

**CITY OF COLUMBIA FALLS
CITY COUNCIL REGULAR MEETING MINUTES
HELD SEPTEMBER 08, 2020**

FINANCE COMMITTEE – 6:30 P.M
(Barnhart, Shepard, Fisher)

REGULAR MEETING – 7:00 P.M.

CALL TO ORDER

ROLL CALL:

Councilor Fisher, Councilor Karper, Councilor Lovering, Councilor Piper, Councilor Shepard and Mayor Barnhart. Absent: Councilor Robinson.

Also Present: City Manager Nicosia, City Clerk Staaland, City Attorney Breck, Police Chief Peters and City Planner Mulcahy.

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA:

Motion made by Councilor Piper, seconded by Councilor Lovering with Council voting as follows. Ayes: Mayor Barnhart, Councilor Fisher, Councilor Karper, Councilor Lovering, Councilor Piper and Councilor Shepard. Absent: Councilor Robinson.

CONSENT AGENDA:

Motion made by Councilor Fisher to approve the consent agenda noting all claims appeared to be in order, seconded by Councilor Shepard. Voting Ayes: Mayor Barnhart, Councilor Fisher, Councilor Karper, Councilor Lovering, Councilor Piper and Councilor Shepard. Absent: Councilor Robinson.

Approval of Claims - September 8, 2020 - \$61,507.61

Approval of Special Claim - August 24, 2020 - \$25.00

Approval of Payroll Claims - September 4, 2020 - \$121,697.95

Approval of Payroll Claims - August 21, 2020 - \$87,252.05

Approval of Payroll Claims - Aug 28 2020 - Clothing Allowance/Special Stipends - \$17,763.02

Approval of August 17, 2020 Regular Council Meeting Minutes

Approval of STEP Agreement between MT DOT and City of Columbia Falls - Oct 1, 2020 - Sept 30, 2021

VISITORS/PUBLIC COMMENT (Items not on agenda)

Ron Role resides at 218 North Hilltop. Mr. Role passed around a copy of the resolution approving conditional use for a gun shop which required dust abatement that was supposed to be done on Patterson Lane by Lew Bonitz. Mr. Role said he visited City Hall and was not satisfied with the responses he received from City Planner Mulcahy and City Manager Nicosia. Mr. Role said he was told the road was oiled, Mr. Role said he called Ureco and they did not oil the road. Mr. Role would like to know what is happening with dust abatement that was included in the conditional use for Mr. Bonitz to operate his gun shop. Mr. Role said he cannot enjoy his back yard due to all the dust.

CITY OF COLUMBIA FALLS CITY COUNCIL REGULAR MEETING MINUTES HELD ON SEPTEMBER 08, 2020

Mayor Barnhart asked if the dust was coming from the gun shop or the gravel business. Mr. Role said there is a gravel business that runs a dump truck and a belly dump that creates a lot of dust, as well as the gun shop traffic at the end of the road. Mr. Role said Mr. Bonitz was supposed to do dust abatement to operate his gun shop and it has not been done.

Tony Edmondson, Branch Manager of the Columbia Falls Library said he was in attendance to update Mayor and Council on how the library is functioning during the pandemic. Mr. Edmondson said they are providing high quality services with limited hours of operation. The Library is making take home kits for the kids, providing road side pickup along with WIFI hot spots, laptops and iPads that can be checked out. Edmondson said they are optimistic and want to stay open as much as they can. Edmondson said on behalf of the library they appreciate everything the City does for the community.

NOTICE OF PUBLIC HEARINGS/PUBLIC HEARINGS:

Mayor Barnhart read the notice:

The Columbia Falls City-County Planning Board held a public hearing for the following item at their regular meeting on Tuesday, August 11th, 2020 at 6:30 p.m. at the Council Chambers of City Hall, 130 6th Street West, Columbia Falls, Montana. The Columbia Falls City Council will hold a subsequent hearing on Tuesday, September 8, 2020 starting at 7:00 p.m. in the same location.

Request to establish a Planned Unit Development in the Columbia Falls Zoning Jurisdiction:

Ruis Holdings 540 Nucleus Ave LLC is requesting an Amendment to their Planned Unit Development overlay for the property located at 540 Nucleus Avenue which was the former Bank of Columbia Falls site. The owner is amending the PUD to remove the planned three story south building and will instead remodel the former bank building instead of removing and replacing with a new building at this time. In addition, the owner is amending the north building to allow ground floor residential condominiums on the back half of the building but retaining retail/office space on the front half ground floor. The PUD is proposing two options for 48 parking spacing to serve the site. Option A would construct below grade parking under the north building. The second option would be to construct at grade parking where the old bank offices were located along 1st Avenue West. As with the original PUD, the building height for the north building will be 42'-8" to the top of the roof. The proposed development otherwise conforms to all of the zoning requirements. The property is described as Lots 1-15, Block 37, Columbia Falls Townsite in Section 8, Township 30 North, Range 20 West, P.M.M., Flathead County.

City Planner Mulcahy delivered staff report CPUD-20-03. The applicant is requesting to amend the approved PUD for the same property with two different options. Option one would be to remove the old drive through bank building and construct a three story mixed-use building that contains 48 Residential Units (30 two bedroom units and 18 studio/one bedroom units) and 7,500 square feet of commercial rental space on the main floor along Nucleus Avenue. There are four fewer residential units in this proposal. The PUD would also allow residential units on the west half of the main floor. The two buildings on the south side of the block would remain but be remodeled to support retail space. This option will also include underground parking with 48 spaces and storage under the proposed mixed use building. The applicant would maintain the 22 existing parking spaces off 1st Ave. West for a total of 70 parking spaces.

Option 2 has the same unit count and retail space in the north building. The difference is the underground parking would be eliminated and instead, the applicant would construct 62 surface parking spaces on the

CITY OF COLUMBIA FALLS CITY COUNCIL REGULAR MEETING MINUTES HELD ON SEPTEMBER 08, 2020

southwest corner of the block. They would do this by removing the old bank office building but retain the southeast bank building.

The applicant is requesting approval of both options so they can conduct the geotechnical studies and cost analysis for each scenario.

The PUD is looking at two items as variances: the first is the height restrictions to allow 37+ feet for the main roof line and 44.5 feet for the elevator tower. Mulcahy noted that this is the same as approved in the original PUD. The second is first floor residential on the north side. The intent of the limitation in CB-4 is to keep ground floor commercial areas active and promote continuity for the retail shopper. The requested deviation only applies to the west half of the building and the structure shows 7,500 square feet of commercial/retail space on the Nucleus Avenue frontage.

Mulcahy said this proposal went to the Planning Board in August and they reviewed it and held the Public Hearing with no public comment or written correspondence. The Planning Board passed the Public Hearing adding condition #17. Safety fencing will be installed around the project during construction.

Mayor Barnhart asked Council if they had any questions for staff. Mayor Barnhart asked if the project is meeting city parking standards. Mulcahy said downtown area does not require parking standards; but we try to encourage some parking for tenants. Councilor Fisher does not recall seeing two different options on the last PUD. Mulcahy said this is the first time to see two options due to the parking.

Aaron Wallace, Montana Creative Architecture and Design said the developer pulled back to reevaluate and realized residential units are in higher demand than commercial units. They also pulled the athletic facility out of the plan as it was not practical to combine the residential units and athletic facility as they learned more about COVID restrictions. Wallace pointed out the two commercial units facing Nucleus Avenue on the 1st floor then we have smaller residential studio units on the backside, facing 5th, with two floors of residential units. The existing bank building will remain an athletic facility at this time. The exterior is the same as presented with the first PUD.

Mayor Barnhart asked Council if they had any questions for the applicant. Councilor Fisher asked Mr. Wallace to confirm the commercial square footage. Mr. Wallace said total is about 7,500 square feet.

City Clerk Staaland said no written public comments were received.

Mayor Barnhart opened the Public Hearing at 7:32 p.m.

Karl Sorenson resides at 210 3rd Ave W. said he believes the units will become nightly rentals. He does not think uptown Columbia Falls should be nightly rentals. Mr. Sorenson said working in the Real Estate business he believes long term rentals would be better suited as they are currently in demand. Sorenson said there are so many places that are doing nightly rentals and we need long term rentals. This project is a good money maker for a lot of people but it is not helping the citizens of Columbia Falls but instead helping the out of state folks for one or two nights.

Mayor Barnhart closed the Public Hearing at 7:35 p.m.

CITY OF COLUMBIA FALLS CITY COUNCIL REGULAR MEETING MINUTES HELD ON SEPTEMBER 08, 2020

Councilor Lovering motioned to Adopt Staff Report CPUD-20-03 as Findings of Fact, second by Councilor Shepard with Council voting as follows. Ayes: Councilor Fisher, Councilor Karper, Councilor Lovering, Councilor Piper, Councilor Shepard and Mayor Barnhart. Absent: Councilor Robinson

Councilor Karper made motion to approve the PUD with said conditions, second by Councilor Shepard with Council voting as follows. Ayes: Councilor Karper, Councilor Lovering, Councilor Piper, Councilor Shepard, Councilor Fisher and Mayor Barnhart. Absent: Councilor Robinson

Public Hearing Continued - Preliminary Budget Hearings Continued until 2020-21 FY Budget is Adopted:
Mayor Barnhart asked Manager Nicosia to continue the budget hearing.

City Manager Nicosia said the City's budget does not change much from year to year except for grants and large projects. This year's large project is the \$2 million well project. We also have several grants that increase the budget: the \$75,000 Transportation Planning Grant in the General Fund and the \$100,000 RTP Grant for River's Edge Park as well as the \$80,000 DOC Tourism Grant for the River's Edge Park Bathroom. Our City has weathered the COVID storm so far and has received \$201,000 in CARES Act funding that will help the City maintain the cash reserve as well as fund the needed capital. Nicosia noted that is prudent to fund projects and one time expenditures with one time grant funds and not on-going expenditures such as staffing. The City has not added staff in this budget nor did we have to lay off any staff due to COVID. Nicosia noted that this budget is built around the resources that we have available to meet our needs. The City Administration will be preparing a comprehensive capital plan for Council adoption this winter. Nicosia stated that the total budget is \$13.4 million. This budget reflects a \$2.3 million increase, approximately a 17% increase from last year, largely due to the Transfers In/out which total \$2,354,001, the most significant transfer is \$1,499,563 from the Water Capital Expansion Fund into the Water Fund to pay for the Well Project. The remaining well costs are funded by a \$675,000 SRF Loan and a \$122,950 RRGL Grant. Nicosia reported that the Transfer from the General Fund into the Capital Funds increased by \$204,000, essentially the CARES Act funding. These reserves include the required grant matching funds and funding for the parks projects, police vehicle replacement, and \$177,000 into the Street Construction Capital Fund. Nicosia reviewed the revenue and expenditure budget graphs for the total budget and the General Fund.

Mayor Barnhart closed the public hearing.

ORDINANCES / RESOLUTIONS:

Resolution # 1829 - Relating to \$675,000 Water System Revenue Bond (DNRC Drinking Water State Revolving Loan Program), Series 2020; Authorizing the Issuance and Fixing the Terms and Conditions Thereof.

City Manager Nicosia said City Attorney Breck, Finance Director Carlson and herself reviewed the resolution prepared by bond counsel and recommend approval.

Councilor Shepard made motion to approve Resolution # 1829, second by Councilor Lovering with Council voting as follows. Ayes: Councilor Lovering, Councilor Piper, Councilor Shepard, Councilor Fisher, Councilor Karper and Mayor Barnhart. Absent: Councilor Robinson

CITY OF COLUMBIA FALLS CITY COUNCIL REGULAR MEETING MINUTES HELD ON SEPTEMBER 08, 2020

Resolution # 1830 - A Resolution of the City of Columbia Falls, Montana, Levying Assessments Upon Property within Special Improvement Districts to Defray the Cost of Said Special Improvement Districts for the Fiscal Year 2020-21.

City Manager Nicosia said this resolution established the 20-21 FY assessments as previously approved by Council during the earlier hearings: Street Lighting District assessment of \$ 30,049 and Street Maintenance District assessment of \$316,000, which is the same as last year.

Councilor Fisher made motion to approve Resolution # 1830, second by Councilor Shepard with Council voting as follows. Ayes: Councilor Karper, Councilor Lovering, Councilor Piper, Councilor Shepard, Councilor Fisher and Mayor Barnhart. Absent: Councilor Robinson

Resolution # 1831 - A Resolution of the City Council of the City of Columbia Falls, Montana, Redefining the Area Included Within the Columbia Falls Street Maintenance District and Method of Assessment

City Manager said this is an annual resolution that reflects any large lot modifications, park land or annexations. There was one adjustment this year in Riverwood Estates large lots.

Councilor Shepard made motion to approve Resolution #1831, second by Councilor Piper with Council voting as follows. Ayes: Councilor Karper, Councilor Lovering, Councilor Piper, Councilor Shepard, Councilor Fisher and Mayor Barnhart. Absent: Councilor Robinson

Resolution # 1832 - A Resolution of the City Council of the City of Columbia Falls, Montana, Setting and Adopting the Mill Levies on All Real and Personal Property Within the City of Columbia Falls; Approving Special Levies for Special Purposes on Property Within the City of Columbia Falls for the 2020-21 Fiscal Year

City Manager Nicosia said as discussed earlier in the meeting during the budget hearing this resolution sets the City mill levies for FY 20/21 at 222.176 mills.

Councilor Karper made motion to adopt Resolution #1832, second by Councilor Lovering with Council voting as follows. Ayes: Councilor Karper, Councilor Lovering, Councilor Piper, Councilor Shepard and Councilor Fisher. Noes: Mayor Barnhart. Absent: Councilor Robinson.

First Reading - Ordinance # 804 - An Ordinance of the City Council of the City of Columbia Falls, Montana, Amending the Columbia Falls Zoning Map to Allow the Development of an Amended Planned Unit Development (PUD) Overlay at 540 Nucleus Avenue Further Described as Lots 1 – 15 of Block 37 Of Columbia Falls Townsite In Section 8, Township 30 North, Range 20 West, P.M.M., Flathead County, Montana

City Manager Nicosia said this is the First Reading of the PUD and staff recommends approval.

Councilor Lovering made motion to approve the first reading of Ordinance # 804, second by Councilor piper and the motion carried.

REPORTS / BUSINESS FROM MAYOR & COUNCIL

Councilor Karper said in regards to the gentleman that addressed the Council earlier, Karper said he has worked with City Manager Nicosia and City Planner Mulcahy for years and has never heard or saw them interacting with anyone negatively, he knows both of them to be professional and courteous.

Councilor Shepard asked who's responsible for the road Mr. Role expressed his concerns. City Attorney Breck said it is a private road and the gentleman that owns the dump truck is not under the requirements of the CUP. The CUP was for the gun business that Mr. Bonitz owns, noting that planning staff reviewed Mr. Bonitz's dust abatement procedures and found them to be in compliance with the resolution approving his CUP. Shepard said the neighbors near Swan Mtn. are concerned that nothing will be done with the road with winter coming. Nicosia said they have a contractor scheduled to complete the project.

Councilor Lovering said a community member asked if the floating bridge was going to be replaced. Nicosia said we would need volunteers to get it fixed. Lovering said another citizen asked about the 4th Ave road abandonment at the train tracks. Nicosia said we are melding that into the City's comprehensive transportation plan. In order to take it to the next level with the FRA, the City will need to contract an engineer.

CITY MANAGER REPORT

City Manager's Report/Update

Parks Committee met and based on the meeting, Dr. Alicia Schwartz said we are not the first to have a problem with cats in the parks. The information they have is establishing a feeding station with selected hours away from people. Ms. Schwartz will come back with additional recommendations specific to River's Edge Park.

The Urban Transportation Advisory Committee held a kick off meeting on August 19, 2020. We will meet again October 15th at the Fire Hall holding two sessions, one at 3:00 p.m. and 6:00 p.m. for the transportation planning.

The Home Serve USA has signed up 198 homes for the water line protection program. This program would cover only the home owner's share of the cost to repair. The City will continue to pay their share of the cost.

The City is still trying to get local VRBO businesses into compliance.

The Municipal Code is on the city website and we are able self-publish here in the office so the online code is updated after the second reading of an ordinance. The adopted ordinance can be signed electronically or manually. The big orange code books will not be printed.

Nicosia presented the completed 2019 FY Financial and compliance audit noting that the City received the highest audit opinion, unqualified and there were no findings of non-compliance, which is what the City strives to achieve every year. Nicosia noted that the auditor did not come and do an exit conference with the Council and present the report herself due to COVID restrictions.

The MLCT annual conference will be held virtual from Oct. 7-9.

The Census participation for Columbia Falls is 53.7 %.

MISCELLANEOUS

Fire Chief's Activity Report

Correspondence

ADJOURN

Councilor Lovering motioned to adjourn, second by Councilor Fisher and the meeting adjourned at 9:11 p.m.

CITY OF COLUMBIA FALLS CITY COUNCIL REGULAR MEETING MINUTES HELD ON SEPTEMBER 08, 2020

Next Scheduled Meetings:

City Council – Regular Meeting, **September 21st** – 7:00 PM

Planning Board – October 13th - 6:30 PM

Mayor

City Clerk