report	Month 10: May 2015 August
<u>PROJECT CLOSEOUT</u> Submit final product, both in hard copy and on computer disk	Month 11: June 2015 Sept.
Submit final drawdown	Month 11: June 2015 Sept.

Town of West Yellowstone CDBG Planning Grant 2014

Implementation Schedule Narrative

Upon award of CDBG planning grant funds, we will commence with contract preparations and the process of procuring services for the proposed activities. We estimate that procurement will take approximately 3 months from CDBG contract award. Months 4-7 after award will be used to conduct proposed activities, complete the draft report, and submit the 50% draft and interim draw to the CDBG program. Months 8 and 9 will be used for public comment. Input received in the public comment process will inform the final report, to be completed in month 10. Months 11 and 12 will be used for project closeout activities.

EXHIBIT 2

**MONTANA DEPARTMENT OF COMMERCE
CDBG PLANNING GRANT
CDBG HOUSING, PUBLIC FACILITIES & COMMUNITY PLANNING PROGRAM**

**PROPOSED PROJECT BUDGET AND
BUDGET JUSTIFICATION NARRATIVE**

BUDGET for CDBG Housing and Public Facilities Planning Grant				Date:
	SOURCE: CDBG	SOURCE: Match (Identify)	SOURCE:	TOTAL
Activities		Town of Vestal		
Professional Services	30000	10000		40000
Other (Describe)				
TOTAL PLANNING PROJECT	\$ 30000	\$ 10000	\$	\$ 40000

Note – Because the amount of funding is limited, applicants will be expected to absorb the costs associated with the administration of the CDBG Planning Grant.

The budget justification narrative must thoroughly explain the rationale or basis for all proposed budget costs for each line item. The thoroughness of the budget justification will be a consideration in the review of the application. **The budget for the planning project must be accompanied by a detailed narrative that explains:**

- 1) The justification for each budget line item for the CDBG funds requested;
- 2) Local matching funds; and
- 3) Other sources and amounts of local, state, federal, or private funds to be involved.

Reminder: Planning grants cannot be used for reimbursement of activities undertaken or completed prior to the date of announcement of grant award by the Department of Commerce.

APPLICANT'S RESPONSE - Budget Justification Narrative:

(Use as much space as needed; attach additional sheets to provide the required information.)

Town of West Yellowstone CDBG Planning Grant 2014

Budget Justification Narrative

The total anticipated cost of the proposed project is \$40,000. Funds will come from CDBG and the town in a 3:1 ratio. Funds will be used to properly procure professional services to estimate the development costs and feasibility of the sites identified, conduct a market feasibility study, complete the community housing survey and housing plan, and conduct the Preliminary Architectural Review (PAR) on the site identified as most appropriate to meet the town's needs. It is not anticipated that other sources will be utilized for this portion of the project, however; the long-term development of affordable housing will rely on numerous Federal and State resources.

Narrative Responses, 2014 CDBG Planning Grant Application, Town of West Yellowstone

A. Describe how the proposed planning project will:

1) Promote long term, proactive planning measures;

The town of West Yellowstone has seen its share of economic uncertainty in the previous years, much stemming from the controversial snowmobile limits in Yellowstone Park that rocked the town's winter economy. However; even before the snowmobile controversy, the town struggled with a "feast or famine" economy. Year round employment options were difficult to come by, and housing vacancies were largely cyclical. A top priority among community leaders is the long-term diversification of the local economy, which will provide year-round employment opportunities and increase community amenities.

West Yellowstone is surrounded by beautiful, undevelopable property. The town has been in negotiations with the Forest Service to secure 80 acres of land adjacent to town. Plans for this property include activities that will diversify West Yellowstone's economy, providing more year-round employment and potential affordable housing development. This project holds great promise for the community, however; leaders agree that the town cannot place all of their economic development and housing interests in one basket. To that end, the town has been engaged in a long-term planning effort to review available lots for development within the downtown core, including a review of structures in need of rehabilitation. The town contracted with Think Tank Consultants to create a downtown revitalization plan, which highlights properties prime for redevelopment for both housing and commercial uses. The town has also worked with the Human Resource Development Council and Habitat for Humanity to identify housing opportunities and create a housing needs' survey for the community.

The town requests funding from CDBG to further their already extensive planning efforts as they seek to conduct a feasibility assessment on those properties selected for potential housing development. The town's housing and economic development futures are closely aligned, with small business owners, the school district, and other community groups experiencing difficulty in attracting and retaining employees due to the scarcity of housing, and the high price of available units. Larger employers have resorted to purchasing hotels to house their seasonal employees. While this solution may work for a seasonal, transient population, it does not meet the needs of families and those seeking to make West Yellowstone home. Finding a way to ensure that those most committed to the community's success can stay in the community is integral to West Yellowstone's future.

2) Promote equitable, affordable housing;

West Yellowstone faces two related housing challenges: availability and affordability. There is very little available housing stock, either in rentals or for ownership. Much of the housing stock in West Yellowstone is held as family vacation homes or vacation rentals. According to the 2010 Census, there are 969 housing units in West Yellowstone; of those units, 352 (36.3%) are vacant, and 168 (17.3%) are for seasonal use (Chart 1).

Chart I – Housing Occupancy

	Number	Percent
HOUSING OCCUPANCY		
Total housing units	969	100.0
Occupied housing units	617	63.7
Vacant housing units	352	36.3
For rent	150	15.5
Rented, not occupied	5	0.5
For sale only	2	0.2
Sold, not occupied	2	0.2
For seasonal, recreational, or occasional use	168	17.3
All other vacant	25	2.6
Homeowner vacancy rate (percent) [8]	0.8	(X)
Rental vacancy rate (percent) [9]	27.9	(X)

Source: U.S. Census Bureau, 2010 Census

A 2009 survey of 75 West Yellowstone households conducted by the town of West Yellowstone and the HRDC found that the largest barriers to securing rental housing were (by most frequent response) lack of units, insufficient income, and inability to allow pets. Of those attempting to purchase, the most cited reasons for inability to purchase were: insufficient income, lack of down payment, and lack of available units. Over 2/3 of the households surveyed had annual incomes below \$50,000 per year. The town plans to conduct this survey again in 2014 in light of changes to the town’s real estate market since the 2009 survey and to increase the response rate.

A recent search of for sale homes on the Gallatin Association of Realtor’s website resulted in 12 homes selling for less than \$250,000. Of the homes in or very near the town, all were attached (condo or townhome). To find a single family detached home for below \$250,000, buyers must look to subdivisions near Lake Hebgen, a minimum of 20 minutes from town in favorable weather conditions. For that reason, most of the properties in the lake area are vacation and seasonal homes. For many of the professionals that West Yellowstone would like to retain and attract options for buying a home and settling in West Yellowstone are limited.

Of course, not every household is ready or willing to purchase a home, however; renting in West Yellowstone is also difficult. Again, a lack of housing stock contributes to the problem as remaining units command a premium. While much of West’s rental housing is secured via employers and word of mouth, searches for available rentals produced studio and one-bedroom apartments, mostly short term in nature. It is evident that families hoping to settle in West Yellowstone may find securing housing difficult. West Yellowstone’s proposal to increase the supply of affordable homes in the community is a direct response to the challenges presented in the current housing market. West Yellowstone’s housing

shortage has recently been further exacerbated by the decision of Big Sky resort to house additional staff in the community.

3) Support existing communities;

As mentioned in previous responses, West Yellowstone does not have the ability to sprawl as a town. Households cannot simply “drive to qualify” as is common in much of Gallatin County. Much of the new housing in West Yellowstone will have to come through the redevelopment of the downtown core. This will result from new construction on vacant lots, rehabilitation of older properties, and the redevelopment of dilapidated structures. The town has worked to identify potential areas of redevelopment; the proposed project will determine the most feasible site for a sustainable affordable housing development. Promoting housing development in areas already served by community systems reduces costs to both the municipality and the households served. The proposed project will support residents’ housing needs. Additionally, it will serve the needs of businesses, employers, and community groups that are working to transition West Yellowstone’s economy from seasonal to year-round.

4) Conserve, responsibly utilize, and protect valuable natural resources;

The conservation of natural resources is at the very heart of West Yellowstone’s livelihood; without Yellowstone National Park and the surrounding National Forest areas, there is no West Yellowstone. It is for this reason that community leaders have worked hard to promote development in those areas already developed, and are attempting to address their housing needs within the community, not simply telling residents to commute from Hebgen Lake, Big Sky, or Bozeman. It is the reason that business owners have worked diligently with the National Park Service as they addressed winter use in Yellowstone National Park, despite the fact that many businesses have suffered as a result of these rules. People in West Yellowstone understand that they live in one of the last truly natural places, and are committed to protecting it.

5) Value healthy communities and neighborhoods

A healthy community has different meaning for each individual. But there are clear examples as to how West Yellowstone’s housing shortage hurts the community. As a result of the lack of housing, many seasonal employees live in motor homes without appropriate infrastructure. Other, more permanent employees commute from Bozeman. Clearly, these options are not healthy for the environment, individual, or community, nor are they sustainable. A household will only live in a motor home, or spend hours commuting for so long before they decide to relocate. Providing affordable housing for renters and homeowners creates all of the benefits found in stable communities. Attracting and retaining talented employees stimulates economic diversification and prosperity, which in turn leads to more of the same. As West Yellowstone grows, so does their ability to provide services within the community, which results in increased employment opportunities. When people see opportunity and promise in their community, they invest their time and talent to fulfill that promise.

B. Address the following elements as they relate to the proposed planning project, providing references and supplemental documentation as necessary to adequately illustrate a response:

1) The need for financial assistance to complete the planning project;

While the population of West Yellowstone swells at certain times of year, the tax base remains relatively small. The town has a total budget of approximately \$10.3 million; the \$3.35 million general fund is approximately 2/3 supported by a 3% resort tax. While able to meet the matching commitment, the town would be unable to undertake the proposed project without CDBG planning assistance.

2) The fiscal capacity of the applicant to meet the grant conditions required by the Department, including but not limited to its ability to manage the planning project, demonstrate the use of generally accepted accounting principles;

The town employs a Finance Director and Operations Manager, both with extensive experience in municipal finances, generally accepted accounting principles, and state and federal grant requirements. The town has been the recipient of previous CDBG funds for economic development, and has met the reporting and grant management requirements of that source. The town will also work closely with the Human Resource Development Council (HRDC), which will provide project and grant management support. The HRDC has over 30 years of experience in project and grant management, including CDBG funds.

3) Past efforts to ensure sound, effective, long-term community wide planning;

West Yellowstone's geographic isolation has resulted in a self-sufficient, can-do spirit. If something needs to be done, the community can be counted on to come together to find a solution. For many years, the housing needs of employees were met through seasonal housing provided by employers, and most of the people coming to the community didn't plan on staying beyond the season. As West Yellowstone's economy transitions from a seasonal to year-round, employer's needs, and the desires of the employees have shifted to more permanent housing. West Yellowstone conducted a needs assessment in 2004, which did not cite housing as a major issue. In 2009, the town approached the HRDC with a desire to learn more about affordable housing programs and assess the changing needs of the community. The survey and results are included as Attachment 2. Responses cited a lack of affordable rental and ownership opportunities. Due to the community's isolation from service providers in Bozeman, many were also unaware of existing programs. In response to the survey, the town established an affordable housing task force, and continues to work with the HRDC to promote existing opportunities, such as down-payment assistance programs, however; without a supply of affordable homes, these programs remain underutilized. During the same time period, the HRDC assisted the town in procuring the services of Think Tank consultants to review development options in the downtown core with the possibility of creating a Tax Increment Financing (TIF) District. While the TIF district was ultimately not designated, the following lots have been designated as potential affordable housing sites. These are the lots that will undergo feasibility review as part of the proposed project, with the ultimate goal of selecting one or more for development.

- Lot on Parkway D, Bloc 5 Lot 1A
- Lot on E Geyser, N. of Alley, Bloc 19, Lot 6
- Old West Motel, Bloc 16, Lot 2

- Old West Motel, Bloc 16, Lot 3
- Lots on W. Geysler, N. of Alley, Bloc 20, Lots 7 & 1
- Lot on W. Hayden, N. of Alley, Bloc 21, Lot 8
- Lot of W. Madison, N. side, Bloc 20, Lot 11

4) The ability to obtain and commit the required matching funds;

The town will commit \$10,000 as match for the project from economic development funds.

5) The importance of, and the community's current support for, the planning project.

Like many communities in Montana, West Yellowstone has tried to address housing needs on their own, and had often resisted the idea that there even was a housing need. But, over time, it has become clear to business owners and other major employers, such as the school district, that there is a housing need, and that it presents a significant barrier to West Yellowstone's community and economic development efforts. A need for affordable housing was addressed by many candidates for the upcoming town council elections, and the town's former mayor has been a leader in addressing the community's affordable housing issues. Support in the community for an affordable housing response is at its height, as citizens view housing challenges as interlocked with the economic future of West Yellowstone. It is the belief of town leaders that this is the critical time for West Yellowstone to act, with the proposed feasibility study the first step in creating an affordable, sustainable housing supply that will support the growing needs of the community.

ATTACHMENT 3

The West Yellowstone Revolving Loan Fund

The West Yellowstone Revolving Loan Fund (WYRLF) provides capital to local West Yellowstone entities to further economic expansion, improve housing and employment conditions, and provide essential community service support. Typically, these loans are made to local projects that cannot attract sufficient private financing or fully satisfy a commercial lender's credit requirements.

The WYRLF is administered by the Town of West Yellowstone. All lending decisions are made by a Loan Review Committee. The Loan Review Committee includes representatives from the Town of West Yellowstone as well as local business and community leaders.

The WYRLF was originally established with the repayment of Community Development Block Grant (CDBG) loans (funded by the U.S. Department of Housing and Urban Development (HUD) through the Montana Department of Commerce) dating back to 1989. All loan principal and interest payments are "recycled" and "revolve" back into the Fund to be re-lent to other entities.

The WYRLF is an excellent option for borrowers that may not fully satisfy the lending requirements or credit policies of a commercial lender. As such, the WYRLF is also a good source for "gap financing" to participate in a project with a commercial bank (the RLF would take a secondary position on collateral).

ELIGIBLE ENTITIES

Eligible entities must be located within the West Yellowstone town limits. Interested entities should discuss their project with Town of West Yellowstone staff to determine eligibility prior to submitting an application.

ELIGIBLE ACTIVITIES

WYRLF loan funds can be used for most typical business start-up and expansion activities including: land purchase; construction, rehabilitation, expansion or installation of commercial and industrial buildings or facilities; purchase of machinery or equipment; and working capital. The funds may also be used as a match to other funding sources, as long as they are contingent upon approval of the other funding source.

GENERAL LOAN TERMS

The maximum loan amount shall not exceed \$35,000. The WYRLF loan amount must be matched on a one-to-one basis from another source, i.e. bank loan, owner investment equity, private funds, SBA, grants, or a combination of sources. Specific loan terms (including the interest rate) will be determined by the Loan Review Committee after review of the application and will be based on the specific project needs. In general, the minimum allowable interest rate will not be less than 3%. All loans must be secured with a personal guarantee and other reasonable sources of available collateral. The WYRLF will take a secondary position on collateral behind a commercial lender. The term for a loan for working capital will be limited to between 5 and 7 years. The term for a loan for machinery or equipment will be limited to 10 years. The term for a loan for land and buildings will be limited to 15 years.

APPLICATION REVIEW

Completed loan applications will be reviewed by the Loan Review Committee within 30 days of submission to the Town of West Yellowstone. The applicant will receive written notification of the Committee's decision within 15 days of completion of the application review.

Loan applications are evaluated on the following criteria:

- Project feasibility, potential for business growth and expansion
- Experience and qualifications of applicant business ownership and management team
- Economic impact of project (increased revenues from outside the area, job creation, etc.)
- Demonstration of need for a loan from the WYRLF (not able to secure necessary financing from a commercial lender)
- Degree of leverage with other investment, including public and private sources (at least a 1:1 match)

A completed loan application will include a signed and dated application form (applicant and business information, employment projections, source and use of funds, other sources of financing, references, explanation of need for loan); a written business plan; and required supporting documentation. Required supporting documentation includes: personal financial statements (signed and dated); personal and business federal income tax returns (last 3 years); historical balance sheets, profit & loss statements and cash flow statements (3 most recent years); current balance sheets and profit & loss statements (within 30 days); monthly projected cash flows (1st year); annual projected cash flows (2nd and 3rd year); and resumes of owners/managers and key personnel. Additional documents may be requested by Town of West Yellowstone staff and the Loan Review Committee.

Questions? Or to request an application, contact:

Town of West Yellowstone
ATTN: Finance Administrator
PO Box 1570
10 S. Faithful Street
West Yellowstone, MT 597958

Email: info@townofwestyellowstone.com

Phone: 406-646-7795

memo

TOWN OF WEST YELLOWSTONE

Date: October 31, 2014
To: Honorable Mayor and Town Council
From: Becky Guay, Operations Manager
Regarding: Staff Proposal for YHC Management of the UPDL

Recommendation

Accept this proposal and direct staff to present it to the Yellowstone Historic Center for discussion.

Discussion

The Town Council asked staff to prepare a proposal to shift management responsibilities for the Union Pacific Dining Lodge (UPDL) to the Yellowstone Historic Center, Inc. (YHC). We have discussed this matter in depth at staff meetings and propose the following. Both Jack Dittmann, the department head formerly in charge of UPDL management and James Patterson, the department head currently in charge of UPDL management concur with this proposal.

We started with the current lease agreement between the Town and YHC for office space in the UPDL and added provisions to facilitate YHC taking over management and operation of the Lodge. Proposed changes are highlighted in yellow on the draft agreement attached to this memo. The major changes we propose include:

1. YHC will lease the entire UPDL building for \$1.00 per year, instead of the \$6,000 per year YHC is currently paying for office space. This will effectively put \$6,000 back in YHC's pocket—money that YHC can use toward the management and operation of the building.
2. YHC will be allowed to keep any revenue generated by the rental of the facility. The Town received \$16,700 in rental revenue from the UPDL this past season. The combination of the avoided lease fees and rental revenue yield some \$22,700 for YHC.
3. The Town pays about \$13,600 for utilities annually. We propose that the Town continue to pay for water/sewer, electricity and natural gas in full for the first two years of the agreement. In the third year, YHC would agree to reimburse the Town for 10 percent of these costs. Reimbursement then goes up by 10 percent for the remaining years of the agreement.

4. The Town will continue to provide weekly maintenance to the floors in the Firehole and Mammoth Rooms for the first two years of the agreement. YHC will assume these duties in years three through five.
5. The Town will continue to drain the water system in the fall and turn it back on in the spring.
6. The Town is solely responsible for the cost of capital improvements to the premises. However, should YHC choose to apply for grant monies for the purpose of funding capital improvements, it will do so only after consultation with the Town on the matter of shared costs. The Town will consult with YHC concerning necessary or desired capital improvements on the premises; however, any modification or alteration to the premises is subject to the Town's discretion and written prior approval.

This proposal does not require the Town to expend any additional tax dollars not already being used toward the UPDL, but does provide YHC with a financial incentive to take on its management and operation. A comparison of current financial impacts to the Town and those that would be experienced if this proposal is accepted are shown below.

	Current Structure	Proposed Year 1	Proposed Year 2	Proposed Year 3	Proposed Year 4	Proposed Year 5
Annual Utility Costs	\$13,595	\$13,595	\$13,595	\$12,235	\$10,876	\$9,516
Staff Costs *	\$10,000	2,000	2,000	0	0	0
Total Town Costs	\$23,595	\$15,595	\$15,595	\$12,235	\$10,876	\$9,516
UPDL Rental Revenue **	\$16,700	0	0	0	0	0
YHC Office Lease	\$6,000	0	0	0	0	0
Total Revenue	\$22,700	0	0	0	0	0
Difference (Cost to Town)	\$895	\$15,595	\$15,595	\$12,235	\$10,876	\$9,516

* These staff costs are currently borne by other budget line items and are not applied directly to the UPDL. Removing UPDL duties from these staff members will allow them to work on other Town projects and duties.

** Assumes to increase to rental rates. YHC could ask the Council to approve modest rental rate increases to further help their revenue picture.

Staff believes that this proposal is easy to understand and implement, provides the revenues generated from the Lodge's rental to YHC, allows YHC an opportunity to modestly increase rental rates to realize more revenue, provides avoided cost saving to YHC, and removes the burden of UPDL management from Town staff, frees staff to work on other duties, and provides opportunities to YHC and the Town to continue to work together to identify grant opportunities for capital improvements to the building.

The YHC proposal asked for \$150,000 over five years to take on the management challenge. This proposal should cost the Town less than \$65,000 over the next five years, but result in many of the same benefits of the more expensive proposal.

Thank you for your time and consideration.

LEASE AGREEMENT

THIS AMENDED LEASE AGREEMENT is entered into this ___ day of _____, 2014 by and between the Town of West Yellowstone ("Town"), a Montana municipal corporation, of P.O. Box 1570, West Yellowstone, MT 59758, and Yellowstone Historic Center, Inc. ("YHC"), a Montana non-profit corporation, of P.O. Box 1299, West Yellowstone, MT 59758.

WITNESSETH:

WHEREAS, the Town is the owner of the building and premises described below and wishes to lease space therein: and

WHEREAS, the YHC maintains an office and storage space in the Union Pacific Dining Lodge building; and

WHEREAS, the Lease Agreement between the YHC and the Town dated September 20, 2011, for the Union Pacific Depot building indicates that the Town shall provide office space to the YHC; and

WHEREAS, the Town and YHC have developed an excellent working relationship in implementing the Lease Agreement that has benefited both the Union Pacific Depot building and the community generally; and

WHEREAS, the Town and YHC desire to enter into an Agreement that sets forth their respective rights and obligations regarding the premises and provision of services therein.

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions contained herein, the parties agree as follows:

1) Description of Premises. The Town hereby demises and leases to YHC premises within the Union Pacific Dining Lodge (UPDL) located at 220 Yellowstone Avenue, West Yellowstone, Montana, and more particularly the Town leases all rooms and facilities within the confines of said building to include the "Rainbow Room" (old West Yellowstone library), the space described as the "Court Room" (which consists of the clerk's office and the actual court room), the former Job and Social Services office, the storage room (former food bank), the kitchen, the Mammoth Room, and the Firehole Room together with all improvements in the real property (hereafter "the premises").

2) Use of Premises. The premises leased to YHC shall be used exclusively for activities associated with the operation of a business office for the YHC, for storage of archival files, and storage of equipment and items related to the provision of services to renters of the UPDL for events and activities, and as a rental venue for various civic and social events and activities. Any revenues generated through sub-leasing shall remain the property of YHC. The Town shall discuss with YHC all conditions it intends to append to any sub- leasing or occupying said space.

3) Term of Lease. The term of this Lease Agreement shall be twelve (12) months, commencing on January 1, 2015 and terminating on December 30, 2015. The Agreement shall renew automatically for consecutive one (1) year terms for a maximum of five (5) years unless the Town or YHC exercise their respective rights to terminate the Agreement in accordance with Section 4 below.

4) Termination. This Agreement may be terminated by written notice given by either the Town or YHC to the other party on any date in such notice stated, not less, however, than 120 days subsequent to the date on which such notice shall be given. Said notice may be given to YHC by serving YHC personally or by posting a copy thereof on the outside of any door in any building upon the leased premises or by mailing said notice, postage prepaid, to YHC at the last address known to the Town. Said notice may be given to the Town by mailing the same, postage prepaid, to the Town Offices.

5) Rental Payments. YHC shall pay the Town a rental amount of One Dollars (\$1.00) per year beginning on January 2, 2015 and payable on the same day of each year thereafter until expiration or termination of the lease. Payments shall be made to the Town at 440 Yellowstone Avenue (P.O. Box 1570), West Yellowstone, Montana 59758. The Town reserves the right to amend the rental payment on an annual basis.

6) Definition of "Capital Improvement" and "Maintenance and Repair." As more generally described below, the Town is responsible for the cost of any capital improvement to the premises, while YHC is responsible for maintenance and repair of the premises. The term "capital improvement" means any permanent alteration or modification to the premises that (i) substantially increases its value, (ii) substantially prolongs its life, or (iii) adapts it to an entirely new use. In the event of a dispute between the parties concerning the definition of "capital improvement," the parties shall look to Section 263(a) of the Internal Revenue Code for guidance, including regulations, IRS interpretations or court cases construing this section. Any alteration, modification or other work of any kind performed on the premises, that does not constitute a "capital improvement" qualifies as "maintenance or repair."

7) Capital Improvements. The Town is solely responsible for the cost of capital improvements to the premises. However, should YHC choose to apply for grant monies for the purpose of capital improvement to the premises, it will do so only after consultation with the Town on the matter of shared costs. The Town will consult with YHC concerning necessary or desired capital improvements on the premises; however, any modification or alteration to the premises is subject to the Town's discretion and written prior approval. The Town shall make every effort to provide for continuous operation during any capital improvement construction.

8) Maintenance and Repair. As a general principle, maintenance and repair of the leased premises is the sole responsibility of YHC, except that the following items will be performed by or at the sole expense of the Town: maintenance of lawns and landscaping, snow removal from the driveway that accesses the western door closest to the office described in Section 1, and removal of snow from the roof of the building should it become necessary. YHC shall remove snow and otherwise maintain the walkway to the entrance of the premises. The Town is responsible for draining the water system in the fall and turning the water system on in the spring.

During the first two years of this agreement the Town will perform weekly maintenance on the floors in the Mammoth and Firehole Rooms and all restrooms as needed.

9) Utilities. The Town shall be solely responsible for public or private utility services of any kind furnished to the premises during the first two years of this lease, not including any telecommunication services. The Town shall promptly pay all billing statements or accounts for utility services furnished to the leased premises. During the third year of this lease, YHC shall reimburse the Town in the amount of ten (10) percent of that year's UPDL utilities costs. The amount of reimbursement shall increase by ten (10) percent each year thereafter during the term of this lease.

10) Independent Contractor. YHC shall at all times remain an independent contractor when performing activities of whatever kind in the leased premises. All persons working at the facility or elsewhere in YHC's operations are solely employees of YHC, and not the Town.

11) Casualty Insurance. The Town shall keep all buildings and improvements on the leased premises insured against loss or damage by fire or other standard peril in an amount it deems appropriate. YHC shall maintain its own casualty insurance for fire or other standard peril on the personal property and leasehold improvements contained in the premises.

12) Liability Insurance. Both parties shall maintain liability insurance for bodily injury and property damage involving the leased premises or the operations thereon. The Town shall maintain liability insurance in accordance with Montana statutory limits on municipal liability, presently the amount of \$750,000.00 per person and \$1,500,000.00 per occurrence; YHC shall maintain comprehensive general liability insurance in an amount of no less than \$1,000,000.00 per person and \$2,000,000.00 per occurrence. To the extent practical, each party will name the other party as an additional insured on its respective liability policy; in addition, each party will provide the other party with a certificate or other document evidencing purchase of the required casualty and liability insurance.

13) Mutual Indemnification. To the fullest extent permitted by law, YHC agrees to indemnify and hold the Town harmless, and the Town agrees to indemnify and hold YHC harmless, for any claim, damage, loss, attorney's fees or expense of any kind incurred by or asserted against one party and arising from the negligence or action of the other party.

14) Assignment or Sublease. YHC may not assign any of its rights or obligations under this lease, nor may YHC sublease any portion of the leased premises, with the exceptions of the Mammoth and Firehole Rooms and the kitchen, without the prior written approval of the Town. Because of the nature of this lease and the unique relationship between the Town and YHC, the Town may withhold approval for assignment or sublease for any reason it deems appropriate.

15) Unlawful Activity or Nuisance. YHC shall neither use nor occupy the leased premises in any manner that violates federal, state or local law or regulation. YHC shall not use the leased premises in any manner that constitutes a public or private nuisance.

16) Improvements. All improvements to the leasehold premises, whether paid for by the Town or YHC, shall become the sole property of the Town upon the expiration or termination of this lease. All improvements made to the premises must be reviewed and approved by the Town prior to installation. All personal property owned or purchased by YHC that is not permanently affixed to the premises shall remain YHC's property upon expiration or termination of this lease.

17) Annual Review. The Town and YHC shall meet on a regular basis but at least annually, to review the lease agreement and propose modifications. Modifications to the agreement may be made at any time by mutual agreement of the parties.

18) Default or Breach. The following events shall constitute a default or breach of this agreement by YHC:

- (a) If YHC fails to pay rent when due;
- (b) If YHC assigns or attempts to assign all or any portion of this agreement without the prior written permission of the Town;
- (c) If YHC sublets or attempts to sublet any restricted portion of the leased premises without the prior written permission of the Town;
- (d) If YHC vacates or abandons the leased premises;
- (e) If YHC causes a construction lien or any other lien to be placed on the premises; or
- (f) If YHC fails to comply with any material condition or provision of this lease.

If YHC is in default of this lease as described above, then the Town must provide written notice of the alleged default and, if appropriate, explain how the default can be cured. If YHC has not cured the default within thirty (30) days of mailing the written notice, then the Town may terminate this lease in accordance with Section 4. Exercise of its termination rights does not preclude the Town from pursuing any other right or remedy it may have under law or this agreement, including the right to contract with another party to lease the premises.

19) Notice. Any default or other notice required or permitted by this agreement must be served on either party in writing either by first-class mail or in person at the respective addresses set forth at the beginning of this agreement. Either party shall also use this notice procedure to inform the other of a change of address.

20) Right of Entry. YHC shall permit the Town, its agents or employees to enter the leased premises at all reasonable or necessary times to inspect the premises, to perform work thereon, or to conduct any other activity that is reasonably related to the Town's interest in the premises. When no emergency exists that requires immediate entry, the Town shall make a reasonable effort to provide YHC with oral or written notice at least 24 hours before entry.

21) Warranty of Condition and Inspection. The Town makes no express or implied warranty or representation concerning the existing condition of the leased premises. Prior to January 1, 2015, the Town and YHC will conduct a joint inspection of the office space noting existing damage. Upon completion of the joint inspection of the leased premises, YHC agrees to accept the premises in their present condition and state of repair.

22) Venue and Attorney's Fees. Venue for any litigation between the parties shall be proper only in Gallatin County, Montana. In the event of litigation between the Town and YHC, the prevailing party shall be entitled to all its reasonable costs and attorney's fees incurred during the litigation, both in the trial court and on appeal.

23) Governing Law: This Agreement shall be governed by Montana law.

24) Entire Agreement. This document is the entire agreement between the parties and shall supersede all prior oral or written agreements or understandings. If the parties mutually desire to amend or modify this agreement, then such amendment or modification must be in writing and be signed by an appropriate representative of each party.

25) Successors. This Agreement shall bind YHC's heirs, successors and assigns.

DATED the day and year first above written.

TOWN OF WEST YELLOWSTONE

YELLOWSTONE HISTORIC CENTER, INC.

By: Rebecca Guay, Operations Manager

By: _____

ATTEST:

Elizabeth Roos, Town Clerk