

WEST YELLOWSTONE TOWN COUNCIL
Town Council Meeting
July 5, 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, Chief of Police Scott Newell, Social Services Director Kathi Arnado, West Yellowstone News Editor Jeremy Weber, Jeremy Roberson, Jeanine Roberson, Jay Thrift, Andie Withner, Helene Rightenour, Richard & Teri Gibson, Atanas Markov, Ben Anderson, Fire Chief Shane Grube, Randy Wakefield, Mark Petroni, Terry Marsden, Tim Heideman

The meeting is called to order by Mayor Jerry Johnson at 5:30 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-5:30 PM

Mayor Johnson calls the meeting to order. The purpose of the work session is to discuss the enterprise funds and the capital funds for the FY 2017 municipal budget. Finance Director Lanie Gospodarek describes the revenue and proposed expenditures for the water and sewer funds. She explains that she was probably more conservative than necessary when estimating the revenue as she did not take the recently approved rate increases into account. One quarter of the salary for the Deputy Town Clerk/Utility Clerk comes from the water fund and one quarter comes from the sewer funds. Schmier asks about the increase in salary figures and Gospodarek explains she planned for a 3% raise but she will check the math on that line. Notable projects include budgeting for the installation of individual meters on the buildings at the US Forest Service and hydrant repair. She also explains that based on the recommendation from the Town Engineer, they are transferring \$50,000 to a capital fund to be set aside for an eventual water treatment plant. In the sewer funds, they are budgeting \$75,000 for construction of a new IP bed (infiltration/percolation). They are transferring \$100,000 to a capital fund for an eventual sewer plant.

The Council next discusses the capital funds and projects that are planned for the upcoming year. Gospodarek explains that they weren't billed by the end of the year for the new parking lot and sidewalk so the cost of those projects will have to come out of the current budget. She points out that these expenses are not reflected on the cash reserve worksheet. They discuss where the new sidewalk will be funded and agree to add additional funds to the sidewalk fund so there is enough money for other repairs after they pay for that project. Mayor Johnson asks about the proposal to purchase two new police cars. Chief Newell says that they are requesting to replace two cars and describes some of the mechanical problems they are having with the 2010 and 2011 Ford Expeditions as well as the rear-wheel drive Ford Crown Victorias. Johnson also asks Newell to explain the proposal to allow the officers to take home their police cars when they are not on shift. He cites a study from the City of Tacoma that alleges multiple advantages to that approach. Mayor Johnson asks Newell to give copies of that study to the rest of the council members. The Council discusses the proposal to put portable bathrooms in an interior park in the downtown area. Patterson says that Skip from Yellowstone Rental quoted him \$5000/month for the bathroom trailer, which would have to be connected to the water system and they would have to have them pumped regularly. The group estimates it would cost \$50,000 a summer to provide the toilets. Mayor Johnson says he would like to have some buy-in from the merchants in the downtown area before they just fund portable toilets. The Council discusses funding for trail surfacing and lighting/maintaining the area around the bear statue in Grizzly Park. They discuss the sod and sprinkler system for Dunbar park. Schmier says he thinks it is illogical to put in a sprinkler system this year when they don't have enough water to water the grass around town. Forsythe says the estimate is fairly high and then Patterson points out that the National Smokejumper Center is funding half of that project so they reduce the budget from \$25,000 to

\$12,500. The Council discusses the \$50,000 that was proposed to set aside for the Yellowstone Historic Center. Schmier suggests setting a percentage of the resort tax that could be allocated to the Yellowstone Historic Center every year. The Council discusses the proposed used grader. Forsythe says that he has leased a lot of equipment and says that he thinks it often works out better to lease equipment rather than buy. After discussion, Sabolsky says he will do some research on leasing versus buying and share that information with the Council. The Council also discusses applying mag chloride to some interior parks in the downtown area to control dust. They have currently budgeted \$30,000 for this to do the interior parks on the east side of Canyon Street. They discuss street and parkway improvement funds and money that is set aside in those funds. Gospodarek points out the cash reserve worksheet which summarizes where the money is distributed. She explains some changes that need to be made and will provide an updated worksheet now that the last fiscal year has official ended. Schmier says that after watching all the events in the town park over this past weekend, he would like to see them move the picnic pavilion over the old basketball court up to this fiscal year. The Council discusses what they would need to do to make that happen. Patterson indicates he got a number for the cost of the lumber and he will talk to some builders to get a final number to complete the project.

TOWN COUNCIL MEETING, 7 PM

ACTION TAKEN

- 1) Motion carried to approve the claims, which total \$112,667.38. (Martineau, Parker) Forsythe abstains from #42191.
- 2) Motion carried to approve the Consent Agenda as corrected, which includes the minutes of the June 21, 2016 Town Council meeting and June 28, 2016 Town Council Work Session. (Martineau, Parker)
- 3) Motion carried to approve the new business license for Caldera Pizza made by Ben Anderson at 105 S Faithful Street, West Yellowstone, MT. (Martineau, Schmier)
- 4) Motion carried to approve the new business license for High Attitude Wok and Sushi. (Martineau, Forsythe) Schmier abstains.
- 5) Motion carried to waive the resort tax bond for The Cradleboard Gallery and Gifts:Dancing Moose Gifts based on a satisfactory payment history by the owners for another business. (Martineau, Parker)
- 6) Motion carried to approve the change of location for Altius Handcrafted Firearms, not to include the short term rental studio. (Martineau, Forsythe) Motion amended by Greg Forsythe.
- 7) Motion carried to approve Resolution No. 687, as amended, a resolution issuing a moratorium on connections to the Town's fresh water supply system. (Forsythe, Martineau)
- 8) Motion carried to approve the request from BJ Olson of Yellowstone Cabins & RV to plant some trees on the public property adjacent to her property at 504 Highway 20 with the appropriate approval by the Town Manager and submittal of a plan for the tree planting. (Forsythe, Martineau)
- 9) Motion carried to approve the new logo for the Town and to move forward with having the new signs constructed and put up. (Schmier, Martineau) Johnson is opposed.

Public Comment Period

WY Chamber of Commerce Director Marysue Costello publicly thanks the Town and everyone that helped and supported the 4th of July activities. She says the weekend was a great success and they could have never done it alone.

Council Comments

Martineau asks what the next step is toward additional restrooms in one of the interior parks. Mayor Johnson says that they discussed earlier that they would look into the cost of portable toilets and asked Town Manager Dan Sabolsky to do some more research. Council Member Forsythe asks that they revisit the fireworks ordinance, which allows discharge for nearly four days. Schmier thanks the staff for all their hard work, which often goes unrecognized. Mayor Johnson echoes earlier comments about the weekend and adds that they hosted the Big Sky Kids last Thursday, which also could not happen without the help of many volunteers.

DISCUSSION

- 1) Mayor Johnson explains that the total has been reduced by approximately \$4000 because they determined they only needed to make the first payment to the company at this time.
- 3) The Council discusses requiring the appropriate health department permits and whether the building requires a commercial building permit. Patterson says he believes that building was permitted by the Town. They briefly discuss the impact of outdoor cooking attracting wildlife. Ben Anderson, owner of the business, explains that they will bring all the grills inside at night and the brick oven will be locked.
- 4) The Council briefly discusses the parking and determines that the new business is not a change of use.
- 6) The Council discusses whether it is appropriate to include the short-term apartment rental on this license application. After discussion, Town Attorney Jane Mersen recommends making an amendment to the motion to eliminate the short term rental apartment.
- 7) Mayor Johnson reads Resolution No. 687, a resolution establishing a moratorium on connections to the Town's fresh water supply system until it is determined that the Town has sufficient supply to support the needs of the inhabitants of the Town. Mayor Johnson asks Town Engineer Dick Dyer to give a synopsis of the current water supply situation. Dyer explains that the current water supply from Whiskey Springs is reduced for the third year in a row. He explains that they have been watching the output of that spring for 30 years and they have never seen this situation in the past. He says that the spring production at this time is the lowest it has been in three decades. He explains that normal available supply for the spring and railroad well has been 3.4 million gallons per day(MGD). Presently, the available supply is about 1.3 million gallons per day and peak demand is 1.3 MGD. He explains that for the long-term, they anticipate a peak demand of 1.6 MGD and the need to increase the available supply. For a point of reference, they believe a 200 unit motel requires 0.1 MGD. Dyer describes the output from the existing wells in the area. He says that the cost of opening a new spring is approximately \$250,000. He estimates that a fluoride treatment plant would cost over \$1.4 million and a surface treatment plant would be closer to \$2.5 million. He also elaborates that the water certifications for water plant operators would also be required. He says that they did meet with DNRC last week the determined that there are water rights that were filed for the Madison Addition that could be transferred, a complicated procedure. They are also following up with getting the permits for a new well. He says that due to the recent increase in rates, they should be able to fund the drilling of a new well and fluoride treatment plant. Schmier asks if it is possible to increase the output for the Madison Addition wells. Dyer says they explored that when they were developed and he does not think that is likely. Parker asks if they have explored water supply north of Town, pointing out that he knows there is a well at the airport and they have to filter arsenic from that water. Dyer says that according to DNRC, all the water in the basin comes from under the Madison plateau and flows to the northwest. Forsythe asks Costello how many hotel rooms and RV spots are in town. She estimates approximately 2200 hotel rooms and another 250 RV spots. Forsythe says he then calculates that the hotel rooms and RV spaces are using 1.1 MGD. Dyer answers multiple questions from the Council and community members about the water supply and storage. Greg Forsythe says that he

agrees there is a need to restrict commercial building but believes they should still allow residential construction. Town Attorney Jane Mersen recommends that they stipulate a specific water line size and smaller would be permitted. The Council discusses whether they think that kind of a restriction could be skirted. Parker says that he is concerned about being able to support the existing homes and businesses. He says he doesn't have concerns about people that want to build single family homes, but he does not want those single family homes turned into vacation rentals immediately. Schmier says that he feels this is something we have to do. They either have to stop or slow down new construction or tell existing businesses they can't operate at full capacity. The Council discusses the definition of residential and how to appropriately limit building to residential. Sabolsky says that the International Building Code limits residential to 2 units such as a duplex. Patterson says that the Town is authorized to inspect and permit construction up to 4 units. Multiple community members express concerns about the moratorium and possible ways to conserve water. Mayor Johnson asks if Dyer, Patterson, and Sabolsky are comfortable allowing single family residence construction. Dyer says that he is comfortable with that but Patterson indicates that he is not. Patterson says they only issue five or six permits for single family homes per year and says they should just limit everything until next spring. The group debates how to allow single family residences and duplexes but ensure that exemption is not abused.

- 8) The Council discusses the request from Olson to plant trees on public property adjacent to her property to shield the view of her neighbors property. After significant discussion, the Council directs the Town Manager to write up conditions for approval for the request such as watering the trees for two years and providing a plan for the placement of the trees. Olson will be asked to sign a letter of conditions.
- A) **Advisory Board Reports:** Teri Gibson reports on behalf of the Planning Board and explains some ideas they have been working on regarding parking, the cost of cash-in-lieu parking spaces, and even an annual fee for cash-in-lieu spaces. Fire Chief Shane Grube reports that the 911 Advisory Board met last week and are exploring options for upgrading the 911 system. They anticipate releasing an RFP for a new system by August.
- B) **Town Manager & Department Head Reports:** Town Manager Dan Sabolsky reports on current issues: **Water and Sewer Issues:** Attended a meeting, with Dick Dyer and James Patterson, at Montana Department of Natural Resources and Conservation regarding water rights. It seems, with the appropriate paperwork filed, the Town has enough water rights to be able to install a new well. However, getting official permission to do so may take up to nine months. Due to a lack of potable water supply, the staff has been working on a resolution to implement a moratorium on development in the Town. The moratorium will be in effect until a new source of water can be brought on line. **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” if the building moratorium is 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 comments. Status: In progress. **Mobile Food Vendors:** The mobile food vendor regulations were approved by Town council. Status: Completed. **Payroll System:** The Town purchased the Black Mountain payroll software and entered into a maintenance agreement that includes the ICloud capabilities. The Finance Department hosted payroll training sessions on June 8th for Town staff. There was a trial run for payroll in June and there are some “kinks” that need to be worked out with the employees’ time cards. Status: In-progress. **Growth Policy:** The Planning Board has been working on the update to the Town’s Growth Policy. The final draft was sent to the Town’s legal counsel for review. She has completed her review of the document and will

be forwarding the changes. I have received some comments and changes from Council and the general public that need to be made. I am cross referencing the draft of the growth policy and the Montana Municipal Code to ensure all mandated requirements are met. It is anticipated the final draft will be placed on the agenda in July. Status: In-progress. **Police/Dispatcher/ 911 Training:** The Town is part of an RFP with Gallatin County for 911 stations. We are waiting on information from the County on the results of the bidding process. OSS has started working on the policy manuals for the Department. Status: In-progress. **80 Acre Property:** The Town signed the financing documents for the purchase of the 80 acres. 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 land. Status: In progress. **Refinance of GO Bonds:** This transaction will be completed after the purchase of the 80 acres has been completed. In the coming weeks, we will be proceeding with the re-refinancing of the GO bonds. Status: In progress. **CHP Contract:** A meeting was held with Buck Taylor of CHP. The existing contract was reviewed and proposed changes were established. Copies of the existing agreements with CHP were forwarded to our legal counsel. The Town has updated the documents to reflect the proposal submitted by CHP and the Town's requests. The most recent draft of the contract was sent to our legal counsel. I am now working on the attachments for the contract. Status: In progress. **Grader RFP:** Mr. Patterson and myself have prepared the RFP packet to acquire a used grader for the Town. The documents have been reviewed by our legal counsel. Changes were made and the RFP was distributed to regional vendors. The bids were opened and they were within range we expected. Now, the Town will have to decide how to proceed. It has been included in the Status: In progress. **Town Logo and Signs:** River Dragon Designs has developed a new logo for the Town. After some revisions, we have a final version. The logo was send to Town Council for their review. In addition, they assisted us with the design of signs for the Town Hall, Police Station, and Social Services. Preliminary sign designs were also sent out to members of Council for their review. The logo and the signs are on the Council Agenda for the July 5, 2016. 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. **Organizational Development:** Two management initiatives have been started: 1) Performance Management (10 Webinars) from MMIA and 2) The Leadership Challenge - training being provided by Montana State. The initiatives are going well. I have been working with MSU to develop a plan to provide leadership training to all departments and staff members. It is anticipated that a bulk of the training will take place in early November. **Department Head Evaluations:** Two department heads, Chief Newell and Kathy Arnado, have received their annual evaluations. I have Lani Gospodarek's evaluation almost completed. Status: In-progress.

Town Related Items:

- Met with Montana Department of Natural Resources and Conservation.
- Met with Northern Rockies Economic Development Council (1).
- Attended a Chamber Board Meeting.
- Attended a community meeting regarding Pre-School.
- Met with Shane Grube, Hebgen Basin Fire District and Chief Newell about the Fire Code revisions.
- Attended the Town-Union Grievance Arbitrator.
- Attended State of Montana Municipal Budget Training (Three Forks).

Public Events Attended:

- Attended Music in the Park Events (2).
- Attended Fire Department BBQ fundraiser.
- Attended Historic Society's Pie on the Porch.
- Participated in the Fourth of July Parade.
- Attended the Town Fireworks.

Public Services Superintendent James Patterson reports that they received one of the three water tests for the wells in the Madison Addition and it was acceptable. He says his department has been busy with street sweeping, striping, and monitoring the water supply. Finance Director Lanie Gospodarek reports on the transition to bi-weekly payrolls, finishing the financing of the 80 acres. Chief of Police Scott Newell reports on a successful 4th of July weekend but there were four reports of car damage from fireworks. He shares an interesting 911 call from late last night and reports that the department received an award from the Board of Crime Control for timely reporting. Social Services Director Kathi Arnado thanks Social Services Director Leah Sherman for covering while she was on an extended vacation. She reports on changes of use for the food bank and clothing bank and a successful audit of the food bank.

The meeting is adjourned. (10:10 PM)

Mayor

ATTEST:

Town Clerk

WEST YELLOWSTONE TOWN COUNCIL

Work Session

July 12, 2016

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

OTHERS PRESENT: Town Manager Dan Sabolsky, Finance Director Lanie Gospodarek, WY News Editor Jeremy Weber, Richard Gibson, Marin Aurand and Carol Leasure-Yellowstone Historic Center, Buck Taylor-Community Health Partners, Jan Stoddard, Marysue Costello, Gloria Evans, Katrina Wiese, Samantha Smith, Melissa Alder of the WY Chamber of Commerce/Visitor Information Center

The meeting is called to order by Mayor Jerry Johnson at 5 PM in the West Yellowstone Town Hall, 440 Yellowstone Avenue, West Yellowstone, Montana

Public Comment Period

Public Services Superintendent James Patterson says that he has heard nothing but good comments from the public about the new parking lot at Pioneer Park. He has also heard good things about the white lines they added striped on the east/west streets, which helps with traffic. He also says that they intend to stencil the word "Stop" on the streets at the intersections in order to communicate with the international drivers.

Council Comments

Mayor Johnson congratulates Megan Klatt and Nick Slevin, a local couple that got married this weekend.

DISCUSSION

Mayor Schmier opens the meeting and asks each entity that is present to highlight their request for funding for the upcoming budget year. Buck Taylor of Community Health Partners explains that they are requesting funding support up to \$100,000 in risk-agreement funding for 2017. He explains that they have changed their current model for the summer season to reflect a critical care model in order to treat more people on a walk-in basis, which is working quite well but not without some challenges. Forsythe asks if they are offering x-ray services at the clinic yet. Taylor explains that their employee has passed 2/3 of the required testing to become certified. She is taking the final portion of the testing next week and they are optimistic that they will be able to offer that service soon thereafter. Martineau thanks Taylor for their assistance from Community Outreach Coordinator Trish Munn and the good things she has done in the community.

Marin Aurand, Executive Director for the Yellowstone Historic Center presents a list of repair needs for the Oregon Short Line Historic District. She explains that they have identified four items that they believe are high priority including replacing floor covering in the hallways of the Dining Lodge, roof leak between the Mammoth Room and north wing of the Dining Lodge and repair the grade on the west side ADA ramp. She says that grading around the foundation of the Depot (Museum) and concrete repairs on the north porch are also in need. Mayor Johnson says they tentatively set aside \$50,000 for building repairs. Johnson says they would eventually like to replace the floor with in-floor heating tiles. Forsythe says that in-floor heat is one of the most expensive heating sources there is. Johnson explains that the assumption was that they could cover and seal the asbestos tiles that are in the building when the floor heat is installed. Forsythe says that they could seal the floor with concrete and pursue a more economical heating source. Marysue Costello asks what is being done about the bird and squirrel problems in the building. Aurand explains that they have attempted to seal the building to keep such critters out, but it is a common issues.

Mayor Johnson announces the next topic to be the requests from the Chamber of Commerce/Visitors Information Center (VIC). He says that he feels the VIC needs to be supported by the Town, as much as \$50,000 per year. He says that they have reached that point where the VIC is so important to the community that they need to ensure it can operate effectively. He says that he thinks the Chamber of Commerce needs to be supported by the business community. Jan Stoddard explains that they have found that one of the primary

functions of the staff at the VIC is to help visitors find reasons to extend their stay or spend more time in West Yellowstone than they originally planned. She says that searching the web yields specific results but doesn't maximize all the options that are available. Marysue Costello, Executive Director, explains that the VIC is not a stand-alone entity. Stoddard explains that staff is funded from both sources, which has allowed them to share resources in the past. They are asking for \$20,458 to cover staffing and equipment through June 2017. Johnson says he thinks the VIC should be supported by the Town and it would be better if they didn't have to seek funding from other sources such as TBID and the MAP Fund. Stoddard and the other staff members explain that most of them provide functions for both entities, although they are under one roof. Marge Wanner thanks Johnson for his comments and encourages the Council to support the Chamber and VIC. She says it is unbelievable how crowded the building is and how much traffic goes through the building. Schmier clarifies that the budget information that was provided is just to support the VIC. Costello agrees but says the building maintenance costs do probably bleed a little between the VIC and Chamber, but all the other numbers reflect VIC costs. Forsythe asks Stoddard to explain the difference in marketing approaches between the Chamber and TBID. Stoddard explains that the Chamber markets the entire area as a destination and all functions including lodging, restaurants, retail, recreation, etc. TBID focuses exclusively on lodging, as required by state law. Melissa Alder explains that they believe the VIC is even more important during the off seasons and keeping the doors open year round helps them build the year round economy.

Mayor Johnson summarizes that the Chamber is asking for continued support by providing facility and grounds care for the building, support for the 4th of July activities and a cash contribution of \$4000, and event support. Costello agrees and encourages the Council to continue to support the Chamber as they have in previous years.

Mayor Johnson explains that the West Yellowstone Foundation has sent a letter requesting \$15,000 again this year to support the bus program. He says that the operation of the bus is pretty important to a lot of residents. This request is the same as the last couple of years and is currently included in the budget.

The Council briefly discusses other aspects of the budget process.

The meeting is adjourned. (6:00 PM)

Mayor

ATTEST:

Town Clerk

WEST YELLOWSTONE TOWN COUNCIL
Town Council Meeting
July 19, 2016

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

OTHERS PRESENT: Town Manager Daniel Sabolsky, Public Services Superintendent James Patterson, Chief of Police Scott Newell, Social Services Director Kathi Arnado, West Yellowstone News Editor Jeremy Weber

The meeting is called to order by Mayor Jerry Johnson at 5:50 PM in the Town Hall, 440 Yellowstone Avenue, West Yellowstone, Montana. Due to a major power outage in the area, the meeting has been delayed but the Council agrees to proceed as long as there is daylight.

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

WORK SESSION

- A) Mayor Johnson calls the meeting to order at 5:50 PM. Dave Magistrelli of Habitat for Humanity is at the meeting to make a presentation to the Town Council about housing needs in the community. Due to the power outage, Magistrelli is unable to run his power point presentation on the screen but displays it to the Council on his laptop. Magistrelli explains that he is present tonight to move forward with a promise made to the Council in 2014, to provide more affordable housing in West Yellowstone. He explains that they have done a lot of research on housing in West Yellowstone including surveys and cost estimates on multiple properties. They have determined that the project that is most likely to succeed is remodeling of the building at 603 Yellowstone, the current daycare center, into a dormitory like facility to serve seasonal workers. He explains that they have prepared a pro forma and explored multiple funding sources for the project. In order to proceed, they need the town to apply for a loan from the Montana Board of housing, which would have to be secured by the Town, as well as apply for CDBG funds from the State of Montana and the Town Revolving Loan funds. Johnson inquires about the current water shortage and its effect on this project. Magistrelli responds that they will look into drilling their own well for the property as well as only install low flow and water conserving fixtures. He summarizes that in order for this project to work, they will need funding from the Town's revolving loan fund of somewhere between \$45,000 and \$65,000, a loan in the amount of \$750,000 from the Montana Board of Housing, and \$500,000 from the State Community Development Block Grant (CDBG). He says that they will be able to provide housing for 14 single residents in dormitory style accommodations as well as six family apartments, four of which will be in addition to the two existing apartments. They expect the single rooms will rent for \$400/month and the apartments for \$750/month. Teri Gibson asks if the board of directors will be volunteer or paid and Magistrelli responds that they will be volunteers. She also asks who will own the building and he responds that it will be owned by the Town. SJ Shepherd asks if they considered the fact that it is very difficult to keep rental units full year round. Magistrelli explains that they believe the apartments will be full year round, which should make it a viable project. Tom Cherhoniak says that he lives in an apartment building with 36 units and there are only five people that live there year round. Teri Gibson asks about the utilities for the building and how that will be handled year round. Magistrelli explains that they will heat the building year round and the rent from the apartments year round will offset those costs. Johnson asks about parking at the facility. Magistrelli says that they will need help from the Town with parking because they will have limited space. He says that they can provide one to 1.5 spaces for each apartment and are making the assumption that the dormitory units will not require parking.
- B) The Council discusses the budget for FY 2017. Town Manager Dan Sabolsky explains that there are 27 projects on the Capital Improvement Plan that are currently funded in this budget. Johnson says that he has received a couple of emails in support for the toilet at the tennis courts and more toilets in the downtown area. He suggests they approach existing property owners about renting space to the Town to put in bathrooms. He agrees

to leaving \$100,000 in the budget for the project but thinks they need to talk about it some more. WY Chamber of Commerce Marysue Costello clarifies that all the budget requests have been included in the budget at this point. Johnson answers in the affirmative. Brad Schmier says that he thinks they should finance the new grader and use that cash for a public benefit project. He suggests moving the picnic pavilion over the existing basketball court in Pioneer Park up to this year.

TOWN COUNCIL MEETING, 7 PM

ACTION TAKEN

- 1) Motion carried to approve Purchase Order #6674 to DIS Technologies to purchase a surveillance system for the jail for \$10,194.00. (Martineau, Schmier)
- 2) Motion carried to approve the Claims, which total \$228,644.43. (Martineau, Schmier)
- 3) Motion carried to approve the Consent Agenda, which includes the minutes of the July 5, 2016 Town Council Meeting and the July 12, 2016 Town Council Work Session. (Martineau, Schmier)
- 4) Motion carried to approve the amended business license application for Yellowstone Classic Cabins to include the new short-term rental. (Martineau, Schmier)
- 5) Motion carried to accept the recommendations from the Marketing and Promotions Fund Advisory Board to award \$2000 to the West Yellowstone Rod Run for 2016 and \$2200 to the Yellowstone Shootout, Cowboy Mounted Shooting Competition. (Martineau, Schmier)
- 6) Motion carried to approve the release of the Public Safety Software System Request for Proposals (RFP). (Martineau, Schmier)

Public Comment Period

Tom Cherhoniak says he appreciates the new lines on the streets in Town. Patterson suggests painting bike lanes on the streets. The Council advises that he check with Chief Newell and also consider safety for bicyclists.

Council Comments

Pierre Martineau says that the public television system and transmitter on Horse Butte is rapidly becoming very antiquated. He says the County is holding a meeting about it this Thursday at 3 PM at the Povah Center and anyone that is using the system should attend.

DISCUSSION

- 5) Forsythe asks if MAP funds can be used outside the Town limits. John Greve explains that the criteria they follow when awarding funds includes events that have an effect on West Yellowstone. He explains that they do believe the shooting event will have a positive effect on businesses in West Yellowstone.
 - 6) Chief Newell explains that they are ready to release the Request for Proposals (RFP) for a new Public Safety Software System. He says they have been exchanging information with the Montana State Campus Police, who is also releasing a similar RFP. The project will come from 911 funds, Fund 2850. Johnson asks to see the final draft of the RFP when it is ready and asks Sabolsky to proof it. The Council also reads a letter in support of the project from Fire Chief Shane Grube on behalf of the 911 Advisory Board.
- A) **Advisory Board Reports:** Public Services Superintendent James Patterson reports that the Planning Board met last week and continued discussion about parking in town. John Greve, Secretary for the Marketing and Promotions Fund Advisory Board, reports on the

past year of this fund. He explains that they have made changes to the procedures over the past year and studied final reports to determine whether to fund events in the future. He says that the total amount of resort tax contributed to the fund this year came to \$92,151. \$83,600 were awarded to events or projects and their goal is to award as much money as is collected each year. He says they are continuing to market the fund and hope to attract new events and projects. He says they will continue to revise the policies and procedures in order to make operation of the fund easier to manage and benefit applicants. Mayor Johnson mentions a letter he received from the Chair for the Parks & Recreation Advisory Board which expressed support for the proposed toilet vault at the tennis courts on Electric Street and named the project as a top priority.

- B) **Town Manager/Department Head Reports:** Town Manager Dan Sabolsky reports on current issues: **Water and Sewer Issues:** Dick Dyer submitted the preliminary letter to the Montana Department of Natural Resources and Conservation about reallocating water rights. They provided Mr. Dyer with some feedback on his documentation. Mr. Dyer is moving the process along. This week, myself and Mr. Dyer will be meeting with Mr. Patterson and the water/sewer operators to discuss the future of the Town's infrastructure. Due to a lack of potable water supply, the Town passed a resolution to implement a moratorium on commercial development and large scale residential development (3 or more units) in the Town. The moratorium will be in effect until a new source of water can be brought on line. Since the passage of the moratorium, I have had five conversations with developers of hotels, multi-family, and commercial developers. I have informed them, in all probability, that it will be at least three years before the moratorium will be lifted. **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 comments. Status: In progress. **Northern Rocky Mountain Development Economic (Northern):** Mr. Martineau and I attended the quarterly meeting for the group. We presented a summary to the group on what was going on with the Town of West Yellowstone. At this meeting, the Gallatin County Commissioners gave the Town permission to utilize the County's grant writer to research funding opportunities. The Town has received one lead on a potential grant. 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. **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. The first payroll was completed on the software and the process went fairly well. I believe the software will serve the Town well once staff uses the software a few more times. 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. It is anticipated the final draft will be placed on the agenda soon. Status: In-progress. **Police/Dispatcher/ 911 Training:** The Town is part of an RFP with Gallatin County for 911 stations. We are waiting on information from the County on the results of the bidding process. OSS has started working on the policy manuals for the Department. The Town will be putting out an RFP for the CAD/RMS system. In addition, the Town will be purchasing new cameras for the Police Station including the jail. Status: In-progress. **80 Acre Property:** The Town signed the financing documents for the purchase of the 80 acres. 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 land.

The Town is working with Fall River and Qwest/CenturyLink to ensure that these two entities still have “easement rights” that were afforded by Forest Service Special permits. Status: In progress. **Refinance of GO Bonds:** This transaction will be completed after the purchase of the 80 acres has been completed. In the coming weeks after the budget is completed, we will be proceeding with the re-refinancing of the GO bonds. Ms. Gospodarek has already started the process with First Security and our legal counsel. Status: In progress. **CHP Contract:** The existing contract was reviewed and proposed changes were made. The Town and CHP are working on the Attachments for the contract. The Town has updated the documents to reflect the proposal submitted by CHP and the Town’s desires. 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. It has been included in the CIP. 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. 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. **Organizational Development:** Two management initiatives have been started: 1) Performance Management (10 Webinars) from MMIA and 2) The Leadership Challenge - training being provided by Montana State. The initiatives are going well. I have been working with MSU to develop a plan to provide leadership training to all departments and staff members. It is anticipated that a bulk of the training will take place in early November. **Department Head Evaluations:** Two department heads, Chief Newell and Kathy Arnado, have received and signed their annual evaluations. I have Lani Gospodarek’s evaluation has been completed and we reviewed it. I have James Patterson’s evaluation almost completed. Status: In-progress.

Town Related Items:

- Met with WWC Engineering.
- Met with Northern Rockies Economic Development Council (1).
- Attended Planning Advisory Board meeting.
- Met with Randy Roberson and Jeremy Roberson.
- Met with group on the development of the Amphitheater.
- Met Yellowstone Historic Society.

Public Events Attended:

- Attended the Farmer’s Market in Big Sky.

Johnson mentions that he has been questioned about the parking plan that was approved for the remodel of the Days Inn by the Loomis family. He asks Sabolsky to set up a meeting to review the plan and make sure everything is in order. Johnson also says that they need to do an evaluation for Sabolsky. He says that he has asked Sabolsky to do a self-evaluation first and then they will schedule an evaluation session with the Council.

Public Services Superintendent James Patterson reports that Kirk from Dick Anderson Construction has got no response from architect Dale Nelson regarding the roof on the Town Hall. Dick Anderson Construction believes that the heat ducts need to be moved to the basement to correct the problem. Patterson suggests that they make the necessary repairs themselves and let the attorneys fight over who is actually at fault. Forsythe agrees and suggests putting a “cold roof” on the building before winter. Johnson agrees and says that they need to fix the problem now. Sabolsky says he will talk to Town Attorney Jane Mersen about it. Schmier says they should consider the cost of installing a cold roof versus the cost of moving the heat ducts. Patterson says Dick Anderson Construction will get him a price to replace the roof and move the ducts, Forsythe questions whether moving the ducts will actually solve the problem. Patterson also reports that one of the police cars is out of service due to a failure in the motor. He says they have been regularly testing the sewer and the numbers are good. He has been in contact with a roofer about repairing the roof at the Union Pacific Dining Lodge. He also

says he found a source for magnesium chloride (for dust control) in a crystal form, which is half the cost of the liquid form. He says he would like to get some and test it. Morgan Paving will be here on August 23 to fix some issues from the slurry seal process last summer and lay some more. The well in Pioneer Park has been hooked up and they are putting in a manhole for future access to that well. Chief of Police Scott Newell reports that they had their first meeting with OSS, the company that is going to put together the police policies and procedures. He also had opportunity to tour the jail in Mammoth, which makes the Town's jail look very nice. Multiple people from the Police and Fire Departments attended the memorial service for Patrick Kramer in Billings earlier this week. Kramer was a police officer in West Yellowstone that was killed in a car accident responding to a call in 2006. Social Services Director Kathi Arnado reports that she has been working with the Community West Outreach group and attended domestic abuse assistance training. They have been working with a local church to match volunteers up with needy projects. Schmier suggests Arnado work on helping the Council understand the needs of her department. Patterson adds that they will have scuba divers here next week to inspect the water holding tank.

CORRESPONDENCE

Dated July 5, 2016, Barbara Lasseter writes to encourage the Council to amend the fireworks ordinance so they are prohibited from midnight to 6 AM during the days they are allowed to be discharged in Town. Johnson mentions that he received several emails in support of a public bathroom at the tennis courts.

The meeting is adjourned. (8:25 PM)

Mayor

ATTEST:

Town Clerk