

WEST YELLOWSTONE TOWN COUNCIL  
**Town Council Meeting**  
**August 2, 2016**

COUNCIL MEMBERS PRESENT: Mayor Jerry Johnson, Brad Schmier, Pierre Martineau, Cole Parker, Greg Forsythe

OTHERS PRESENT: Town Manager Daniel Sabolsky, Finance Director Lanie Gospodarek, Public Services Superintendent James Patterson, West Yellowstone News Editor Jeremy Weber, Carol Leasure, Richard & Teri Gibson, Dave Magistrelli-Habitat for Humanity, multiple community members in support of the art gallery proposal, Jim & Patti Hostetter, Helene Righenour, Terry Marsden, Frank Gaddis,

The meeting is called to order by Mayor Jerry Johnson at 5:00 PM in the 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.

### **WORK SESSION**

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Mayor Johnson calls the meeting to order and explains the first item of discussion is about a proposed art gallery for local artisans in the Union Pacific Dining Lodge. Arnie Siegel addresses the Council and shares some historical knowledge about the evolution of West Yellowstone. Siegel also mentions some successful projects he has worked on including the creation of the West Yellowstone Foundation, the Veteran's Memorial, and improvements to the historical district. He proposes establishing an art gallery for local artisans, which would generate funds for support of the Yellowstone Historic District as well as additional resort tax. He also says he would like to see an increase in the cultural attractions in West Yellowstone. He suggests using the portion of the building that was previously used to offer Social Services as the gallery. Rich Jehle speaks in support of the proposal and support of the arts in general in West Yellowstone. Another artisan asks if the proposal is only for West Yellowstone people or does it include Island Park? Siegel says he has considered including Island Park as they spend a lot of money in West Yellowstone. Carolyn Fox says that she thinks the proposal is a great idea and says it will enhance the Town significantly. The group considers what types of art would be allowed. Siegel says he doesn't think they would include crafts, but once the group is organized they would be able to determine that. Tony Boyd, a local artisan, says that he sells his art to three stores in West Yellowstone and also supports the concept. Karen Kramer says that there really seems to be an interest in establishing an art gallery. Katrina Wiese of the WY Chamber says that they have frequent inquiries at the Chamber/Visitors Center about an art gallery. Council Member Parker asks questions about how the art would be displayed. Siegel responds that they could display the actual piece of art or digital displays. He also discusses use of the building, peak times and winter use. Siegel says they would like to work with the Town to give a portion back to the Town in exchange for use of the space. Schmier asks if the gallery would be run by the Yellowstone Historic Center, but Siegel suggests they form an LLC or follow a co-op model. Forsythe asks what are they asking from the Council. Siegel says they are asking for use of the facility but he has had discussions with Public Services Superintendent James Patterson about remodeling the space. Depending on how that works out, they may approach the Town about assistance with labor on the project. Mayor Johnson says they need to visit with the YHC to decide how work through the sub-leasing prohibition in the lease and he thinks the YHC needs to be an integral part of that. Carol Leasure of the YHC explains that Ed Geiger is going to assist with managing the UPDL on an interim basis. Johnson asks if there will be a fee for the artisans to display their art. Siegel says the group that establishes the gallery will have to work through it but there will probably be a basic participation fee. Johnson suggests a work session to discuss the current lease with the YHC for the building. Forsythe and Schmier express support for the project but point out they do not want to have a negative impact on the staff. Schmier suggests that the group that is in favor of the proposal put together information about how the gallery would be operated and by who as well as what would be the impacts and benefits on the YHC and the Town.

The second item of discussion is the FY 2017 budget. Finance Director Lanie Gospodarek explains that at this time, they are approximately \$29,000 short in the general fund. Johnson says considering that they have not received the taxable valuation from the Department of Revenue, he doesn't think they should spend a lot of time looking for areas to cut in the budget until they know if it is even necessary. The Council members ask multiple questions about the budget. Schmier asks about the increase in cost for benefits in the court. Town Manager Dan Sabolsky explains that they have been advised by the Town Attorney that due to the union contract they are obligated to offer the same level of benefits to covered part-time employees as full-time employees. He also asks about the fuel budget in the Public Services Department and wonders if that amount could be reduced. Forsythe asks if they decided whether to finance the new grader or pay for it in full. Sabolsky explains it is currently in the budget to be paid for in full, but suggests that if they finance it they can put money towards paving an interior park, re-writing the zoning and parking codes with professional assistance, and assistance with the organization of the Planning Board. Gospodarek explains that they can borrow money from Intercap for the purchase of the grader at 1.55%. Schmier also asks specific questions about the cash report and wonders whether they are sitting on too much cash. Gospodarek explains that they are limited on what money can be spent on in areas such as the enterprise funds. She says that they can only keep \$750,000 in the local bank and they move money into STIP (short term investment pool) and back when necessary. Sabolsky explains that the money is dynamic and they move it between financial institutions as required. Forsythe asks how much money has been allocated for Community Health Partners (CHP). Johnson says they have allocated \$100,000 and Forsythe points out they have previously only allocated \$75,000. The Council discusses the fact that CHP has requested \$100,000. Johnson and Martineau indicate that they are in favor of allocating \$100,000. Schmier says that if they are going to receive the same level of service that they have received in the past, then he would only support \$75,000. He says that if the level of service is going to improve, he would support \$100,000. Johnson reminds everyone that the risk share is to offset losses from the previous year. Sabolsky explains that they have not signed a new healthcare services agreement with CHP because they have been working on implementing the details of the approved RFP into the new contract. Sabolsky says that they Health Care Services Advisory Board is meeting next Tuesday to review a draft of the new agreement. Forsythe says that he will go along with the rest of the Council on the allocation, but points out that CHP has been promising to offer x-rays since last fall and they have still not accomplished that. Sabolsky explains that he recently met with Buck Taylor of CHP who explained in details the status of being able to offer the x-ray services. He says that Taylor sent him an email explaining everything and answering those questions and he will forward that to the Council. Schmier says he really wants to remain positive as they move forward into this new contract with CHP. He thinks they need to support the request of \$100,000. Martineau and Parker agree and Forsythe says that is acceptable. The discussion returns to financing the grader and other projects that could be accomplished with the cash that would be available.

The work session is adjourned at 6:25 PM.

#### **ACTION TAKEN**

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- 1) Motion carried to approve the Treasurer's Report and Securities Report dated July 27, 2017. (Martineau, Schmier)
- 2) Motion carried to approve the claims, which total \$114,599.98. (Martineau, Forsythe) Forsythe abstains from #42262.
- 3) Motion carried to approve the Consent Agenda, which includes the minutes of the July 19, 2016 Work Session and Council Meeting. (Martineau, Parker)
- 4) Motion carried to authorize the application for a \$500,000 grant, a CDBG grant from the State of Montana. (Forsythe, Martineau) Johnson is opposed, motion passes.

- 5) Motion carried to approve the Safe Buffalo Selfies and Information Special Event Permit on the lawn of the museum for the dates August 19-21 and 26-28, 2016 on the condition that they do not offer a petition for signatures, there is no protesting on-site, there is no direct solicitation, no sending people to specific businesses, and that clean up the area when the event is over. (Forsythe, Martineau)
- 6) Motion carried to deny the request to waive the resort tax penalties for Yellowstone Aerial Adventures. (Forsythe, Martineau)
- 7) Motion carried to approve the lot aggregation of Block 13, Lots 14-15, made by (Schmier, Martineau)

### **Public Comment Period**

Carol Leasure, Financial Secretary for the Yellowstone Historic Center, thanks the Town for its support at the annual heritage celebration last week. They raised over \$30,000 at the event. She says they are going through some personnel changes and mentions that Ed Geiger will be rejoining their staff to assist with management of the UPDL.

Frank Gaddis introduces himself. He says he works at the Lazy G Motel and asks the Council to consider legalizing golf carts on the city streets, not to include the highways that run through Town. He says that golf carts provide easy access and produce low pollution. He recommends that they do require liability insurance and that the vehicles are street legal.

### **Council Comments**

Council Member Brad Schmier says that he learned at the transportation meeting with Yellowstone National Park that 42% of all the visitors to the park come through the West gate. He thought that was a staggering statistic and explains why the Town is so busy. Martineau says that he has heard at least a half dozen complaints in the last two weeks about the Safelink Internet Service. Sabolsky says that he has personal experience with the problems with the company and says he will place a call. Mayor Johnson mentions that Mary Vaessen, a long-time resident and dispatcher for the town for 18 years, passed away last week.

### **DISCUSSION**

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- 4) Dave Magistrelli of Habitat for Humanity addresses the Council regarding the proposed housing project at 603 Yellowstone Avenue. Magistrelli explains that the action they are asking the Town to take tonight is to apply for CDBG Funding from the State of Montana and apply for a loan for the project from the Montana Board of Housing. He says that this action will not obligate the Town to accept any of the funding. The Town must be the applicant for both the grant and the loan and Habitat will facilitate the process. Schmier asks who will be the owner of the property and Magistrelli responds that the property will become Town property. He briefly summarizes that the building will be overseen by a five-person board and there will be a resident manager. Multiple details about the project are discussed including the building moratorium that is in effect, parking shortage, financing, and maintaining the building. Sabolsky recommends applying for the grant and if they are successful, proceed to the next part of the project. He says they could create a housing authority or 501c3 organization that could move on to other housing projects in the future. Forsythe, who previously owned the building in question, asks why wouldn't they just tear down that building and start from scratch. Johnson says he is not confident the plan will work and he doesn't think it's fair to other property owners that privately build housing. Forsythe says he hates that they are on such a short timeline, the deadline for the grant application is August 22. He says that they need to help the community and move forward to provide more housing. Martineau agrees with Forsythe. Schmier says that if they are not obligated at this point to accept the funding, then they should proceed with the application. Richard Gibson says that there are a lot of unanswered questions with this project, including parking, water supply, insurance, ownership. He says that it sounds like Habitat for Humanity has not done their

homework. Johnson clarifies that they are being asked to apply for a \$750,000 loan from the Montana Board of Housing and a \$500,000 CDBG grant from the State of Montana.

- 5) Mayor Johnson explains the next item on the agenda is a Special Event Application from the Buffalo Field Campaign to erect a large “buffaloon” on the museum grounds to allow tourists to take “safe selfies” and educate the public about safe ways to view Yellowstone wildlife. Carol Leasure of the Yellowstone Historic Center says that their board does not feel like they should support specific businesses. She also says that the lease for the museum does not include the grounds and she believes it is a decision that must be made by the Town. Schmier asks if the BFC will be selling anything or collecting donation. Kara, Office Coordinator for the BFC, addresses the Council and says that they are willing to abide by any restrictions the Town imposes. Schmier asks if they will be collecting donations. Kara says that they have not decided that, but are willing to abide with whatever the Council determines. Forsythe asks if they are going to be asking for signatures on a petition. Johnson says that he doesn’t think they should deny the application but they should consider restrictions. He says he doesn’t think they should promote specific businesses or collect donations. Carol Leasure says she thinks the proposal is a great idea and that actually showing the people how far people should stay away from wildlife in the park. Clarence, the Volunteer Coordinator for the BFC, says that he will likely be at the table. He says the opportunity to reach 42% of the visitors to the park is wonderful and his purpose is to educate the people about the park in general. Teri Gibson says she does not have a problem with the application but agrees they should not make it into a political activity. Kara informs the Council that their printed literature does include a donation envelope and she just wants to be open about that. Forsythe makes a motion to approve, seconded by Martineau. After discussion, the Council agrees to impose conditions and Martineau withdraws his second.
- 6) The Council discusses the request from YAA at length and considers previous action taken by the Council when such requests were denied.
- 7) Jim Donagan, a neighbor to the back of the property says that the owners of the property are very pleasant and wish to build a retirement home. Teri Gibson also voices support for the request.
- A) **Advisory Board Reports:** Teri Gibson reports to the Council on behalf of the Planning Board, which met July 25, 2016. She reports that the board discussed the parking plan for the building remodel on Boundary Street but did not approve the plan because it put some parking on the street. She says that the board would like to request a work session with the Town Council to discuss the cash in lieu for parking program and the role of the Planning Board. Pierre Martineau reports on a meeting he attended recently regarding the status of the West Yellowstone Television District. He says that he was there with two County Commissioners, Jason Pond, and three other community members. He says that they are supposed to provide 4 channels in this area and there are only 2 that work. The equipment to operate the system is very antiquated and they need to determine whether there are enough people and a demand for the service in West Yellowstone. He emphasizes that they need a response from the public in order to maintain and update the system.
- B) **Town Manager & Department Head Reports:** Town Manager Dan Sabolsky reports on current issues. **Water and Sewer Issues:** A week ago, myself and Mr. Dick Dyer met with Mr. Patterson and the water/sewer operators to discuss the future of the Town’s infrastructure. It was very productive meeting and it was quite evident it was long overdue. These meetings will be a regular occurrence. **WYED Consulting Contract – Housing & Public Input Project:**HRDC has purchased a lot in the Madison Addition and are planning on constructing either a four or six plex. They have asked the City for assistance with the project. They will be approaching the Town Council about waiving the tap fees to lower the overall cost of the project. This cost savings will be passed on to the consumers. This project may have to be “on hold” since the moratorium has passed.

Status: In-progress. I received a copy of the Exploratory Smart Growth Plan from WYED. It is the public input document on the 80 acres prepared by Kirsten Goldstein. This document was forwarded to Council for their input and comment. Status: In-progress. I walked through the Daycare building with the engineers and architects to review their design recommendations and cost estimates. The Daycare Project is on the Council Agenda for this week. Status: In progress. **Northern Rocky Mountain Economic Development District (Northern):** Northern hosted a meeting between the Town and members of Big Sky Resort Tax Board. It was a preliminary discussion regarding their intentions to pursue an additional percentage on the Resort Tax. Other topics discussed were housing, infrastructure needs, workforce development, and a potential gas tax. It is anticipated another meeting will be held soon. Status: In progress. Northern assisted the Town in submitting a grant to the State of Montana (Tourism). The grant requested \$100,000 for the construction of a restroom facility along Canyon Street. It would require a match of \$50,000 by the Town. In the Town's CIP budget, the Town budgeted \$100,000. So if we receive the grant, the Town can re-allocate the remaining \$50,000. The staff of Northern met with a number of current and potential Town business owners to offer their assistance with the growth or start-up of their businesses. The meetings went well and there will be follow-up meetings with the participants. Status: In progress. **Mobile Food Vendors:** Last month, the mobile food vendor regulations were approved by Town council. I have been working on the application for a mobile food vendor permit. Status: In progress. **Payroll System:** The Town purchased the Black Mountain payroll software and entered into a maintenance agreement that includes the iCloud capabilities. A number of payrolls were completed on the software and the process is going fairly well. The last payroll was delayed due to some late time sheets and data entries that had to be made for staff raises. The Town had to issue paper checks so employees received their pay. Some modifications have been made to the process to eliminate any future issues. Status: In-progress. **Growth Policy:** The Planning Board has been working on the update to the Town's Growth Policy. I will be cross-referencing the draft of the growth policy and the Montana Municipal Code to ensure all mandated requirements are met. I am almost done with this process. It is anticipated the final draft will be placed on the agenda soon. Status: In-progress. **80 Acre Property:** The National Forest Service is completing the internal procedures to transfer the land to the Town. Once that is completed, the property will be the Town's. Then, the Town will need to annex the property. The Town is working with Fall River and Quest to ensure that these two entities still have "easement rights" that were afforded by Forest Service Special permits. I have provided the necessary information to the Forest Service regarding Fall River and Quest's infrastructure. Recently, the Forest Service discovered that the Route 20 easement was not in the transaction documents. The Town had to sign an amendment to purchase agreement to address this issue. Status: In progress. **Refinance of GO Bonds:** Ms. Gospodarek and Cynthia Weed, our bond counsel, have already started the refinancing process with First Security. Ms. Gospodarek is attempting to get better terms with the bank. Status: In progress. **CHP Contract:** Our legal counsel reviewed the existing contract and some changes were made. The Town and CHP are working on the Attachments for the contract. In addition, the lease has been reviewed and corrections are being made. This week, the document that outlines CHP's scope of services will be reviewed by the Health Care Advisor Board. Status: In progress. **Grader RFP:** Mr. Patterson and myself prepared the RFP packet to acquire a used grader for the Town. Changes were made and the RFP was distributed to regional vendors and published in the local newspapers. The bids were opened and they were within range we expected. Now, the Town will have to decide how to proceed with financing options. Status: In progress. **Town Logo and Signs:** River Dragon Designs has developed a new logo for the Town and it was approved by council. River Dragon Designs is testing how the logo will look on patches and other smaller items. The signs for Town Hall have been ordered. Status: In progress. **Water Conservation Ordinance:** Due to the shortage of potable water, the Town has started the research to draft a water conservation ordinance. We also researching incentives to encourage water conservation. Status: In-progress. **Department Head Evaluations:** I have Lanie Gospodarek's evaluation has been completed and we reviewed it. I have James Patterson's evaluation almost completed. I

also completed my six-month self-evaluation distributed by Jerry Johnson. Status: In-progress. **Legislative Workshop:** I attended a Montana Legislative Workshop hosted by the City of Bozeman. I met with numerous current and potential legislators regarding tools for local governments to address their issues. Met with other managers and legislators from other agencies such as Livingston, Gallatin County, Belgrade, and Gallatin Public Library.

**Town Related Items:**

- Met with Yellowstone Historic Society regarding Betty Richey letter.
- Met with Northern Rocky Mountain Staff.
- Attended Planning Advisory Board meeting.
- Met with Sage Water Software.
- Attended the National Park Service- Transportation and Planning Meeting.
- Met with group on the development of the Amphitheater.
- Met with Barbett Ott of Yellowstone Historic Society regarding changes at the Museum.
- Met with Gallatin County Planning Director, Sean O'Callaghan.
- Interviewed by Morgan McKay, Reporter for KBZK Channel 7.
- Met with Wendy Swenson, Marketing Director for the Chamber.
- Met with representatives from Big Sky Resort Tax.
- Met with Buck Tylor, regarding A/C in the building.
- Met with Stahly & Associates (Engineering).

**Public Events Attended:**

- Attended Yellowstone Historic Center Fundraiser.
- Attended youth function at Pioneer Park.
- Attended Big Sky Music in the Park.

He says that Leah Sherman is working on providing all employees with the opportunity to be trained in First Aid and the first session was held this past Saturday. He also mentions that he attended a legislative workshop in Bozeman with Council Member Martineau regarding potential taxation legislation. He also mentions a meeting they attended in Big Sky last week that was hosted by the Northern Rocky Mountain RC & D and addressed issues such as resort tax expansion, housing, workforce housing. He says that Chief Newell and Editor Jeremy Weber are going to start running an article once a month featuring a specific ordinance and how it affects the community. He says that he submitted a grant to the State of Montana for funding for bathrooms on Canyon Street. He also attended a meeting last week with Yellowstone National Park to discuss transportation issues. He explains that he has been approached by a resident about changing the laws to allow golf carts on the streets. They are working on posting signs to the west of the Povah Center with the intention of eliminating the use of that property as a long-term parking area. He has also been looking into getting a GIS system for the purpose of identifying buried utilities.

Public Services Superintendent James Patterson reports that they had divers in the storage tank last week trying to determine where the water that is leaking is coming from, but they did not find anything. They are looking at other possibilities, but as near as they can tell the water is not coming out of the tank. He estimates they are losing 8000-10,000 gallons per day. They have been working on the park and getting it ready for the Rod Run this weekend. They have also ordered new stop signs to replace all the old signs in town. Gospodarek says that they are almost ready to wrap up the budget for this year. Her next project will be the budget report and then annual audit. She says that they are hoping to work on the business license ordinance soon. The summary judgement for the Playmill litigation has been submitted but they are waiting for a response. Once that is settled they would like to move forward with amending the exemptions from the Resort tax. Social Services Director Kathi Arnado reports on attendance to domestic abuse training, volunteers in the department, and commends her assistant, Leah Sherman, for how quickly she has learned the department and has become a real asset. Chief of Police Scott Newell reports on a particularly busy day which included two deaths of visitors to

the area. He reports on equipment and software upgrades. He and Patterson have agreed that changing out the generator at the department probably does not need to be done right away, a project they expect to cost \$30,000.

Mayor Johnson explains that the Council is going to conduct a six-month evaluation for Town Manager, Daniel Sabolsky. Mayor Johnson asks Sabolsky if he wishes to close the meeting to the public. Sabolsky indicates that he is willing to keep the meeting open to the public. Mayor Johnson explains the rating system they used to evaluate his performance by each Council member on a scale of 1-poor to 5-excellent in multiple areas. In general, all his ratings averaged above average. Each Council member shares some comments and insights about his performance. Sabolsky also completed a self-evaluation form, which Johnson shares with those in the room. The Council discusses specific examples of things that could be improved.

The meeting is adjourned. (10:05 PM)

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Mayor

ATTEST:

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Town Clerk

WEST YELLOWSTONE TOWN COUNCIL  
**Town Council Meeting**  
**August 16, 2016**

COUNCIL MEMBERS PRESENT: Mayor Jerry Johnson, Brad Schmier, Pierre Martineau, Cole Parker, Greg Forsythe

OTHERS PRESENT: Town Manager Daniel Sabolsky, Finance Director Lanie Gospodarek, Public Services Assistant Superintendent David Arnado, West Yellowstone Police Chief Scott Newell, Social Services Director Kathi Arnado, West Yellowstone News Editor Jeremy Weber, Richard & Teri Gibson, Multiple representatives from local Fire and Law Enforcement Agencies, Bob Patzke, Helene Rightenour, Terry Marsden, Lingtao Zhang, Jennifer Jordan, Grant Jackson, other community members.

The meeting is called to order by Mayor Jerry Johnson at 6:30 PM in the Town Hall, 440 Yellowstone Avenue, West Yellowstone, Montana.

Portions of the meeting are being recorded.

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### **WORK SESSION**

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Mayor Johnson calls the Work Session to order to go over the 2016-2017 Municipal Budget. Finance Director Lanie Gospodarek hands out the cash reserve worksheet and Mayor Johnson asks if there are any updates since the last time they discussed the worksheet. Mayor Johnson then asks if anyone on the council has any questions, about any changes or additions implemented in the last 2 weeks. Councilman Schmier asks to go over any changes. Town Manager Sabolsky adds that they have considered recommendations to look at financing a grader. He talked to Intercap and First Security. We could get 1.5% financing and First Security would require a \$350.00 fee, Intercap does not require a fee. He says they would like to pursue this whether it is financed over a period of time or if other options may be looked at. We left \$40,000.00 in that we may use as a down or payment and would like to get add on equipment for various seasonal use. We are also looking at using the \$60,000 we have for the building of a Pavilion and a small shed with an office to be built at the Sewer Lagoon to store equipment and paperwork related to Sewer Lagoon operations said David Arnado. If these are financed, then 3 more projects can be implemented because the cost to finance is minimal. Intercap offered a variable rate and First Security offered a fixed rate. Councilman Forsythe asked if it requires \$50,000 down and Sabolsky answers that yes or that can be applied to the first payment, depending how the loan is structured. Schmier asked if the grader is financed, how much money would that free up. Sabolsky answers that it would free up \$130,000.00 and Gospodarek adds it would be around \$140,000.00. Sabolsky met with all of the Department Heads and they have agreed that the best use of the Capital Funds has been achieved. Schmier asked about the Generator Plant and Sabolsky suggests that it will be part of a future defloridization plant so it isn't being looked at currently. This is a 2-million-dollar plan that is in the Capital Improvement plan. Councilman Parker asked if we will be keeping the old grader and Sabolsky said yes. Mayor Johnson asked if there were any other changes. Gospodarek adds that \$8000.00 has been added for safety equipment.

Mayor Johnson inquires about meters on the Forest Service property and states that didn't we decide to have individual meters instead of one large meter. Lanie clarifies that she did put money in the budget to cover individual meters not one large meter. It was a recommendation from staff to get better readings and would be less expensive to go with individual meters as opposed to one large meter. Mayor Johnson asked council if they had any further questions that hadn't been covered or clarified. All Council Members were satisfied with the budget as written. The work session is adjourned at 6:45 PM. Mayor Johnson asks for a 15-minute break before starting the Town Council Meeting at 7:00 PM.

### **ACTION TAKEN**

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- 1) Mayor Johnson announces that Claims total \$208,876. 64 (Martineau, Parker) Schmier abstains from the claim to Jerry's Enterprises.
- 2) Mayor Johnson moves on to the Consent Agenda dated August 2, 2016 Work Session & Town Council Meeting. (Martineau, Schmier)
- 3) Motion carried to approve the business license for Swan Cleaners. (Forsythe, Martineau)
- 4) Motion carried to approve the new business license for Body Works, LLC. (Martineau, Schmier)
- 5) Motion carried to approve Mike Bryers to the Library Board. (Forsythe, Parker)
- 6) Motion carried to approve the Health Care Services Agreement and Building Lease for CHP. (Martineau, Forsythe)
- 7) Motion carried to approve Parking Plan for 220 Boundary Street. (Martineau, Forsythe)
- 8) Motion carried to approve Resolution #668, a resolution that determine the amount of taxes and setting the mill levy for FY 2017. (Schmier, Martineau)
- 9) Motion carried to approve Resolution #689, a resolution to adopt the FY 2017 Municipal Budget and Capital Improvement Plan. (Martineau, Parker)

### **Public Comment Period**

Mayor Johnson introduces Fred Jones who will give a report on the status of the fires outside of town. Fred reports the yesterday at around 4:30 there was smoke in Yellowstone National Park (YNP) by the Duck Creek area. It is about two tenths of a mile inside the park and took off quickly. Smoke jumpers hiked into the area assisted by the Forest Service. 2 helicopters and planes were on scene obtaining water from Hebgan Lake. Last night ended with around 100 acres involved. This morning 20 more people came Keith said the fire is now about a mile long and is holding south of Cougar Creek. They are doing a lot of saw work to work the fire back into the park. It is currently 350 to 400 acres. Mayor Johnson asks if the road to the Landfill is still open. Fred assures that it is. Additional resources are coming in. Hotshots are coming in under park service management but Forest Service are assisting them. Trying to move it toward Marble fire which stands at 5000 acres. Shane Grube said Hebgan Basin Fire District met with various agencies to coordinate a plan to make sure that the fire continues to move into the park and not toward Duck Creek and Forest Service Land. They have a plan if the fire starts to move toward 287 and Horse butte. The Sheriff's Department said they will assist the Forest Service and other agencies to assist with traffic control of people stopping to take pictures or, if necessary, to warn or evacuate anyone who may be in danger. They are now doing boat patrol so planes have clear access to the lake. Parker asked if they know the origins of the fire. The Sheriff's Department said that it is under investigation and they will report findings of whether it was lightning or human caused. They will do all they can to secure too old 88 scar. They can use retardant on the fires but will avoid this use near Cougar Creek because of riparian life. Here they will use only water if possible. They are using the old airport for their camp. Park has ordered a Public Information Officer (PIO) for just the Boundary Fire. Mayor Johnson asks that they keep up their good communication with the Town. Weather is supposed to cooperate and Mike Wilson of the Park Service met with the PIO who said the Buffalo Complex fire is 350 acres, Fawn Fire is at 1000 acres but all are in monitor status and are doing point protection on some of the structures in the Park. Schmier asks how do we get information on the Maple and Boundary Fires. Inciweb website can give that info to anyone. Hebgan Lake Ranger District will be ever present for information given in a timely manner. They will relay info about smoke and how it isn't affecting tourism. Marysue will send out info on a daily basis that can be downloaded for the chamber website. Mayor Johnson thanks everyone for coming and asks for questions from the public.

### **Council Comments**

Forsythe asks about the roof on the Town Hall and questions if this should go under council comments. Sabolsky adds that he and James have been in dialogue with a company, he believes is called HBAC and the contractor. One will participate but will not eat the whole cost. Sabolsky believes this needs to go all the way back to the architect but they believe they have no responsibility. There are some preliminary numbers to include moving the duct work to the basement. Mayor Johnson asks when did we find out that the current daycare center wasn't going to work for affordable housing. Sabolsky said Pierre and he walked through last week with Stahly Engineering and found out that the garages in the back wouldn't work for apartments and that the foundation wouldn't support the weight and would have to be torn out. Wind shear would be an issue also. Mayor Johnson wants assurance that in the future, we work with engineering firms that will be able to provide solid information before we get too far into a process only to find out it isn't feasible. Councilman Martineau addresses the council about the Little Geysers Daycare Center. He says that they owe the CDBG program about \$15000.00 and in light of their recent difficulties he asks that the Town waive this. Mayor Johnson said it needed to be placed on as an Action item. Councilman Forsythe said daycare and the fires should be the Towns priority right now.

### **Public Hearing: Final Municipal Budget, FY 2017**

Mayor Johnson opens the public hearing on the Final Budget 2016-2017. We do an overview of what we are going to do in 2017 for projects, what our budget is and what our operating budget is for the Town. We passed a Resolution that adopts the mill levy and adopts the Budget and we break that out by General Funds, Special Revenue Funds, Debt Services Funds, Capital Improvement Funds. The General Funds are what are used to run the Town. We expect revenue totals of \$4,245,000. With expenditures of \$4,790,000 that is in addition to the \$300,000 in revenue is in addition to the \$1.5 million held over from the previous year more than cover our expenditures. Special revenues are all of the funds for things like the Library, 911 the community garden are all Special Revenues and we are expecting revenues of \$4.6 million and expenditures of \$7 million. And again there are fund balances that will roll over and are added to the revenues and that is what covers those expenditures. The Debt services fund are only from our General Obligation bond adopted by a vote of the people that covers the Povah Center, our Library purchase and the Save Americas Treasures grant that paid for the windows of the UPDL. We are in the process of refunding that debt service that is currently at a 4% interest rate. We are working with a local bank for a 2.19% interest rate so we will save some money there. The Capital Improvement funds are extensive this year and council has worked with staff and has an extensive list of purchased this year. Our funds are at \$899,000.00 and improvements total \$987,000.00. Most is funded by Resort Tax and the difference is rolled over from the previous year. The Enterprise Funds are the Water and Sewer funds and can only go to these by state law and should support themselves. We just implemented an increase in these funds in anticipation of major projects to our water and sewer systems. The only other funds we have are a Trust Fund the Help Fund that is administered by our Social Services Department. Mayor Johnson asks Sabolsky if he has anything to add. Sabolsky says our priority is the police department is in need of new patrol vehicles, improvements to parks, historic structures, sewer and water lines, and future needs that we are currently saving for. He says they plan to maximize energy savings, street repairs, staffing issues, volleyball court, pavilion, grader, and maintain the existing one, amphitheater, with help from a private citizen. We have moved things out that can wait in order to concentrate on immediate needs. Maybe contract out some work in order to free up staff for ongoing projects. We need to put the public dollars to work for the Public. No public comments are received.

### **DISCUSSION**

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- 3) Mayor Johnson moves on to two Business Licenses. Mayor Johnson asks about Swan Cleaners and that it should only be a simple change of ownership. Gospodarek informs him that the previous owner didn't account for the rental units on his Business License and that the new owners wished to change the apartment in the cleaners its self to an

office. These changes triggered a parking plan review that needed to be approved by Public Works.

- 4) Tidal Movements Body Works, LLC is the next Business License on the agenda. Ashley Nachtagal is moving into Madison Crossing (the old Altius) No fee license because she is licensed by the state. No change in use so there is no parking plan review.
- 5) Mayor Johnson explains that they have two great candidates, Mike Bryers who put his application in in April and a longtime resident and Janae Van Lueween who sent her application in Monday. Van Leeuwen has been a longtime resident also. Forsythe asks if there is only room for 1 Board member and Mayor Johnson said yes. They will be replacing Rocky Hermanson. Mayor Johnson asks that we formally thank all who applied to the Board but Mike has more library experience. That they were two great applicants. He wishes that formal letters of thanks be sent to both candidates.
- 6) The Health Board met and looked over the lease. They wanted to change the wording to give a separate address for the apartment. Direction Buck Taylor was worried about the apartment not being included in the lease. They want the apartment spelled out to be included in the lease. And there was some discussion about the amount attached for rent. To have a legal contract it needed to be a dollar amount. They would like a once a year payment of \$1200.00.
- 7) There needs to be a change to angle the parking the opposite direction than what is drawn on the plan the Council has. Teri Gibson says there are 10 total parking spaces required for remodel. One spot is going away unless they angle the parking. The egress will be to the alley. There are concerns that people will back out to Boundary. Then they will get 1 more parking spot with angling or 10 on property. David will enforce this when they get the Town the correct plan. Li said he would like to use his parking plan as a president for future growth. If someone wants to expand or remodel they should try to provide enough spaces on their own property unless it isn't possible then and only, then can you buy parking in lieu of.
- 8) Resolution # 688 to set the 2016-2017 mill levy. Mayor Johnson reads the Resolution. Schmier asks what does this mean? Gospodarek adds, there is a slight increase in mills. There is a value assessed to each mill. Those mills are assessed against the property so we have a particular amount of revenue that is for the General Fund. That is done for every town in the state. In most communities, that is where the bulk of their money comes from. And you get your information on the taxable value of the property in your town than there is a formula worksheet that assigns a value to each mill. The GO bond component is the vote that was done by the people that funds various projects and the 49 mills is a fixed number of mills that is assessed each year until the debt is paid. The value has gone up because the taxable valuation has gone up the number of mills has gone up. The number we are assessing is 1.2 more than last year. Our mill value is now 5332 Dollars per mill. And that number of mills is coming from the county. The county sets the mill levy but the council has to set the number of mills by resolution.
- 9) Resolution # 689 Adopting the 2016-2017 Budget and Capital Improvement Plan. Mayor Johnson reads the Resolution. Forsythe adds that in the 3 years he has been on the council this is the first year that they have been able to fund all of the projects called for in the Budget and that there is no deficit. Mayor Johnson adds that they were able to do a Budget without chopping too many projects.
- A) **Advisory Board Reports** Parker states that the Health Care Advisory Board met last Thursday to discuss the lease for CHP that will be discussed and approved later in the meeting. Mayor Johnson then asks if there are any other Advisory Board Reports. Teri Gibson said yes and said Planning met August 8<sup>th</sup> to discuss the Boundary Employee Housing request. They asked that the parking be moved to the North side but the parking plan has the parking spaces angled in the wrong direction. The Board asked that the

parking be angled so that they come in on the alley and exit onto Boundary Street. Chipper met and redid the plan so they now have one more parking space.

- B) **Town Manager Report:** Water and Sewer Issues: Met with Jennifer D. Madgic, Regional Director for Senator Jon Testor regarding possible grant funding for our wastewater and water issues. There is a possibility of receiving funding through the Army Corp. of Engineer's program. WYED Consulting Contract – Housing & Public Input Project: HRDC has purchased a lot in the Madison Addition and are planning on constructing either a four or six plex. They have asked the City for assistance with the project. They will be approaching the Town Council about waiving the tap fees to lower the overall cost of the project. This cost savings will be passed on to the consumers. This project may have to be put "on hold" since the moratorium has passed. Status: In-progress. I have been working with Habitat for Humanity on the CDBG grant to develop housing in West Yellowstone. Habitat is making progress on the grant, but the daycare building cannot be used for a large scale housing project. Therefore, Habitat is looking to construct duplexes if property can be located. One possible location could be the Town's property between the Povah Center and Iris Street. Once constructed, these duplexes will be placed in either a housing authority or in a housing trust. Status: In progress. Northern Rocky Mountain Economic Development District (Northern): Northern hosted a meeting with Greg Gianforte to discuss issues facing the Gallatin Valley. This opportunity allowed me to meet other leaders from the region and present West Yellowstone issues to candidate for governor. I had a chance to interact with the Mayor of Ennis. Northern assisted the Town in submitting a grant to the State of Montana (Tourism). The grant requested \$100,000 for the construction of a restroom facility along Canyon Street. It would require a match of \$50,000 by the Town. In the Town's CIP budget, the Town budgeted \$100,000. So if we receive the grant, the Town can re-allocate the remaining \$50,000. Status: In-progress. The staff of Northern has offered to assist potential operators of a day-care prepare a business plan and provide them technical assistance once they are in operation. Status: In progress. Mobile Food Vendors: Last month, the mobile food vendor regulations were approved by Town council. I have been working on the application for a mobile food vendor permit. Status: In progress. Payroll System: The Town purchased the Black Mountain payroll software and entered into a maintenance agreement that includes the ICloud capabilities. Some modifications have been made to the process to eliminate any future issues. Status: Completed. Growth Policy: The Planning Board has been working on the update to the Town's Growth Policy. I have been cross-referencing the draft of the growth policy and the Montana Municipal Code to ensure all mandated requirements are met. In order to develop a new zoning code and subdivision regulations, the scope of the growth policy may need to be expanded beyond what can be done in house. In addition, most consultants will not undertake the updating of the zoning and subdivision regulations without drafting our growth policy. By having the growth policy expanded, the Town can undertake the planning for the 80 acres within that document. Status: In-progress. 80 Acre Property: Recently, the Forest Service discovered that the Route 20 easement was not in the transaction documents. The Town had to sign an amendment to purchase agreement to address this issue. All the documents are at the Forest Service's regional office. Status: In progress. Refinance of GO Bonds: Ms. Gospodarek and Cynthia Weed, our bond counsel, have already started the refinancing process with First Security. Ms. Gospodarek is attempting to get better terms with the bank. Status: In progress. CHP Contract: Our legal counsel reviewed the existing contract and some changes were made. The Town and CHP finished the Attachments for the contract which included a scope of services and the building lease. Last week, CHP's scope of services was reviewed by the Health Care Advisor Board. Their corrections were added to the documents and are on this week's council agenda. Status: In progress. Grader RFP: If approved by Council, staff would like to finance the grader. The interest rates (2.19% or less) are extremely low thus allowing the Town to complete three other items on the Capital Improvement Plan: backhoe plow, park pavilion, and wastewater storage shed. Status: In progress. Town Logo and Signs: River Dragon Designs has developed a new logo for the Town and it

was approved by council. River Dragon Designs is testing how the logo will look on patches and other smaller items. The signs for Town Hall have been ordered. Status: In progress. Water Conservation Ordinance: Due to the shortage of potable water, the Town has started the research to draft a water conservation ordinance. We also researching incentives to encourage water conservation. This week, I am meeting with a water conservation consultant utilized by the City of Bozeman. Status: In-progress. Department Head Evaluations: I have James Patterson's evaluation completed and will be forwarding it to the Mayor and Deputy Mayor for their review. I have asked the Department Heads to complete their evaluations of their staff within the next couple of weeks. The Police Department has an on-going evaluation system built into their standard operating procedures. Therefore, the Police Department will be exempt from this schedule. Status: In-progress. Planning, Development, and GIS: In order to prepare the Town for the future, we need to update the Growth Policy, Zoning Code, Subdivision Regulations, and the Parking Ordinance. So, I have been meeting with consulting firms to gather information about their companies and the services they provide. Once the budget is approved, then the Town retain some firms to revamp these documents. Status: In-progress.

Town Related Items:

- Met with Habitat for Humanity (2).
- Attended the Planning Advisory Board meeting.
- Met with Wendy Swenson, Marketing Director for the Chamber.
- Met with Buck Taylor.
- Met with Jennifer Madgic, from Senator Testor's Office.
- Met with Evan Mathews, Energy West.

Public Events Attended:

- Attended Chamber after Hours.
- Attended Mountain Man Event.
- Attended Meet & Greet with Greg Gianforte.

Mayor Johnson asks David Arnado of Public Work if he has anything to add. David states that James will be out of Town at Safety Training until Friday and we are weed spraying in the Madison Addition and Public Works is trying to finish up in the Park. Mayor Johnson asks if they are spraying in public areas. David said they are spraying in the Madison Addition and some of the Parkways. Mayor Johnson asks for any questions for David. Mayor Johnson asks Finance Director Lanie Gospodarek to report she now has the budget done and the Budget Report is due to the State by the end of September. We are going ahead with the GEO Bond refunding with the bank and bond council. RT audits are the next thing to be done in September/ October then the year end labor management report and audit. Mayor Johnson asks for any questions for Lanie. Mayor Johnson asks Chief Scott Newell for his report. Scott says that he has been working with various agencies on the Fires in and around the National Park. He has had a lot of people come up to him on the street and thank him for his service. One even paid for his Blizzard at the Dairy Queen today. He says they are down to 3 patrol vehicles. 2 vendors are coming August 31 to demonstrate a new joint 911 systems. They are in a RFP for a new CAD system and he would like to thank the Sheriff's Office, MHP, Dept. of Livestock, and Idaho Falls Police for helping on Aug 3 with a stabbing incident. With sheer luck everything turned out well. Mayor Johnson thanks Scott for keeping him in the loop regarding the current fire situation. Social Services Director Kathi Arnado says that Leah is at training in Bozeman with James and that they would pick up a Food Bank Order when they return. The CPR training went really well and that the Fire Department did a great job.

## **CORRESPONDENCE**

People from the Rod Run were very thankful of the Mayor's Choice. Another correspondence received was from Chris Burke about Habitat for Humanity regarding the Fires and what is going on with those. There was a correspondence form a man who was cited for sleeping in the new

parking lot. He disagreed with the citation and asked the Mayor to dismiss it. Mayor Johnson forwarded the letter to Chief Newell so he could inform the writer of the process to have a citation dismissed. Scott has been doing a good job of getting back with all of the people with concerns. Mayor Johnson believes the no overnight parking/camping signs are coming, hopefully this week. There will be a Work Session with the Planning Board August 23, 2016, at 6:00PM. Mayor Johnson would also like to schedule a meeting with Arnie Siegel. Sabolsky would like to schedule a meeting with Habitat for Humanity and invite Dave Magistrelli to talk about the grant and where it is in the process. There will be a couple of Public Hearings for Habitat for Humanity and the CDBG grant application. They will also have a Public Hearing on Signage on Public Property and the Fire Code. They would like to have these on September 6<sup>th</sup> also.

The meeting is adjourned. (8:45 PM)

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Mayor

ATTEST:

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Deputy Town Clerk

## WEST YELLOWSTONE TOWN COUNCIL

### Work Session August 23, 2016

COUNCIL MEMBERS PRESENT: Mayor Jerry Johnson, Brad Schmier, Pierre Martineau, Greg Forsythe, Cole Parker

OTHERS PRESENT: Town Manager Dan Sabolsky, Public Services Superintendent James Patterson, WY News Editor Jeremy Weber

PLANNING BOARD MEMBERS PRESENT: Chipper Smith, SJ Sheppard, Teri Gibson, Bill Howell, Cole Parker

The meeting is called to order by Mayor Jerry Johnson at 6 PM in the West Yellowstone Town Hall, 440 Yellowstone Avenue, West Yellowstone, Montana

#### **Public Comment Period**

No public comments are received.

#### **DISCUSSION**

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Mayor Johnson calls the meeting to order and explains that the first topic of discussion is the Community Development Block Grant application to the State of Montana. Dave Magistrelli of Habitat for Humanity explains that the grant was submitted by the deadline, which was 5 PM yesterday, August 22, 2016. He distributes a fact sheet that summarizes that the application they submitted was for \$450,000 to build two duplexes for a total of four units. The Town is the grant applicant and Habitat will be the developer. The proposed housing units will be operated by a non-profit organization. The housing will be open to anyone earning "80% or less of the AMI as required by the CDBG program," which is basically anyone earning \$50,000 or less per year. He says that they will hold two public hearings in September, as required by the grant. The project will create at least one part-time position for the collection of rent, screening applications, oversee property management, etc. The proposed site for the duplexes is at the corner of Iris and Obsidian, which is Town property. Magistrelli also presents a cost estimate for the entire project that was prepared by Think One architects to be \$1,129,894. He says that they believe the estimate is high and that they can accomplish the project for less and points out some areas that the costs could be reduced such as concrete walkways and landscaping. The Council members asks questions about the site that was selected for the grant application and whether that is an appropriate location considering it is in the historic railroad right of way. Town Manager Dan Sabolsky says that to submit the application, they needed a site but if a different site is identified later on, they can change it. Mayor Johnson suggests they do a little more research and brainstorming and consider alternate locations for the project. He suggests involving community members with historical knowledge about that area. The group discusses details about the project such as what to put in the hearing notices and managing the project. The Council directs Sabolsky to work with staff and a couple Planning Board and Council Members to select a couple different locations for consideration. Chipper Smith says he is meeting with the Yellowstone Historic District Board tomorrow morning and he will mention this proposal, but he does not think it will be well received. Martineau, Smith, Patterson, Sabolsky, and Magistrelli agree to meet tomorrow, Wednesday, August 24, at 2 PM to discuss the issue here at the Town Hall.

The next portion of the meeting is a discussion with the Planning Board on multiple topics. The Planning Board has prepared a list of topics they wish to discuss with the Council. Mayor Johnson first points out that they do have a noxious weeds ordinance in the municipal code. He also explains that the ordinance pertaining to cash in lieu payments for parking was updated in 2010 so that such funds will be kept in a general parking fund and not be block specific. Prior to the adoption of that ordinance in 2010, all funds that were collected must be block specific. Town Clerk Liz Roos explains that the Town's legal counsel at the time was of the opinion that the money that had already been collected must be reserved to be spent in on parking for the block that it was collected. The Planning Board has asked the Council to consider whether the cash in lieu process should be discontinued. Chipper Smith says that it bothers him that new hotels are being designed with inadequate parking because it is cheaper to purchase cash in lieu parking spaces than it is to provide the parking. SJ Sheppard says that as an architect, she is

seeing developers that are designing their projects with the intention of buying all of their parking spaces or designing to provide just the 80%. Johnson questions whether they really have a parking problem. Sheppard says it may not be a big problem yet but they think it will become a problem. Smith says that the only place he thinks it really is a problem is around the Playmill Theater on Madison Avenue in the evenings. He says that causes the patrons to spread out over a couple blocks. Johnson points out that the businesses that those patrons have to walk by to get to the Playmill may not actually consider it a problem. Smith agrees but also points out that the grocery store across from the Playmill probably does think it is a problem. The group debates the issue and considers possible solutions including increasing the cost per space to purchase parking, eliminating the option to purchase parking, or limiting it to just remodels of existing properties. Mayor Johnson suggests that the Planning Board make a recommendation to the Council regarding the cash in lieu for parking process.

Gibson asks the Council to discuss how the Planning Board is managed. She explains that there is not a clear process when it comes to reviewing project applications. The board members explain that they are not sure what action they are expected to take when reviewing applications. Gibson suggests a checklist of items that will be checked by the staff and then another checklist that will be reviewed by the Planning Board. Sabolsky says that he would like to establish a process with the building department and then to the Planning Board.

The meeting is adjourned. (8:00 PM)

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Mayor

ATTEST:

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Town Clerk