

WEST YELLOWSTONE TOWN COUNCIL
Town Council Meeting
February 4, 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, Chief of Police Gordon Berger, Public Services Superintendent James Patterson, Social Services Director Jack Dittmann, Hebgen Basin Fire Chief Scott Waldron, Assistant Fire Chief Shane Grube, Montana Highway Patrolman Marcus Cook, Sheriff Deputy Matt Stubblefield, Brenda Martin, Sandi Pepler, Grace McCoy, West Yellowstone News Editor, Tom Cherhoniak, Yellowstone National Park Deputies Les Brunton and Julie Hannaford, Assistant Public Services Superintendent David Arnado, Public Services Employee Kurtis Holtzen

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

Portions of the meeting are being recorded.

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

ACTION TAKEN

- 1) Motion carried to approve the claims which total \$110,210.18. (Costello, Parker)
- 2) Motion carried to approve the Consent Agenda which includes the minutes of the January 21, 2014 Town Council Meeting. (Forsythe, Costello)
- 3) Motion carried to approve the new location for Yellowstone Bicycles made by Les McBirnie to move from his current location on Madison Avenue to 21 North Canyon Street. (Forsythe, Parker)
- 4) Motion carried to approve Resolution No. 644 as written, a resolution that establishes a 911 advisory board. (Johnson, Forsythe)
- 5) Motion carried to appoint John Costello to represent the Town Council on the 911 Advisory Board. (Johnson, Parker)

Council Comments

Parker says he attended the community benefit soup dinner for Mac Graham last night and asks Grace McCoy how it actually turned out. McCoy answers that they had approximately 350 people come out and they raised just over \$3500 for the Grahams.

Forsythe says that he asked the Finance Director to total up the final cost for the Town Hall because he had concerns that the public was being misled by the statement at a previous meeting that the building came in under budget. The Town anticipated borrowing \$1.6 million to build the building but only needed to borrow \$1.48 million. Gospodarek added in all the other costs, which included architecture and engineering services, construction manager costs, landscaping, furnishings, fees, etc. and came to a grand total of \$1,794,994.20 for a total building cost, which was \$84,390.80 less than the budgeted project cost of \$1,879,385.

Public Comment Period

No public comment is received.

DISCUSSION

- 1) Parker asks about training for Officer Courtis. Forsythe asks about the debt service payments for the 911 Dispatch Center and the first payment for the Town Hall.

- 4) Mayor Schmier reads Resolution No. 644, a resolution that establishes a 911 advisory board. The Council discusses the resolution and specifically the membership of the board and which entities should be represented. The Council questions whether it is necessary to include representatives from the trail groomers and a wrecker service. They consider including a representative from Search & Rescue. Hebgen Basin Fire District Chief Scott Waldron reports that he did forward this draft to most of the agencies that are listed. He said he also previously talked to Jason Pond on behalf of Search & Rescue and he was comfortable being represented by the Gallatin County Sheriff's Department. Hannaford of Yellowstone National Park points out that there are no dispatchers on the board and thinks that is a glaring omission. Waldron says that the dispatchers are typically the staff support for a 911 advisory board and that is who will organize the meetings. Guay agrees with Waldron. Berger says that he assumed the representative from the Police Department would be a dispatcher but they haven't actually talked about it. Costello asks if it is redundant to have the Operations Manager and a Council Member on the board. The Council considers whether it is necessary but agrees that it has been past practice to have a Council Member on most of the advisory boards. Guay points out that having a council member on the board makes communication and reporting to the council more effective. The Council considers adding a representative from the Department of Livestock and a dispatcher. They also consider not including representatives from the trail groomers and a wrecker service. Waldron says that he doesn't see any problem with including everyone and that after the first month or two, the participation will drop off and some will only attend meetings when there is something that affects them on the agenda. They ultimately agree not to make any changes and leave the resolution as written.

- 5) Costello agrees to serve on the board on behalf of the Town Council on the condition that they don't appoint him to any other boards or committee as he is "meetinged out."

- A) **Advisory Board Reports:** Johnson reports that he got a call from Debbie Alke of the Montana Aeronautics Division and she is sending a draft letter for the Airport Advisory Board and the Town Council to consider signing that asks the US Forest Service to lift the deed restrictions on the airport property. He also reports that the Clothing Bank Ad Hoc Committee has met twice and is working towards a solution for the location of the clothing bank.

- B) **Operations Manager Report:** Operations Manager Becky Guay reports on current issues: **Dance Program** – Katie Ostberg has agreed to teach clogging classes to various age groups as part of the Town's Recreation Program. Our Recreation Coordinator, Brandy Holland, and Ms. Ostberg are holding an open house this evening to gauge interest and answer questions. We will be charging \$35 for the clogging program. We are issuing refunds (on the claims list tonight) to those that have paid for the cancelled dance program. **Police Officer Hiring Process** – The Police Commission has developed a first draft of procedures that will be used to evaluate police officer candidates and have asked the Town Attorney to clarify some issues about the application of open meeting statutes to the hiring process. The Commission will meet again this week or next to complete the procedures. **Dispatch User's Group** – Resolution is on the Council agenda this evening. **Finance Department** – The audit went well last week. Lanie and I will be meeting with them shortly to review the findings. **Management of UPDL** – YHC has submitted their proposal to take over the management of the UPDL. We met with YHC yesterday to discuss the proposal and have forwarded to Councilmembers for review. This item will be placed on the February 18 Council agenda for discussion/action, unless the Council wishes to schedule a work session prior to taking action. **Meeting with**

HBFD – Town staff met with the Chief and Assistant Chief of HBFD today to discuss protective custody and transport issues, staffing, and police and emergency services. The Fire Chief and I will work cooperatively to develop and implement protocols to address transport of persons placed under protective custody and the safety of EMS responders.

Meeting to Discuss Mental Health/Protective Custody Issues – We met with representatives from the Gallatin County Sheriff’s Office, Western Montana Mental Health, Hope House and the Emergency Department at Bozeman Deaconess Hospital to discuss the challenges posed when the West Yellowstone PD transports people to either the Emergency Room or Hope House and it takes many hours to medically clear and/or obtain a mental health assessment by a Mental Health Professional. The group agreed to work together to address these issues so that Town police officers can return to West Yellowstone in a timely manner. **2014 Montana Executive Academy** – I am planning to attend this training for Montana Mayors and City Managers sponsored by MMIA and the Local Government Center in Bozeman on March 5-7. **Clothing Bank Committee** – The Committee is meeting every Tuesday to develop recommendations for the Town Council regarding the future of the clothing bank.

Forsythe questions why Guay didn’t take the Social Services Director or Police Chief or Sergeant with her to the meeting in Bozeman with Gallatin County Mental Health. Guay responds that they were all attending domestic violence training that day and she did not want to reschedule the meeting as it had been scheduled for several weeks.

The meeting is adjourned. (8:15 PM)

Mayor

ATTEST:

Town Clerk

WEST YELLOWSTONE TOWN COUNCIL

Work Session
February 18, 2014

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

OTHERS PRESENT: Social Services Director Jack Dittmann, Finance Director Lanie Gospodarek, Public Services Superintendent James Patterson, Chief of Police Gordon Berger, Yellowstone Historic Center Representatives Ed Geiger, Carol Leasure and Glen Loomis

The meeting is called to order by Mayor Brad Schmier at 12 Noon in the West Yellowstone Town Hall, 440 Yellowstone Avenue, West Yellowstone, Montana

Portions of the meeting are being recorded.

Public Comment Period

No public comment is received.

Mayor Schmier calls the meeting to order and explains that the purpose of the meeting is to discuss the proposal from the Yellowstone Historic Center to operate the Union Pacific Dining Lodge (UPDL). Schmier asks Geiger to start the discussion by highlighting the proposal. Geiger thanks everyone that has been involved in the process thus far. He says that rather than go through the proposal point by point, he thinks they should just discuss it. Copies of the proposal were included in the packet for the work session, that was distributed last week. Glen Loomis asks the group to briefly reflect on history and how they got to where they are. The UPDL is a magnificent historical building that belongs to the Town. Restoration and maintenance of the building is a monumental task and they have been working for years towards this point, which will require significant investment by the Town. The UPDL is the closest thing they have in West Yellowstone to an events center. He says they can't tell now whether the facility can eventually support itself, but he thinks it can. Schmier asks the group if they think turning the facility over to the YHC is a good idea. Parker says that he agrees with the concept, he took the time to talk to the people at the YHC and he thinks there is good possibility of expanding convention activity to that facility. Forsythe he also agrees with the idea but does have some questions. Johnson says he does not think the YHC is ready to take over management of the UPDL. He says that is evident by the amount of assistance the YHC will require and that they essentially need the Town to pay them to operate it. Geiger says that he thinks it is highly unlikely that a non-profit entity could operate it. He says he does not think that allowing a for-profit corporation to take over is the only way it wouldn't require money from the Town. He does not think it is a good idea to turn the facility over to a commercial for-profit. Forsythe asks if there is any kind of obligation by the Town to turn ownership or operation over to the YHC. Loomis says that there is a Memorandum of Understanding between the Town and YHC that indicates they will work as partners. Parker asks if the building is listed on the National Registry of Historic Places. The entire district is listed on the registry. Guay recommends that the Council consider whether they want to maintain the building as a community asset and keep it affordable for community members to use, or do they want it to develop into something more. Schmier says that he likes the idea of removing the responsibility of operating the building from the Town, but he has concerns about the cost. He interprets a spreadsheet prepared by Finance Director Lanie Gospodarek. Operation of the building in FY 2012-2013 cost the Town approximately \$13,225. Its anticipated that if the Town continued to operate the building the cost would go up and potentially include a full-time seasonal employee. Schmier questions how much will the building cost in addition to the \$50,000 the YHC is asking for the first year. Geiger says there will be costs but they will differentiate between maintenance and equipment replacement. He says that if the Town continues to operate the building, it will continue to cost the Town money. If they turn it over to the YHC, hopefully it will eventually no longer be a cost to the Town. He agrees with Guay that the Council needs to decide what they want that building to be. Schmier asks if the general public will interpret this proposal as the Town covering all the costs and the YHC taking all the profits. Geiger says he thinks the building costs the Town more than they think it does, mostly because of man-hours that are spent on the building. Johnson says they also need to remember that previous Councils have made the conscious decision to operate the building the way they have because they wanted to keep it affordable and available to

the community. Costello says that he thinks the cost of operating it by the Town versus giving money to the YHC is essentially a wash. He thinks the idea of getting the building out from under the responsibility of the Town is worth pursuing. Schmier asks if there will be a savings to the Social Services Department or the other departments if the Town no longer operates it. Guay says they would be very minimal, responsibilities would probably be shifted but costs wouldn't necessarily go down. Forsythe says that if you look at it from a business standpoint, it is not a good business deal. They have to decide where they want to be in five years. He suggests they approve the proposal but cut the amount of funding from the Town by splitting the difference between what the YHC requested and what they think it will cost the Town, ie \$39,700 the first year and go down from there. Johnson agrees with Forsythe that this is a business proposal, but if they took it to a bank, it would not be approved. He says that if they want to turn it into a convention center, then yes-they have to turn it over to an outside party and not run it by the town. He mentions the event center feasibility study that was conducted several years ago. The results of the study were essentially that an event center in West Yellowstone would not make it. He acknowledges that the UPDL is more than an event center, but its unlikely it will make it on its own. He also thinks they should consider the wear and tear on the building and doubts that anyone really wants to see it used to its full capacity. Geiger says that they were very conservative with their income projections, but they do think there is potential for using the building more effectively. He says that the current rate structure is not comparable to other venues in the region and illustrates that there was a \$100,000 wedding there this summer that only paid \$600 for the building. He adds that if they are going to charge the comparable rates, they will have to offer more amenities such as included cleaning and more rooms. Guay points out that when the Town operates it, they can at least explain why the rates are low. Geiger says that if keeping the building affordable for locals is a priority, they are not opposed to that because they don't think that will make much of an impact. Patterson says that his concern is what it will cost to renovate the end of the building that would be used for breakout sessions. He says that will cost hundreds of thousands of dollars, they want to have that done by the second year of operation, and want the Town to pay for it. Loomis says that this is a historical building and he doesn't care who takes care of it, as long as it is taken care of. Forsythe suggests that they work out the support funding, but the renovations must be done by the YHC. He acknowledges that if the YHC pulls out, they will be left with the improved space, but that is the risk. Loomis says that they can't do anything without money, and they can't get grants without money, either. Forsythe says that if they have to spend between \$100,000 and \$250,000 to renovate, then where does that money come from? Johnson says they have a Capital Improvement Plan and says that something would have to come off or be delayed on the CIP. Guay agrees and says that they would have to decide between funding these renovations and things like purchasing the 80 acres from the Forest Service and paving streets. Geiger says that the long-term expectation is that when operation starts to be profitable, the money will go back into the buildings. Schmier says that they can either continue to operate the building the way they've been doing it or they can look at this as an opportunity that will eventually benefit both parties. Loomis says he isn't totally confident that they will succeed and there are members of the YHC Board that also have concerns, but he thinks it is a valuable endeavor. Forsythe suggests that the YHC operate the building for one year and then come back to for more funding. He asks if there is any money available in the current budget to operate it. Gospodarek explains that the administrative costs of operating the building in the past was absorbed by the Social Services budget, they did not budget separately for paper, phone, internet, etc. She says that they do expect that the YHC would also absorb some of those costs as they already operate out of an office. Guay explains that there is no money in the current budget for management but they could budget funds in the next budget, but those funds wouldn't be available until after July 1, 2014. To come up with funds this year, the Council would have to amend the budget by holding a hearing, passing a resolution, and taking money from the fund balance. The group considers possible options for gradually or temporarily turning it over to the YHC during this budget year or starting with the next. Johnson says that he agrees with Forsythe's suggestion of starting with just one year. He says he doesn't think they can agree to the five-year plan because they really don't know what the cost will be. Gospodarek questions if the YHC can scale back the proposal for the first couple years and cutdown the costs. Patterson asks if they expect to hire a new person to administer the building and Geiger answers that they do or possibly two separate part-time people. He says they think it is important to have someone on-site during an event to

monitor everything. Forsythe says they can dissect the management plan forever, but he thinks what they need is a reasonable proposal from the YHC to operate it. Costello says that he thinks all the Town is committing to with this proposal is \$50,000, then \$40,000, then \$30,000, then \$20,000 and then \$10,000 over the next five years. Everything over and above those amounts will be part of the budgeting process. Guay calls attention to the Addendum to the proposal, which indicates that they believe they will need to repurpose and renovate the office space and bathrooms before they can realize the anticipated revenues. Geiger says the intention of the addendum is to make sure the Town understands they will be asking, based on grant funding they can obtain, too. Geiger says that if the YHC is not going to take over management of the building, then they are not sure why they are in the building now.

After lengthy discussion, the group agrees that the Council is not ready to take action on this issue tonight and it should probably be tabled. Schmier suggests that the YHC goes back and take a hard look at their administrative expenses. He says he thinks they should be only for this project and they look high. Loomis explains that if the Town presents a counter proposal, they would have to take it back to their board for approval. Carol Leasure says one of the problems with a one-year or shorter term proposal is that will negatively affect their ability to get grants. Guay asks if such grants could be applied for through the Town on behalf of the building but Leasure says no. The group agrees that further discussion is necessary and they will try to accomplish that in the near future.

The meeting is adjourned. (1:55 PM)

Mayor

ATTEST:

Town Clerk

WEST YELLOWSTONE TOWN COUNCIL
Town Council Meeting
February 18, 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, Chief of Police Gordon Berger, Public Services Superintendent James Patterson, Social Services Director Jack Dittmann, Assistant Fire Chief Shane Grube, Assistant Public Services Superintendent David Arnado, Public Services Employee Kurtis Holtzen, Willie Binfet, Doug Buskirk, Glen Loomis, WY Chamber Representatives Marysue Costello, Travis Watt, and Marge Wanner, NPS Ranger Julie Hannaford, Brenda Martin, Bill Howell, Rocky Hermanson, Clark, Yellowstone Historic Center Representative Carol Leasure, Doc Stewart, Grace McCoy, Brian McCoy, WY News Editor, Randy Wakefield, Yellowstone Airport Manager Jeff Kadlec, Benny McCracken, US Forest Service Representatives Cavan Fitzsimmons and Todd Stiles, Bill Howell, Tom Nesbitt, Tom Cherhoniak, Richard & Teri Gibson

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 \$84,721.34. (Parker, Forsythe)
- 2) Motion carried to approve the Consent Agenda, which includes the minutes of the February 4, 2014 Town Council Meeting, the February 14, 2014 Securities Report and Cash Report. (Johnson, Parker)
- 3) Motion carried to table the Management of Union Pacific Dining Lodge by the Yellowstone Historic Center. (Johnson, Costello)
- 4) Motion carried to approve the Police Commission Applicant Evaluation Procedures. (Johnson, Costello)
- 5) Motion carried to authorize Mayor Schmier to sign a letter of support to the Federal Aviation Administration to lift the deed restrictions at the Yellowstone Airport, West Yellowstone Montana. (Johnson, Costello)
- 6) Motion carried to approve the leases for the Groomer Shed and Trailhead building. (Costello, Johnson) See next motion.
- 7) Secondary Motion carried to approve both leases contingent upon approval by legal counsel and authorize Operations Manager to make recommended changes including the removal of Exhibit A from the Groomer Shed lease. (Johnson, Costello)
- 8) Motion carried to rescind Policy 7 and adopt a new policy to include something as follows: A policy for determine the exempt status regarding the collection of the resort tax: all organizations, upon proving to the Town that they are verifiably a not-for-profit organization, (501(c)1-29) shall be exempt from the collection and remittance of the Town's resort tax on fund raising events such as a the sale of admissions and sales at fund raising auctions. Sales of specific merchandise by a local not-for-profit organization, i.e. girl scout cookies, outdoor holiday decorations, etc. that are not sold in local retail establishments, would also be exempt; all other sales of merchandise that are deemed to be in competition with local merchants, shall be taxable. (Costello, Forsythe) Johnson and Schmier are opposed, motion passes.

- 9) Motion carried to **reconsider** the previous motion, Motion #8. (Parker, Forsythe)
Motion passes.
- 10) Motion carried to table the request from the WY Chamber of Commerce to be exempted from Resort Tax Collections. (Johnson, Costello) Parker and Forsythe are opposed,
motion passes.

Council Comments

Greg Forsythe asks the Mayor if there is an opportunity for the Council to approve the minutes of the previous meeting. Mayor Schmier explains that they were already approved as part of the Consent Agenda earlier in the meeting. Forsythe calls attention to the final paragraph of the minutes that address a mental health meeting that Operations Manager Becky Guay attended recently. Guay reported at the meeting that other members of the staff were unable to attend the meeting with her because they were attending domestic violence training. Forsythe states that he has learned that the Chief of Police had pulled a double shift that day to allow Officer McCoy to attend the training and that Sergeant Frank was off duty and out snowmobiling that day. He says that when the Council asks questions in a public meeting, he thinks it is very important that the answers are honest. Operations Manager Becky Guay asks to be excused and leaves the meeting. Schmier cautions Forsythe that there should not be personal attacks in a public meeting. Forsythe says he was only commenting on the content of the minutes. Guay returns to the meeting about five minutes later.

Public Comment Period

Bill Howell requests that Patterson make an effort to smooth out the drop off edges where the alleys intersect the streets.

Glen Loomis says that when he was on the Town Council, they considered the potential acquisition of Forest Service lands multiple times. He says they passed Resolution No. 469 which identified parcels other than the 80 acres that had already been identified by legislation. He says that later they identified an even larger parcel that was adjacent to Town, but that parcel also proved to not be available. He encourages the Town Council to do whatever they can to acquire the available 80 acres and not waste their time looking at other parcels that would require congressional action to become available.

Travis Watt, Snowmobile Events Committee Chair for the WY Chamber addresses the Council and reads an updated letter that pertains to the request on the agenda to exempt the Chamber from Resort Tax Collections.

Following the public comment period, Guay addresses the Council. She says that since she has met Greg Forsythe, she has been treated with disrespect and accused of being untruthful on multiple occasions. She says that it has always been her goal and intent to be as honest and accurate in her reporting as possible. She implores the Council to address Mr. Forsythe's behavior as it is inappropriate. She says that in the particular instance Mr. Forsythe referenced, we only have five police officers. If one of the officers was off duty, she is not going to call them in and pay overtime to attend a meeting that she is more than capable of handling herself. She says she had had multiple conversations with the Chief of Police and Social Services Director about this specific issue. She also points out that Chief Berger was on duty that day because somebody had to police the town. She reiterates that the bigger issue is that she has been repeatedly falsely accused of being untruthful by Mr. Forsythe and that is inappropriate behavior by a council member.

US Forest Service Presentation

District Ranger Cavan Fitzsimmons and Todd Stiles of the Hebgen Basin Ranger District address the Council. Fitzsimmons says that they would like to make an effort, going forward, to communicate better with the Town and report annually every February. Stiles says they want to report to the Council on three specific issues this evening. He says that the Forest Service has identified multiple encroachments on the Forest that are adjacent to Town. They have been working closely with PSS James Patterson and Operations Manager Becky Guay to address

these, mostly for snow storage, and have been quite successful in addressing these encroachments. He also calls attention to a letter from the Gallatin National Forest Supervisor, Mary Erickson, that pertains to non-recreation special use proposals. He says that essentially, the letter indicates the position of the Forest Service is that if an activity can take place on private property, then it should. Fitzsimmons also explains that Gallatin and Custer Forests are currently merging into one Forest.

Stiles and Fitzsimmons explain that their main purpose this evening is to address the potential acquisition of the Forest Service lands that were identified in Sec 333 of the 2004 Federal Appropriations Act. Fitzsimmons emphasizes that this is a very unusual situation and that in his career, he has seen no other opportunities for a direct sale from the Forest Service to a municipality. He emphasizes that without new legislation, the 80 acres west of Town are the only parcels that are available. Fitzsimmons explains that they asked the Town to put together questions about the potential acquisition that they could put before Bob Dennee, Team Leader for the East Side Lands Zone, Northern Region. He briefly describes the background for this project and current situation for selling the land to the Town. He explains that Dennee wants to know by March 15, 2014 whether the Town is interested in proceeding. He says that they pushed hard to get this project into the 2014 Forest Service Work Plan. He says they could ask to push the out a couple years, but it is in the plan for this year. Stiles explains that the Forest Service would like to complete the sale within two years. Stiles explains that once the Town indicates it is ready to proceed, the next step is a Yellowbook appraisal. Guay says that her recent experience was that a Yellowbook appraisal will take several months and questions whether that would extend the two-year deadline. Fitzsimmons answers that it would. Forsythe asks who pays for the appraisal, Stiles answers that the Town would have to pay for it. Costello asks what the current cost for the appraisal is, approximately. Fitzsimmons estimates between \$30,000 and \$40,000. The Town has \$40,000 in the current budget for a Yellowbook appraisal. Stiles addresses the other questions that were raised the by the Council. He explains that if the Town does not purchase the land, the Forest Service does have the right to sell the parcels to a private entity through a competitive bidding process. A private entity could not purchase it through a direct sale. Johnson clarifies that if the Town wants to delay the purchase for a couple years, they would not sell it to a private entity during that time. Fitzsimmons agrees but says they cannot guarantee it would be part of the work plan in the year they want it to be. Schmier asks if the land was sold to a private entity, would there be any protection for the Town's infrastructure or could the new owner demand the Town remove the lift station or water line. Fitzsimmons says he does not know the answer to that. Typically, they try to sell property with the fewest deed restrictions as possible, so that is something they would have to look into. He does emphasize that the Forest Service will protect existing trails and access roads that are part of the property. Stiles and Fitzsimmons describe the existing special use permits for the land. Guay asks if they can push the March 15 deadline back to the end of the March. She points out that they have only one meeting between now and March 15 and this topic will likely will require considerable discussion. Fitzsimmons says he thinks they can accommodate that. Once the appraisal has been accomplished, they will then enter into a binding agreement and the two-year clock will start. Fitzsimmons encourages anyone that has questions to contact himself or Stiles and they will do their best to find the answers.

Fitzsimmons says that the last topic he wants to briefly address is incident response. He mentions the Two Top Fire last summer and suggests that they think about lines of communication. He says things went pretty well, but they can always go better. He suggests they consider a day of training for emergency responders and elected officials so they are better prepared for emergencies.

Guay says that there are no stop signs on the snowmobile trails that come into town from the Old Airport and asks Stiles and Fitzsimmons to look into that.

Doug Buskirk requests permission and states he was not recognized during the Public Comment period. Mayor Schmier allows Buskirk to speak. Buskirk calls attention to the final paragraph on the back of the agenda, a summarized version of Policy 16. He says that he thinks that policy has been violated this evening and requests that that person (Greg Forsythe) be removed from the

meeting by the Chief of Police. As the presiding officer, Mayor Schmier thanks Buskirk for his comment but states that he does not agree. He apologizes for what transpired earlier but encourages everyone to move on.

DISCUSSION

- 3) Forsythe suggests that the staff for the Town Offices put together a proposal on this topic that they could bring to a work session in the near future. He also suggests that the Council members put together proposals that could be discussed at the meeting.
- 4) The Council discusses the Police Commission Applicant Evaluation Process. Forsythe asks if this procedure pertains to only hiring new officers or does it apply to disciplinary hearings or appeals. Guay says that this procedure just applies to hiring new officers. She says that this is what the Council requested the Police Commission work on first and develop these procedures so they can move forward with hiring a new officer. Forsythe asks if they will approve the disciplinary procedures at another time. Guay says that the Police Commission can continue to work on those procedures but she believes that they should also involve the Town Attorney as this board functions as a quasi-judicial board. She says that she will look into it further, but is not sure that the other procedures will require approval by the Council. Richard Gibson and Bill Howell, Police Commission Members, both indicate that they agree with these procedures.
- 5) Johnson explains that for many years, the Yellowstone Airport, operated by the Montana Aeronautics Division, has attempted to get the deed restrictions lifted at the Yellowstone Airport. Lifting the restrictions would enable the airport to acquire more revenue to offset expenses at the airport. Costello asks why this issue is now being considered. Jeff Kadlec, Yellowstone Airport Manager, explains that there have been personnel changes on both sides over the years and failed requests. Lifting of the deed restrictions would allow them to pursue additional revenue and make it more viable to operate as well as improve safety at the facility. He says that the deed restrictions were imposed by the Department of Agriculture, but the authority was passed to the Federal DOT. The request has been published in the January 28, 2014 Federal Register. Any development would still require approval by the Federal Aviation Administration (FAA). Bill Howell suggests that the Chamber of Commerce submit a letter as well. WY Chamber of Commerce Executive Director Marysue Costello indicates that she will send a letter.
- 6) Johnson asks why the lease for the groomer shed specifically identifies the property that the building sits on but not any area around the building. He says they store equipment on Town property around the building and that has been an issue in the past. Mayor Schmier says that has not been much of a problem in the past, but he doesn't know why it is written that way. Guay asks the Council to authorize her to sign the leases after they work out some of the smaller details including confirming insurance coverage. The Council discusses the dimensions of the building and exact parcel that is being leased. Guay says that they will confirm the location.
- 8) The Council discusses the request from the WY Chamber of Commerce to exempt the Chamber from collecting resort tax as a 501(c)6 organization. The issue goes back several years and collection of the tax through the Chamber has been inconsistent. The Chamber maintains that they were never instructed to collect the tax, but the staff from the Town has addressed the issue multiple times with the Chamber. Gospodarek explains that the Finance Office or Operations Manager has not been given authority to exempt resort tax, that only lies with the Council. Both parties agree that the direction has not been clear and that is why it has eventually come before the Council. Costello carries a motion, seconded by Forsythe to rescind Policy 7. The motion passes. Guay clarifies that in the absence of Policy 7, there is now nothing that governs who is exempt and they must now interpret that as nobody is exempt. The group discusses the issue at length. The Council passes a motion to reconsider, to eliminate the motion that rescinded Policy 7. The motion passes. Johnson makes a motion to forgive the Chamber for failing to

collect resort tax on gate admissions in previous years, but the motion fails for lack of a second. Schmier says that by law or by policy, the Chamber is obligated to collect tax on gate entrance tickets

- A) Operations Manager's Report: Operations Manager Becky Guay reports on current issues: **Police Officer Hiring Process** – The Police Commission met and approved a police officer evaluation procedure. The procedure will be submitted to the Council for approve this evening. **911 Advisory Board** – To date, three agencies have agreed to participate on the Board. **Management of UPDL** – Discussions with the YHC were held at today's work session. **HBFD Transport for Individuals in Protective Custody** – The HBFD Board of Trustees denied a request to perform "elective" transports for individuals that have been placed in protective custody. The Police Chief, Social Services Department and I will continue to work with other agencies to develop workable solutions to this issue. **2014 Montana Executive Academy** – I am planning to attend this training for Montana Mayors and City Managers sponsored by MMIA and the Local Government Center in Bozeman on March 5-7. **Clothing Bank Committee** – The Committee is meeting every Tuesday to develop recommendations for the Town Council regarding the future of the clothing bank. The Committee will review its recommendations next Tuesday before submitting them to the Town Council on March 4. **Town Hall Roof** – With the warmer weather that began last week, the roof started leading again. Leaks were observed in the east stairwell, the judge's office and the court clerk's office. Representatives from Dick Anderson Construction are working on the problem today. They are talking about doing some more temperature testing in the "attic" and will probably install some more vents. James thinks that they still might want to consider putting heat tape on the gutters to prevent the icicles from forming and causing the ice jams. Stay tuned . . . **Future Use of Emergency Services Building** – The Mayor, Deputy Mayor and I met with the Fire Chief and members of the HBFD Board of Trustees to begin discussions about the ownership of the Emergency Services Building. The building is under lease to HBFD until January of 2021, however, the Fire District may be interested in purchasing the building. HBFD will provide a non-binding proposal to the Town for discussion purposes in the fairly near future. **CAAT Meeting** – I attended a CAAT meeting last week. The group discussed the multi-group coordination meeting that occurred in January. It was determined that most of the groups represented at the meeting were all working on different areas to improve West Yellowstone. The CAAT's goals are the most similar to the Downtown Improvement District's goals.

The meeting is adjourned. (10:15 PM)

Mayor

ATTEST:

Town Clerk

WEST YELLOWSTONE TOWN COUNCIL

Work Session
February 25, 2014

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

OTHERS PRESENT: Finance Director Lanie Gospodarek, Public Services Superintendent James Patterson, Chief of Police Gordon Berger, Social Services Director Jack Dittmann, WY Chamber of Commerce Representatives Marysue Costello, Cynthia Knapp, Jan Stoddard and Travis Watt; Yellowstone Historic Center Representatives Ed Geiger and Carol Leasure

The meeting is called to order by Mayor Brad Schmier at 12 Noon in the West Yellowstone Town Hall, 440 Yellowstone Avenue, West Yellowstone, Montana

Portions of the meeting are being recorded.

Public Comment Period

No public comment is received.

Mayor Schmier calls the meeting to order and explains that he would like to shuffle the order of the agenda and discuss the request from the West Yellowstone Chamber of Commerce regarding Policy #7 prior to the discussion about the Union Pacific Dining Lodge management. To open the discussion, Schmier asks everyone at the table to indicate whether they agree or disagree with the request to amend Policy #7 to include the Chamber as exempt from resort tax. Everyone at the table, which includes council members, staff, representatives from the Chamber, and representatives from the YHC indicate their opinions. Public Services Superintendent James Patterson asks whether everything the Chamber does could be considered a special event. WY Chamber of Commerce Executive Director Marysue Costello responds that they often are involved with special events, but they only collect admissions during the Snowmobile Expo. Johnson says he doesn't think they need to amend Policy #7, but just address the admissions for the Expo. Finance Director Lanie Gospodarek says that she thinks the original intent of Policy #7 was to exempt fund-raising activities. WY Chamber of Commerce President Cynthia Knapp says that the only difference between a 501(c)3 organization and the Chamber as a 501(c)6 is that the Chamber can lobby the legislature. Johnson adds that TBID is also a 501(c)6. He points out that the other notable difference is that a donation to a 501(c)6 is not tax deductible. Mayor Schmier asks that if the Kids n Snow program grew to the point that they decided they needed to charge an admission to the event, would that be taxed? Costello says he contacted three communities in the area and inquired how this situation would be handled. He says that in Red Lodge and Whitefish, the Chamber is not taxed but in Big Sky they tax everything. He says that at the next meeting, he intends to make a motion that would amend Policy #7 by including language that would exempt the admissions. Costello also shares possible language that could be incorporated into Policy #7 to exempt the admissions. The group discusses differentiating admissions to the Grizzly & Wolf Discovery Center and the Museum as opposed to admissions to the Expo. Travis Watt, Chair for the Snowmobile Events Committee explains that the ticket sales at the Expo tent as well as down at the racetrack are staffed by volunteers. He says that they anticipate difficulties collecting tax at the tent but not the track and putting that responsibility on volunteers. Schmier asks if perhaps they should designate the Snowmobile Expo as a fund-raising event? Council Member Parker asks how has attendance to the Expo been since 2009. Watt answers that it has been fairly flat, weather on Saturday of the weekend being the most significant factor. He says attendance averages around 3500. Parker clarifies some of the details in the letter from Watt that was presented at the last meeting. Ed Geiger asks exempting the admission sales as fund-raising activities, does that not blur the lines for other entities like the YHC and GWDC. Schmier encourages everyone to work together and questions whether they are really just talking about pennies. Knapp emphasizes that Expo is a fund-raising event. She says that it does not support itself and would not be happening if not for fund-raising they have already conducted from local businesses.

The second topic of discussion is the proposal by the Yellowstone Historic Center to manage the Union Pacific Dining Lodge. Mayor Schmier asks if there is any new information on this subject. Operations Manager Becky Guay explains that the Department Heads met this week

and she asked Social Services Director Jack Dittmann to put together a response to the proposal from the YHC. Copies of Dittmann's response are distributed to those in attendance and the group takes a few minutes to read it. Mayor Schmier thanks the staff for the extra information, but states that he does not think it is the Town's responsibility to pick apart the YHC's business plan. Guay says that was not their intent, but to evaluate out the cost of operating the building that is incurred by the Town. Schmier says that looking at the numbers that have been presented, it will cost the Town \$150,000 over the next five years in support for the YHC to operate the building. According to the numbers prepared by the Finance office, it has historically cost the Town between \$26,000 and \$29,000 per year over the last five years. Assuming \$30,000 per year going forward, it will still cost the town \$150,000 over the next five years to operate the building. Guay points out that the addendum to the proposal from the YHC indicates that they need considerable capital support to improve the building and that they will come to the Town for that. At the previous meeting, it was estimated those capital improvements would cost \$200,000 to \$300,000. Geiger explains that they do understand that the building still belongs to the Town and that they will have to ask for money to make that improvements, but they also intend to seek grant funding and funding from other sources. Forsythe says that he had a long conversation with Glen Loomis yesterday, who does understand the budgeting process. He says that having a five-year agreement in place will make it much easier for the YHC to go after funding from other sources. Dittmann says that he has been put in the difficult position of managing the building for the last nine years, but also given the opportunity to be relieved of that responsibility. He cautions the YHC to understand that cleaning and caring for the building will cost more than they think. Johnson says that he has been on the Council since the original agreement with the YHC was signed. He says he has always supported turning the building over to the YHC, but does not want to give them something that is already losing money. He suggests implementing some of the suggestions that have come out of this process, adjusting hours and rates, until the building is at least operating without a loss. Forsythe asks if Social Services would continue to manage it. Johnson says he thinks they should use the Recreation Coordinator to manage reservations and contracts through the winter, and then adjust the staffing plan to include facilities personnel to manage the events during the summer. Schmier says he wants the YHC to take the building over and would like to work toward an agreement, this may not be the right agreement but they can work on that. The group discusses the possible five-year agreement. Schmier says that the current proposal is weighted heavily on the front end, \$50,000 the first year, \$40,000 the second, etc. Forsythe says his concern there is that they could pull out after two years and they will have already used the bulk of the expenses. Dittmann points out that if expenses are really \$30,000 a year, they are really just asking for a \$20,000 stipend the first year, \$10,000 the second year, and then no stipend after that. The group discusses the proposal further but no decisions are made.

The meeting is adjourned. (1:15 PM)

Mayor

ATTEST:

Town Clerk