

MINUTES

**McCall City Council
Regular Meeting
April 26, 2007**

AGENDA

Budget Work Session with City Staff
Budget Work Session with Local Option Tax Committee
Call to Order and Roll Call
Public Comment
Council Talk Time
Consent Agenda
Business Agenda
Executive Session
Adjournment

WORK SESSION WITH CITY STAFF

Mayor Robertson called the regular meeting of the McCall City Council to order at 4:00 p.m. Council Member Bailey, Council Member Bertram, Council Member Kraemer, and Mayor Robertson answered roll call. A quorum was present. Council Member Scott was absent.

Staff members present were Lindley Kirkpatrick, City Manager; David Simmonds, Information Systems Manager; Brenda Loftis, Personnel Officer; Fred Quiel, Deputy City Manager/Administrative Services; Linda Stokes, Finance Manager; John Anderson, Airport Manager; Steven Hasson, Planning Manager; Eric McCormick, Golf Superintendent; Allan Morrison, Golf Pro; Anne Kantola, Library Director; Brock Heasley, Parks and Recreation Director; Jerry Summers, Chief of Police; Joanne York, City Clerk.

Each department head briefly described their highest priorities for the FY08 budget. City Council discussed the budget items for each area that they considered most important.

WORK SESSION WITH THE LOCAL OPTION TAX COMMISSION

Members of the Local Option Tax Commission (LOT) joining the work session were Steve Gleason, Chairman; Andrea Butler; Amanda Kirkpatrick; Pat Eames; and Lance Daniels.

City Council discussed with the Commission their priorities for FY08 Local Option Tax (LOT) allotments.

A brief recess was taken.

CALL TO ORDER AND ROLL CALL

Mayor Robertson called the meeting back to order at 6:10 p.m.

Bill Nichols, City Attorney, joined the meeting at this time.

Mayor Robertson led the audience in the Pledge of Allegiance.

PUBLIC COMMENT

Mayor Robertson called for public comment at 6:10 p.m.

Randy St. Clair, asked for the City to pay the judgment against them concerning the Wausau case.

Brock Heasley, Director Parks and Director, introduced Carl Barrett, the applicant for the Parks and Recreation Advisory Committee member.

Hearing no further comments, Mayor Robertson closed the public comments at 6:15 p.m.

Mayor Robertson made several changes to the Agenda:

- 1) AB 07-57, CUP 07-03 for McCall Boat Works, was moved to the last item on the Business Agenda;
- 2) AB 07-76, the Annual Audit Report for FY06, was moved to the first item on the Business Agenda; and
- 3) Council Talk Time was changed to after the Business Agenda.

CONSENT AGENDA

Staff recommended approval of the following items:

- Minutes – March 22, April 12, and April 19, 2007
- Warrant Register printed on April 18, 2007
- Payroll Report for Period ending April 6, 2007
- AB 07-67 Alcohol Beverage Catering Permits
- AB 07-66 Parks & Recreation Committee Member Appointment – Carl Barrett
- AB 07-68 CUP-07-4 Camp Pinewood

- AB 07-73 Assignment and Extension of Tower Lease Agreement, from E-DA-HOE to Plum TV

Corrections were provided for the Minutes. There was some discussion about the Senior Center Lease. Mayor Robertson pulled the Senior Center Lease from the Consent Agenda.

Council Member Bailey moved to approve the Consent Agenda without AB 07-77 Senior Center Lease and AB 07-57 for CUP-07-03, and corrections to the Minutes, and authorize the Mayor to sign all necessary documents. Council Member Bertram seconded the motion. In a roll call vote, all members voted aye and the motion carried.

BUSINESS AGENDA

AB 07-76 Annual Audit Report for FY06

Kevin Smith provided the auditor's annual report for the fiscal year ending September 30, 2006. He said the report gave an unqualified, clean opinion. He said the audit also evaluated the internal control systems and found them to be in good order. He said the manager's analysis and discussion gave a good financial picture of what happened the past year.

Mr. Smith said that Linda Stokes had done an outstanding job throughout the entire audit process and in preparing the Manager's analysis and discussion. He also complimented the City management and the City Council, saying they had done a good job in managing expenses, both this year and last year.

Mr. Smith noted that the City's internal controls were in good order.

Mr. Smith discussed some new auditing standards that were issued this last fall and that would be effective for this current year. He said that one of the changes would be that financial statements should be prepared by management rather than by the auditors, and explained that the purpose for this requirement was to create more separation between management and auditors.

Council Member Bertram asked about the Local Improvement District (LID) 3 for Spring Mountain Ranch. Mr. Kirkpatrick said that the additional funds from the sale of those bonds helped but did not completely solve the problem. There was a discussion of payments left owing for the LID's.

Council Member Bertram asked about the enterprise funds. Mr. Kirkpatrick explained that a large amount of those funds had been used to fund Inflow and Infiltration.

Mr. Kirkpatrick said that this was the third year that the City had received a clean audit report. He noted that for virtually all of last fiscal year, Linda Stokes was the "finance department", and that she deserved all the credit for the good report.

Mr. Smith said it had been a very positive experience to work with both Linda Stokes and Lindley Kirkpatrick.

AB 07-72 Library Advisory Board Annual Report

Anne Kantola, Library Director, introduced Robyn Armstrong, Chairman of the Library Board of Trustees.

Ms. Armstrong introduced Ed Herschberger, Vice-Chairman of the Board.

Ms. Armstrong gave a power point presentation, highlighting achievements during the past year, including new programs.

Council Member Bertram expressed her appreciation to Fred and Judy Drake for finishing the landscaping around the Shortcut Statue.

AB 07-69 Special Use Permit and Concession Agreement with Payette Lake Scenic Cruises

Brock Heasley, Director of Parks and Recreation, introduced the agenda bill, explaining that the Concession Agreement for Payette Lake Scenic Cruises and a Special Use Permit would allow the use of the City of McCall's Boat Launch Docks for the purpose of conducting Scenic Boat Cruises on the Payette Lake. He explained the conditions of the agreement.

Council Member Bertram asked about the 7 p.m. closing time. Mr. Dupree said that he could use his own slip at the marina to take passengers around the lake after 7 p.m.

Mayor Robertson moved to authorize the City Clerk to issue a Special Use Permit to Payette Lake Scenic Cruises for the use of the southerly face of the southernmost dock at the Municipal boat launching ramp near the west end of Fir Street and approve the concession agreement with Payette Lake Scenic Cruises, contingent upon submission of a hold harmless agreement and insurance in favor of the City and authorize the Mayor to sign all necessary documents. Council Member Bailey seconded the motion. In a roll call vote, Mayor Robertson, Council Member Bailey, Council Member Kraemer, and Council Member Bertram all voted aye, and the motion carried.

AB 07-70 Special Use Permit and Concession Agreement with Cheap Thrills

Brock Heasley, Director of Parks and Recreation, introduced the agenda bill, explaining that the Concession Agreement for Cheap Thrills and a Special Use Permit would allow the use of the City of McCall's Boat Launch Docks and a portion of City Beach to conduct Boat and Jet Ski Rentals on the Payette Lake.

Chuck Whitescarver, owner of Cheap Thrills, noted that the start time was changed to 7:30 a.m. and closing not later than 7 p.m. He said his concern was that he did not want to restrict

customers' use of the lake, which included getting machines out of the water, and that the 7 p.m. closing time was restrictive. Mayor Robertson suggested noting that the 7 p.m. was a target time. Council Member Bailey suggested changing the wording to "Customer Operation" hours. Bill Nichols suggested changing the 7 p.m. time to 7:30 p.m.

Council Member Bertram discussed her concerns over limiting the hours on the lake for the businesses. Mr. Nichols said the applicant seemed to be agreeable to a later hour than what was in the agreement, and Council could decide what that time would be.

Shorty Clark, member of the Parks and Recreation Committee, suggested that after the reconstruction of Legacy Beach, that the terms of the agreements be revisited, including long-term concessionaire use.

Council Member Bailey suggested changing 7:00 p.m. to 8:00 p.m.

Council Member Kraemer noted that these hours applied only to hours of operation of a business, and were not restricted to the public.

Mr. Whitescarver asked about wording in the agreement about the area being fenced off during construction, and whether the lease could be extended for a longer period of time. Mr. Nichols said it would be inappropriate to address a long-term lease agreement tonight because it was not an agenda item.

Council Member Bertram said that in the future the Council should consider concessionaire lease agreements on a three-year basis, rather than doing it year to year. Council Member Bailey suggesting revisiting the concessionaire agreements when Legacy Beach reconstruction was nearly completed, rather than waiting until just before the summer season begins next year.

Council Member Bertram said the reconstruction of Legacy Park should provide for the concessionaire use and should be brought up with Urban Renewal.

Council Member Bertram moved to authorize the City Clerk to issue a Special Use Permit to Cheap Thrills for the use of the southerly face of the southernmost dock at the Municipal boat launching ramp near the west end of Fir Street and a portion of the City Beach and approve the concession agreement with Cheap Thrills with one revision, adding "Customer Operation" to page one of the Use Agreement, paragraph three, and contingent upon submission of a hold harmless agreement and insurance in favor of the City, and authorize the Mayor to sign all necessary documents. Council Member Bailey seconded the motion. In a roll call vote, Council Member Bertram, Council Member Bailey, Mayor Robertson, and Council Member Kraemer all voted aye, and the motion carried..

AB 07-75 Special Use Permit and Concession Agreement with Gravity Sports

Brock Heasley, Director of Parks and Recreation, introduced the agenda bill for Gravity Sports, explaining that the Concession Agreement for Gravity Sports and the Special Use Permit would

allow the use of the City of McCall's Boat Launch Docks and a portion of City Beach to conduct Kayak and Canoe Rentals on the Payette Lake.

Mr. Heasley also noted that due to major construction at Legacy Park this summer the 200 feet of watercraft beach area would be fenced off to accommodate watercrafts and beach goers.

Council Member Bailey moved to authorize the City Clerk to issue a Special Use Permit to Gravity Sports for the use of the southerly face of the southernmost dock at the Municipal boat launching ramp near the west end of Fir Street and a portion of the City Beach and approve the concession agreement with Gravity Sports, contingent upon submission of a hold harmless agreement and insurance in favor of the City and authorize the Mayor to sign all necessary documents. Council Member Bertram seconded the motion. In a roll call vote, Council Member Bailey, Council Member Bertram, Council Member Kraemer, and Mayor Robertson voted aye, and the motion carried.

AB 07-71 Investment Policy

Fred Quiel introduced the Investment Policy. He said the policy was focused primarily on safety of investments. He said it might be prudent to look at other vehicles for investment that might bring a greater return while still maintaining safety for the investments.

Mayor Robertson asked how to maximize the efficiency of the City's cash management system, referring to the first sentence of the policy. Mr. Quiel said that statement referred to the fact that the efficiency will be impaired without an investment policy.

Mayor Robertson noted that on page three, Return of Investment, the wording should be corrected to read, "best rate" of return and asked that the wording be revised accordingly.

Council Member Bailey asked that pagination be provided.

Council Member Bailey questioned whether the scope should include the urban renewal funds. Mr. Kirkpatrick said he believed those funds were categorized as proprietary funds. Mayor Robertson asked that the wording, "(to include urban renewal funds)", be added.

Council decided that more time was needed to prepare this document in final form, and tabled it until May 10.

AB 07-57 CUP-07-03 McCall Boat Works

Steve Hasson presented the agenda bill and noted that the Council had received a copy of emails from him, Council Member Bailey, Michelle Groenevelt, and Mr. Kirkpatrick, expressing concerns about the conditional use permit.

Mr. Hasson said McCall Boat Works was owned by Don Hardy and had been at this location for quite some time. There was a lengthy discussion concerning the background of the business and why it was located in a residential area, which was a nonconforming use, and how to appropriately address that issue without setting precedence.

Mr. Nichols explained that technically there needed to be a public hearing. He also said that the Council should not act upon the letters of complaint without Mr. Hardy having the opportunity to address Council and respond to the complaints. He recommended that Council defer any action on the conditional use permit application and schedule a public hearing on the Council level.

Council agreed to table it and bring it back as a public hearing.

AB 07-77 Senior Center Lease

Mayor Robertson discussed the terms of the lease, specifically which would be the responsibilities of the City and which would be those of the Senior Center.

Council Member Bertram said that the City pays money to the County which goes to help fund the Senior Center in Cascade, but the County does not contribute to the McCall City Senior Center. Mr. Kirkpatrick said the City contacted the Senior Center Board about two years ago, asking if they wanted to be part of the County's complex near the Annex on Deinhard Lane. The Board replied that they wanted to remain in their present location. He further explained that the Senior Center was included in the City's facility plan for the City Campus which allowed for some expansion of programs.

Mayor Robertson asked that Mr. Kirkpatrick meet with a contingency of the Senior Center and go over expectations of the lease agreement to see if there was agreement to the terms.

Council agreed to table this agenda bill to allow time for discussion with the Senior Center representatives.

COUNCIL TALK TIME

Mayor Robertson mentioned that he had been asked if the golf course could offer special rates specifically for local residents.

Mayor Robertson said they had received a letter in response to the sign issue at the Western Mountain Lodge owned by Bob Hunt, formerly the Best Western, and that it would be addressed at the May 10th meeting.

Mr. Kirkpatrick said that two work sessions were scheduled for Wednesday, May 2, with Urban Renewal at 4 p.m. and with the Airport Advisory Board at 5 p.m.

Mayor Robertson noted that they needed to meet with other taxing agencies concerning the urban renewal plan. Mr. Kirkpatrick said they would have the cost of a new task order from CH2M Hill to do the further analysis and the plan creation by the Wednesday work session. Council Member Bailey asked that CH2M Hill bring the design drawings of the Third Street corridor and the map of potential boundaries. Mr. Kirkpatrick said that CH2M would not need to be present as long as the displays were provided for Council discussion.

Mayor Robertson asked that their schedule be provided as a spreadsheet.

Mr. Nichols said that the City needed to have an economic feasibility study done by CH2M or Otak, to create an urban renewal plan that could be presented to Planning and Zoning. There was further discussion concerning the need for improvements to the Third Street Corridor.

Mr. Kirkpatrick said that one topic of discussion for the work session would be how payments would be made. There was a discussion concerning possible options and conditions for payments.

Mr. Kirkpatrick said more information would be provided to Council concerning the airport "Through the Fence" operation.

There was a discussion concerning the proposed urban renewal district at the airport. Mr. Nichols informed Council of some legislation that might affect creation of the proposed district.

There was a discussion concerning who would need to be included in the airport work session. Mayor Robertson said to include airport manager and all landowners. Council Member Bertram said to include all the people who would be affected.

Mayor Robertson asked if the mosquito abatement program might happen this year. Mr. Kirkpatrick said it was a County program and that he did not have any information on the progress of the proposed program.

Mayor Robertson said he had received copy of a letter that John Anderson, Airport Manager, wrote to Central District Health concerning the airport holding tanks.

Mayor Robertson discussed the Dark Sky Ordinance and the cost of converting City lights for compliance. Mr. Kirkpatrick said that the standard street lights had been changed out by Idaho Power and explained that the heads needed to be replaced with a cutoff fixture that was directed down or replaced with lower wattage fixture. He explained that for the decorative street lights, the parts had been ordered and the public works crew would do the installation. He said that a substantial part of the head of each light had to be replaced and that the product was provided by the manufacturer of the street lamp. Council Member Bertram asked that Council be provided with information concerning the replacement parts.

Council Member Bertram asked if there had been a response from the McCall Improvement Committee (MIC) concerning the pedestrian flags. Mr. Kirkpatrick said it was on their agenda for today's meeting.

Council Member Bailey said there had been legislative changes concerning executive sessions. Mr. Nichols said the changes would be effective July 1, 2007.

Council Member Bailey said he had requested changes for the sign review fees. Mr. Kirkpatrick said he passed that along to Mr. Hasson and that the fees could be changed by resolution. Council Member Bertram said she would also like to reconsider the alcohol fees. Mayor Robertson asked that the County and State requirements be provided for that discussion.

Mr. Kirkpatrick noted he had provided Council with copies of his written report.

Council Member Bailey asked if the soil testing had been done for the Urban Renewal project.

Mr. Kirkpatrick reminded Council of the work session on May 2, with an executive session following that work session to discuss litigation issues. He also noted that another executive session was scheduled on Friday, May 4, at 4 p.m.

Mr. Kirkpatrick said the June 14th Council meeting needed to be rescheduled to June 7 due to a conflict with the Association of Idaho Cities conference in Coeur d'Alene.

EXECUTIVE SESSION

At 10:27 p.m., Council Member Kraemer moved to go into executive session per Idaho Code § 67-2345(1)f concerning litigation Mayor Robertson seconded the motion. All members voted aye and the motion carried.

The Council discussed litigation pursuant to Idaho Code§ 67-2345(1)f.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:25 p.m.

William A. Robertson, Mayor

ATTEST:

Joanne E. York, City Clerk