

CITY OF COLUMBIA FALLS
CITY COUNCIL REGULAR MEETING MINUTES
HELD NOVEMBER 07, 2022

Councilor Lovering called the meeting to order at 7:00 p.m.

ROLL CALL: Councilor Fisher, Councilor Hamilton, Councilor Lovering, Councilor Piper, Councilor Robinson and Councilor Shepard (via Zoom meeting). Absent: Mayor Barnhart.

Also present: City Manager Nicosia, City Clerk Staaland, City Attorney Breck and Police Chief Peters.

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA: Councilor Robinson motioned to approve the agenda, seconded by Councilor Piper and the motion carried.

CONSENT AGENDA: Councilor Hamilton motioned to approve the consent agenda noting one correction needed on claims, seconded by Councilor Fisher and the motion carried.

Approval of Claims - November 7, 2022 - \$113,750.86, as amended

Approval of October 28, 2022 Payroll - \$138,232.46

Approval of October 17, 2022 Regular City Council Meeting Minutes

NEW BUSINESS:

Award River's Edge Park Repair Contract - Sandry Construction - \$66,290

City Manager Nicosia said the Council is considering the quote from Sandry Construction; without the four trees, for \$66,290. This contract is for the repair of the road, bridges and the floating bridge that were damaged due to spring flooding. The FEMA Public Assistance program pays for 75%.

Councilor Fisher motioned to accept the quote from Sandry Construction and to award the contract in the amount of \$66,290, seconded by Councilor Piper with council voting as follows. Ayes: Fisher, Hamilton, Lovering, Piper, Robinson and Shepard.

Resort Tax Collections Update/Consideration of Late Reporting/Filing Fees

City Manager Nicosia reported that resort tax collections are at 100% of the 22-23 FY budgeted resort tax revenue. The City budgeted \$790,865 based on 21-22 FY collections and dollars received in July 2022; there were several late payments received from previous quarters totaling over \$300,000 in September and October. City Staff researched what other cities have done to avoid late payments as we do not have a late fee/penalty within our Resort Tax Code. Nicosia reported there were over 10 pages of delinquent payments and staff recommends discussing a late penalty or late filing fee to avoid late notices and payments.

Red Lodge instituted a criminal violation (\$1,000 fine) and/or 6 months imprisonment for failing to report and remit resort taxes after a 30 day grace period. Additionally, failure to pay the tax is subject to an 18% per annum penalty in addition to a \$250 penalty and failure to report of \$250, which has reduced late payments. Another city has the same criminal penalty as well as the civil penalty of 10% per annum on delinquent payments. Nicosia believes we should initiate a violation penalty for failure to report and pay the resort taxes in order to decrease delinquent payments to the city.

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Nicosia also presented a tax bill sample reflecting the tax relief as a few residents have called or brought in their their property tax bill wondering how/where the resort tax rebate is reflected on their tax notice, the rebate shows as a negative dollar amount and is labeled "Resort Tax Relief."

Councilor Hamilton asked if the delinquent tax payers would be grandfathered in and not be required to pay the penalty as the fee was not in effect or does it start in the next quarter. Nicosia said an ordinance carries the weight of law and would be effective 30 days after passage and if they are 30 days past due it would apply to them as determined by the dates in the Ordinance. Councilor Piper asked if we are actively seeking out nightly rentals. Nicosia said yes, City staff looks on internet websites and communicate with the County, State and Fire Department on inspections. Piper asked if there was a penalty for them not registering with the city. Nicosia replied not complying with zoning regulations is subject to a \$500 civil infraction.

Councilor Shepard asked if the resort tax late fee was a protest from some of the businesses or did they just not understand the resort tax passed overwhelming. Nicosia said she has not received reports from staff of businesses directly protesting the resort tax. Adoption of the resort tax was covered publicly in the newspapers, on our city website and at City Hall for several months as well as mailed to applicable businesses.

Councilor Fisher asked the reasoning Red Lodge had in order to come up with the 18% penalty. Nicosia said it is the maximum per State Statute.

City Attorney Breck suggested direction from council to discuss and move forward. Councilor Piper said he is for civil penalty but not criminal. Fisher concurred with Piper. Breck said you are collecting a debt they have collected for the city. After discussion it was decided to hold a public hearing at the November 21, 2022 council meeting to formally discuss adding late payment and filing fees and penalties.

REPORTS / BUSINESS FROM MAYOR & COUNCIL

Councilor Fisher said it was good to be back and thanked Council for allowing him time off.

Councilor Shepard said he has done research on digging up at CFAC, he will discuss further in person at the next council meeting.

Shepard said he finds it interesting about the discussion on the resort tax as it was an overwhelming success with the voting populous.

Councilor Lovering followed up with community members that inquired about the 6th St. closure due to construction as it affected some businesses. Nicosia said the contractor gave notice to the apartment tenants, and Public Works Director Hanley spoke to the Foreman of the construction company to give notice to all adjoining property and business owners. The contractor gave notice to the apartment tenants, but not the businesses.

CITY MANAGER REPORT:

Project Updates

Nicosia noted that CR Leisinger is here with Morrison & Maierle and is involved in our EDA project, 10th Ave. EN project, the road construction project, along with working on the down town sidewalk and parking. The Morrison & Maierle Firm is also involved in the Transportation Alternative Grant that is currently being engineered. Those projects are moving along. 5th Ave EN is the water main upsize and is at 90% design and should be right on schedule. We are working with DOT on the railroad issues at 12th Ave West and we want to get the easement with the sidewalk completed; construction will not begin until spring.

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The pickleball, basketball and tennis courts will be closed for the winter. Staff will install snow fencing to keep people off the courts to discourage damaging the courts. The bear proof containers are in place, and we have not had recent complaints on bear activity. Council will have to review if they would like to codify the emergency ordinance as permanent.

There has been no new park vandalism. We are still investigating the motion lights and cameras.

Chief Peters noted that the City is at the tail end of the hiring process and are moving forward with two good officer candidates.

MISCELLANEOUS

Fire Department - October Activity
Correspondence

ADJOURN: Councilor Fisher motioned to adjourn seconded by Councilor Hamilton and the meeting adjourned at 7:44 p.m.

Mayor

City Clerk