

MINUTES

**McCall City Council
Regular Meeting
Barbara R Morgan Elementary School
October 23, 2008**

Agenda

Call to Order and Roll Call
Public Hearing
Public Comment
Consent Agenda
Business Agenda
Committee Minutes
Adjournment

CALL TO ORDER AND ROLL CALL

Mayor Kulesza called the regular meeting of the McCall City Council to order at 6:08 p.m. Mayor Kulesza, Council Member Bailey, Council Member Scott and Council Member Witte answered roll call. A quorum was present. Council Member Delaney was absent.

In addition to the Council Members, present were Lindley Kirkpatrick, City Manager; City Attorney Bill Nichols; Michelle Groenevelt, Community Development Director; Brock Heasley, Parks and Recreation Director; Brenna Chaloupka, Administrative Assistant / Acting City Clerk; and BessieJo Wagner, Deputy City Clerk /Administrative Assistant.

Mayor Kulesza led the audience in the Pledge of Allegiance at 6:08 p.m.

PUBLIC HEARING

AB 08-211 Grand Payette Hotel Subdivision: Approval of Preliminary Plat (SUB-08-04), Preliminary Plan (PUD-08-03) and Conditional Use Permit (CUP-08-05)

Steve Millemann, attorney for the applicant Bob Hunt, gave an update in response to the last meeting. There was a memo to the Council from Council Member Don Bailey in regard to concerns with the application. First was the concern with parking. The issue of parking has been addressed in the proposed findings of fact and conclusions of law. They provide that on the condition of final plat submittal, a final agreement must be reached that is acceptable to Council and in compliance with the ordinance on parking. The City's code starts with a chart for parking. The chart does not assume any overlap of users; it assumes that each existing use within the hotel would have its own individual population of users. However this would not be the case with this hotel. The ordinance references the right for Council to view alternative proposals and

gives the Council the authority to base parking on actual demand. Mr. Hunt provided an analysis of what he has determined the actual parking need to be, requiring a total of 66 spaces, and has offered to pay for independent parking analysis of actual parking demand for this facility. Council Member Bailey and Jean Odmark, realtor, referenced the possibility to some off site parking alternatives. Mr. Hunt is open to participating in whatever process is needed once the parking study is complete. According to Mr. Millemann the City has the ultimate protection in that there has to be a plan acceptable to Council as part of final plat.

Mr. Millemann stated that the second topic of discussion was storm water management. The application provided a concept with some engineering analysis to support it. Since the last meeting, Secesh engineering has met with the City Engineer, DEQ, and the Watershed Advisory Group, and those dialogs will continue as the project continues, so that ultimately when the project is built it will be compliant the five critical features of the concept are:

1. There will be catch basins that allows the water to settle and be filtered
2. The “green roof” concept that collects and filters storm water runoff
3. Turf blocks along the access drive
4. Pervious pavers on the lake side
5. All work in conjunction with the vortech mechanical separator

Mr. Millemann stated that the third item of discussion was the issue of public access. The memo from Council Member Bailey suggested some kind of exchange for reduced parking or a relaxed parks requirement in exchange for public access. The applicant is not asking for either of these and intends to comply with parking and parks requirements. The applicant has structured the application to the City’s ordinance and is confident that the City will refer to that document in its final analysis.

Mr. Millemann continued that the ordinance requires a PUD, due to the size of the lot. Under the prior ordinance, a PUD would not be required for the project, and all uses would be permitted. It is the PUD requirement that triggered the issue of amenities and is the governing document for the purpose of the Council’s evaluation of the application. The PUD ordinance requires two amenities that may be either private or public. There is no requirement in the City’s PUD ordinance for any public access. He also stated that with the prior application for this project, that was rejected, the proposed building height was higher; therefore the needed footprint of the building would have been smaller, giving a greater opportunity for public access. With a shorter building, the footprint needed is much larger to accommodate the needs of the hotel therefore the opportunity for public access is less.

Mr. Millemann relayed the following to the Council: that the nature of the proposed use is not retail, it is a hotel use. The applicant has worked very closely with the neighbors to the west and has made a covenant with them so their property will not be exposed to unrestricted public traffic. The restaurant and lounge will open to the public, and if ever there is a board walk to the east side, there will be public access to the beach and to the restaurant and lounge from the beach side. If the applicant comes forward with an expanded dock or marina proposal, there will be a public component to that application as well. According to Mr. Millemann these are binding covenants to the property and all future owners. These covenants require all future owners that

do not like the covenants to come back before the Council and the public to ask for a modification to the PUD. There is no other project that has these types of covenants in this town.

Mayor Kulesza continued the public hearing at 6:24 p.m.

Tuck Miller – 657 Koski Lane – Question on the issue of the CUP being extended to 2014 and the planning implications for other properties or other infrastructure upgrades in McCall and the precedence it sets for other projects being extended out six or seven years.

Darrell Cobb –1550 Chris Lane – a local businessman in town and represents a local business organization in town – commented that when there is a local resident that is also a local business person that has done a lot for the City, and as an applicant is doing everything he can including going beyond what the ordinances require to accommodate the City, that it should be a requirement of the City to work with this applicant. Mr. Cobb asked the Council to work with the applicant, therefore helping a local business person make an improvement to the town.

Hearing no further comments, Mayor Kulesza closed the public hearing at 6:28 p.m.

Mayor Kulesza asked for clarification that the applicant does not intend to ask for any relief from either parking or parks requirements and that he intends to comply with the ordinances and code. Mr. Millemann confirmed this by stating that the applicant is confident he can achieve it as a condition of final plat.

Mayor Kulesza also asked for clarification on the plan for storm water run off, and asked if the engineers from Secesh when meeting with City staff was there a discussion about the letter from Leslie Freeman of the Department of Environmental Quality about pretreatment. Jim Fronk, Secesh Engineering, responded to Mayor Kulesza's question and stated that Ms. Freeman thought that the water was going to be treated off site and that is why she referenced pretreatment. After she went through the Secesh Engineering list of best management practices and the methods they were going to use, she agreed that their approach was appropriate and accurate, and the City's engineers, CH2MHill, would need to determine whether it was acceptable or not. Secesh engineers met with CH2MHill engineers and went through the plan item by item. They said they did receive positive comments from CH2MHill and some suggestions that Secesh will consider.

Mayor Kulesza wanted clarified that in addition to the five features of storm water management Mr. Millemann talked about, what happens to the elements the vortech system does not filter out. Mr. Fronk clarified the process of the Vortech system, stating that of the 1.2 acres only 16,000 square feet of that area is being touched with possible contaminants with snow melt. According to Mr. Fronk the Vortech separator works well in the smaller area and the early estimates is that it will remove 50-80% of the solids and 20-45% of the phosphorus, and up to 80% of the oil. Currently there is no treatment of the snow melt on site.

Council Member Bailey asked for clarification from Mr. Nichols on the issue of setting a precedent for the extension on the PUD. Mr. Nichols stated that every application stands on its own and Mr. Millemann has given the reasons for the requested extension. The phasing plan is

required in order to respect the terms of the option for Mr. Hunt to obtain approval and the terms of the underlying leases. The land use has been permitted under both the previous ordinance and the current ordinance and is endorsed in the comprehensive plan and the smart growth process. The phasing plan does not have any foreseen risk that the ordinances do not already cover. Mr. Nichols also stated that there are not usually massive zoning and subdivision code changes on a frequent basis.

Mr. Millemann clarified that if the leases would end earlier than their five year expectancy, the phasing plan would commence to an earlier time table. There was also some clarification that there are some time requirements that Mr. Hunt has to obtain his approvals in order to implement the purchase of the land and when he had agreed to these terms he was unaware of the lease extensions associated with the land.

There was some discussion on the need for the phasing plan and the extended amount of time needed and what the risks are. Mr. Millemann stated that this project would not be unique in having a phasing plan as there are other projects that have had extended plans such as Whitetail and Spring Mountain Ranch. The applicant needs a CUP for the outdoor dining and the size of the footprint. As far as the risk factor, Mr. Millemann does not think that there is any significant risk for the City; however for the applicant there is tremendous risk. If an additional CUP was denied then the investment would be lost. The seller requires that the applicant obtain approvals to in order to go forward.

There was a question about what would the applicant do to conform to any future code changes, and it was stated that the applicant is submitting the preliminary application under current code. Then when the applicant is ready to apply for the building permits he will comply with all current codes at the time the building permit is submitted.

The parking requirement is still up for question until the parking study is complete.

Council Member Scott asked if CH2MHill is comfortable with the applicant's proposal for storm water treatment. Mr. Kirkpatrick stated that at this point the plan for storm water treatment is only a concept as they progress with the project a formal approval process will happen. All approvals have to be resolved prior to final plat.

There was discussion about the timeline issues and the differences between a PUD and a CUP. Consensus was to take final action at the next Council Meeting so the packet of documents will be accurate and complete.

PUBLIC COMMENT

Mayor Kulesza called for public comment at 7:10 p.m.

Larry Shake –1612 South Samson Trail – Regarding the road system around East Lake Street and Mill Street, he would like Mill Street to be two-way.

Hearing no other comments, Mayor Kulesza closed the public comment at 7:14 p.m.

CONSENT AGENDA

Staff recommended approval of the following items:

- Warrant Register printed on October 16, 2008
- Payroll Report for Period ending October 3, 2008
- AB 08-206 Alcohol Beverage Catering Permits
- AB 08-208 Purchase Agreement for Old Fire Station
This item was removed from the agenda due the agreement not being ready
- AB 08-213 Idaho Power Company Increase in Franchise Fees

Some discussion took place to clarify the warrant register and remove the purchase agreement for the fire station. There was a question as to why the Ordinance for the Idaho Power Company franchise fee increase was on the consent agenda. It is required to be introduced to the Council at least 30 days prior to adoption.

Council Member Witte moved to approve the Consent Agenda with the exception of the purchase agreement for the Old Fire Station and amending the warrant register to remove the \$160,000 for the purchase. Council Member Scott seconded the motion and in a voice vote, all members voted aye and the motion passed.

Recess 7:23 – reconvened at 7:37

BUSINESS AGENDA

AB 08-212 Marina Development

Mr. Kirkpatrick gave the history of marina development discussion. The issue is unique as the Council is both the landlord and the governing body. Any decision that comes out of this meeting will be in regard to the landlord role for this property. The only decision to be contemplated is whether to grant permission to apply for development, and there will be no formal CUP approval at this time.

Mr. Kirkpatrick clarified that the intent of the meeting was to hear from each of the possible applicants as well as comments from the public. In the Council Packets there are written comments from the public for the Council's consideration.

The Questions before the Council for this meeting were:

1. Is marina development appropriate on the area of the Lake between Legacy Park and Brown Park?
2. Do the prior relationships with the Careys or Mile High Marina, grant permission to apply, has the permission already been given?
3. If marina development is appropriate, which applicant can apply, or neither, or both?

Mayor Kulesza stated that based on the number of letters received and the amount of verbal testimony possible at this meeting, it may be inappropriate to make a decision at this meeting. He felt that all the input needs to be considered prior to a decision being made.

Mile High Marina Proposal

Judd DeBoer – President for Brown Industries and participant with Mile High Marina’s application to expand the Marina. Mr. DeBoer gave a history of McCall and the driving force behind its economic development over the past hundred years. He stated that currently McCall has a recreation based economic drive. As part of the current economic trend the little Ski Hill and Brundage Mountain have become part of the economic basis in McCall during the winter months. There have been many investments in the recreation industry in and around McCall that have been profitable and improvements for the community. More needs to be done as a community as outlined in the Comprehensive plan. Business parks and diversity needs to be provided for jobs and to support the schools, churches and other businesses in town. To support the community has been part of some people’s tradition, and he feels that there needs to be the support of the City. The City Leaders have a responsibility to lead that charge. Mr. DeBoer asked for fair consideration as they make a decision. Those that have a proven track record in the community should be given recognition and support in this kind of endeavor.

He continued by saying that an example of the positive contribution to the community is the Marina. Mr. DeBoer feels it would be good for the community. He recognized that there are some in the community who are for as well as against it. Mr. DeBoer lives on the lake and does not feel that the traffic on the lake is overcrowded. He does not think that the additional slips will create more boats out on the lake. He has tried to compare the development to other communities and he has visited hundreds of such communities to see what would be good for McCall from his viewpoint. He made reference to a resort in Coeur d’Alene that looks down on a marina that people seem to love. He stated that there are not a lot of pick-ups with boat trailers running around the lake in Coeur d’Alene due to there being a place to put their boat. He stated that if there were more slips then there would be less traffic coming in and out of the lake so the environment would be cleaner with less chance of continued weed infestations. As a home owner on the lake they are proud to put in their name in favor of the Marina expansion.

Jim Gerblich – Mile High Marina Owner – Clarified the amount of property that is leased from the City is 12 feet by 126 feet and the rest of the Marina is leased from the State Lands Department. The Marina was purchased in 2005 and was in terrible shape. They were able to improve the docks and slips and reinforce the breakwater. They were not able to improve the breakwater and through their research of what it would cost to improve or replace the breakwater it would cost about \$1million. The existing 168 slips do not afford that kind of investment. Currently the amenities at the Marina are gas, “Jet Ski”, pontoon boat and ski boat rentals; there is a restaurant and restrooms that are open to the public. The Marina is an asset to the City. For the winter people come for the snow sports and activities and in the summer they come for the lake and water activities. He stated that half of their marina business is from residents of McCall. Of those that use the lake during the week after work are those that have their boats in a slip.

According to Mr. Gerblich the question of why 410 slips – the answer is the need for a new breakwater, in order for the Marina to be able to sustain some of the wind storms. That \$1 million investment needs to be amortized over a larger number of slips than the current 168 slips. Currently, there are over 200 people on their waiting list for slips in spite of the increased dock fees. Mr. Gerblich is asking for 200 additional slips and Snowy Peaks is also asking for 200 slips. They believe that one operator is best for consistency. Snowy Peaks has rights to some land that is just across from Judd DeBoer's office, north of the marina. McCall is a resort community and needs tourism to sustain the community, and without tourism he feels the community would perish. There are many within the community that does not want to see growth but growth is needed.

Debra Nelson – Attorney for Mile High Marina – Gave a presentation of the Mile Marina's proposal for 410 extended slips including a new breakwater and a boardwalk. The breakwater would give better protection of Legacy Park. There would be 25 new parking spaces for the public free of charge and continued public use of the marina's restroom facilities. The proposal is for a 10 foot wide board walk from Legacy Park to Brown Park including some picnic areas. Materials proposed would be environmentally friendly that would be constructed off site then brought to the water to minimize impact. She feels this plan follows the City's comprehensive plan. Part of the plan would require a conditional use permit for parking. She said the code allows the Council full discretion to waive any parking requirements for a development. In order to make a decision the Council would need to weigh what kind of impact the development would have on the area.

Ms. Nelson continued to say that the majority of the impact would be on weekends so it would come down to about 20 days a year that parking would be an issue. There are currently over 200 parking spaces within 300 feet of the marina. How would the 410 additional slips impact parking in the area? In their analysis about one third of slip holders are using the marina. Of those third that are using the marina not all drive to the marina, and in a survey they determined that about 80% drove and needed a parking space. This analysis would show that the needed parking would be 137-112 parking spaces. Also the analysis showed that with the additional 410 slips the amount of users would no longer need to drive their trailers down to the marina and need parking therefore creating a wash as it relates to needed parking. What distinguishes this proposal from any other is it is a known operator and a single operator. This proposal would give increased opportunity for public access.

Brian O'Morrow, developer with Brown Industries addressed the concern of visual impact to the lake. He stated that there would be minimal visual impact from the parks. Their approach to the project has been to look at what the process would look like. They have taken a very community approach to the project. They met with the neighbors who look at the lake and have received letters in support of their project. As part of the planning and zoning process they have held the required neighborhood meeting. They have also met with City staff including Mr. Kirkpatrick, the Department of Lands, Urban Renewal Board, the McCall Area Merchants Association, a representative of Payette Lakes Protective League and the Watershed Advisory Group (WAG). He stated that they are committed to preserving the water quality of the lake. They have hired Steve Bauer, a water quality specialist, who used to work for DEQ. He has helped with the analysis of potential problems and potential ways they could improve water

quality. They would expect to meet the WAG at least two or three more times during the conditional use process. Mr. Bauer has prepared an analysis that would be part of their application.

Mayor Kulesza asked about the IDL requirements for commercial marinas that have changed over the past year; one of the changes is that it would allow a commercial marina to sell up to 50% of their slips. He asked if it would be part of their plan to sell some of the slips. Mr. O'Morrow stated that they have not got that far into the business plan to know exactly how many slips they would sell, but they would sell some. The sale of slips is not driving the proposal. Brown's Industry and Snowy Peaks interest in this proposal is that there may be some tie to Brundage and some future development at Brundage. The reason they feel it is an advantage to McCall and to Brundage is that it ties the two communities together.

Council Member Scott asked about the fish pens that currently on the City Docks, if they factor in to the current design. Originally they had factored them into the plan however they had heard that people want to leave them where they are. They could still be factored in.

McCall Gas Station Inc. Marina Proposal

TJ Anksman – Legal representation McCall Gas Station Inc. – He and his clients are here with an email notice that was sent out at 5:00 p.m. on Friday. He said they are not prepared with a large presentation. He was hired and met his clients that day. He does understand the issues and appreciates the ideas that should we have a marina, and understands that there are prior relationships where permission to apply has been given. He asked who of these interested parties can apply, both or neither. It is not his intention to state whether there should be a marina or not. He is going to assume that there is going to be a marina for the sake of his discussion. He did not understand why they had four days notice if this is going to be a decision making process. He understood that the Mayor stated that they may not make a decision today.

He continued by saying that the true distinction between the projects is that his clients are proposing is 200 slips as apposed to the 400 slips proposed by the other party. He wanted to know if there would be another public hearing prior to a decision being made. Mayor Kulesza confirmed that there would be, and that the question is whether they will accept any proposals. The intent was to get an over view of the two projects so that the public would have some information to comment.

Mr. Anksman stated that it is important for the Council to consider prior relationships and the legal documents that have already been executed by the City. He then read a Memorandum of Understanding (MOU) signed by the Mayor in 1995. This document resolved a very contentious piece of litigation with the City involving all the railroad right of ways that interlace within the City. The Careys played a pivotal part in resolving those disputes. Some have said that agreement was back in 1995 and the Marina was never built even though they have this agreement. Mr. Anksman said that as part of the agreement East Lake Street was to be paved and it was just paved on that day. It was clarified that it was re-paved on that day not paved for the first time. He stated that the improvements called for in the MOU are just being completed.

He stated that his clients have a big investment and expected that when the time was right and that the City had completed its obligations under the MOU that they could develop a Marina at this location. It does not need to be 400 slips, as they are only asking for 200 slips. They want a marina for neighboring uses. They think they have a right to be involved in this process, and to negotiate in good faith with the City for that reason. He said that the path the City may be headed down to choose one is a “three way fiasco”. They do not think that it has to be either / or, it could be both. Both projects could be scaled down so both parties could have their projects. They do not have any opposition to the Mile High expansion as long as it does not interfere with their rights.

He commented on what was said about what distinguishes the project is one “known” operator would also apply to his client. They have been around a long time and well known in the community with high quality developments. Mr. Anksman disagrees that a single operator is good, stating that a monopoly is not necessarily good. It could be reflected in a lease that uniformity exists by contract. He feels that competition is good. The types of users would be quite different. It is his opinion that greater public access is going to occur with lesser density than 400 units. They do not have any scientific study that states 400 units are needed; there is a desire by the other party to build 400 units at the exclusion of his client’s right to build some units at the site. They do believe that the MOU gives them the right to make the application.

David Carey – McCall Gas Station Inc. – presenting a 195 slip Marina. He said it was a project they worked on with their previous partners who are now the opposing proponents. They feel strongly about the MOU and its legal statements and positions. Their proposal is at a minimum, half of what the other applicants are asking. They are willing to work with the City in terms of City management, Council, and the City at large. The 195 slips are not written in stone and they are open to a lower number if needed. It is about what fits the community, that piece of land, and what is appropriate for that use in that area of town. He said a critical component to the marina is the parking. There is no way that adding any amount of new slips won’t increase the amount of parking needed. They have three plus acres of land within walking distance of the proposed site of the marina. None of the people that use their Hotel would drive from the hotel to the marina. Whatever the parking requirements would be they are happy to work with the City to meet those requirements.

According to Mr. Carey, with upland improvement, they would like to provide funding for that and they would like it to be a positive connection with the City, whether it is with the existing marina, and that having Legacy Park connect with Brown Park is critical. From a private sector viewpoint they would like having access to the marina be as positive of an experience as possible. One of the conditions as originally agreed with in the MOU is the number of slips they would be required to provide for City agencies, and that they are happy to be a part of it. They are looking at 20-25 public day use slips for their project.

Mr. Carey continued with the public access and pedestrian access, stating it is the same principle as the opposing project, they want people to walk down onto these docks, with an opportunity to fish, have benches for people to sit and enjoy the lake, and it would not be a private dock. They would like to see people using upland improvements such as the beaches for people to put kayaks in the water and provide a safe swim area. As far as water quality, whatever they do it is

half the impact of the opposing project. They are just looking at a smaller project. They do not want to just take the space and not let anyone else have a project on the lake. They were more than willing to work with the other project and it is the way they had started out was working together. They are still happy to work together on the project whether it is two separate projects or a project that uses the same infrastructure. They would like to see that all work together so that both projects can be done. They do not want to be adversarial. What the Careys have done in the community over the years hopefully has a strong track record. They are vested in this community and they want to be here for a long time to come.

Mayor Kulesza asked if any slips would be sold. Mr. Carey stated that it is not their intentions to sell the slips however there may be some sold.

Public Comment

Jackie Aymon – 1311 Ponderosa – said that her family are huge recreators and fans of Brundage, she loves the DeBoers and do not know the Careys personally, however they have a solid reputation in the community. She expressed three concerns:

1. Water quality – she does not believe that you can put 400 or even 200 more mechanized vehicles on the lake without impacting water quality.
2. Eurasian milfoil – the lakes in northern Idaho have a terrible problem with milfoil, it is ruining the water quality and some lakes require that you have the boat professionally washed prior to entering their lake.
3. Loss of public space – once public space goes private; the citizens do not get it back. She is not opposed to some sort of corroborative project but she wants to ensure that the public is involved and does not want to lose public space. She thinks that the proposed boardwalks are wonderful. She is concerned that the existing marina has a dock that is locked and not accessible to the public. She would like for the public land to stay public and have the right to use it.

Judy Leister –103 Plymouth Road – A co-owner of Northwest Appraisal – She was at the meeting to present a proposal by Phil Feinberg, who was unable to be there. Having been on the McCall Planning and Zoning Commission for 7-8 years, Mr. Feinberg has seen much in the service of McCall. He believes that everyone who gives their time should be heard. There have been issues over the years that have created community involvement. There are many in the community who feel that a marina expansion is the biggest challenge our community has yet to face. Impact on the lake water quality, boat traffic, noise, safety coupled with parking and traffic are some of the issues that will need to be analyzed. The financial opportunity that may exist from additional slips needs to be analyzed to ensure the City's best interest is preserved. The nine people plus a facilitator and research expert that have agreed to volunteer their time for a committee, speaks to the importance members of this community places on the issue. There goal is to gather information from other communities, listen to concerns from the ten groups and committees in the City and return to the City Council with suggestions that would best serve the community as a whole. The individuals on the proposed committee are very respected and successful. They could give a valuable added perspective to a tough and complicated decision that faces the community. He hopes that the Council chooses to use their expertise. His suggestion is that a committee be formed to advise the City on this issue.

Claire Remsberg – had a question of would there be any attention to non motorized slips? She wanted to stress that this is a natural resource owned by the public and needs to be evaluated for the public good, not for business interest. If there is going to be an increase in the marina size she highly favors the more modest expansion. She was “wowed” by the 400 plus figure. She sees that would be a detriment to the water quality.

Sheree Sonfield – She had worked else where in a resort community for many years and has a feel for these types of issues. This land is owned by the community and she has much respect that the Council is asking for the community’s input. The land is owned by the community as a whole so the development needs to be carefully evaluated in terms of the benefits to the community as a whole. She strongly urged the Council to evaluate any development in terms of the comprehensive plan. She said a big marina development, especially a 400 slip expansion, contradicts many things in the comprehensive plan.

Ms. Sonfield disagreed with Debra Nelson who spoke about the comprehensive plan, and their development. She looked at the comprehensive plan and noted that in the Vision section of the Land Use section, it says that if a project increases motorized use of the lake, it contradicts all the goals in the plan about preserving and enhancing the natural environment, managing the City’s footprint on the environment, environmental sustainability and water and air quality protection that is in the comprehensive plan. She feels the 400 slip expansion is a huge increase and it contradicts the transportation goals. In just the number of boat slips and the number of people that would be accessing this area, it contradicts the goal that states to decrease the traffic, noise, pollution and congestion. In the objective and goals it envisions maintaining the small character of our mountain town and community. Owning land that is the City’s land, the marina expansion does not contribute to the goals of the comprehensive plan of development to benefit the local year round community; the expansion is a summer business only.

Ms. Sonfield has some ideas that she would like to be considered, such as:

- what are the alternatives
- review the improvement of the breakwater, possibly through some kind of cooperative agreement
- look at something of a smaller scale
- more than one operator
- have all the issues been identified and fully explored
- what are the economic benefits to the City
- what are all the legal issues
- public versus private access on public land

Ed Catlett – Was elected to the Payette Lakes Water Sewer District Board in the early 1970’s – During that time was able to get the current sewer system in the lake. The EPA got involved out of concern for water quality out of the lake. The City’s drinking water is from the lake and in the 1970’s the primary pollution of the lake was from sewage and that threat has been addressed. The primary threat to our water quality now is the increase of human activity on and around the lake, specifically motorized activity. Token testing of the water continues, but he does not

believe any amount of quality testing of the lake has been done recently. He does not think that bi-products of gas and oil have been tested for. An additional 400 motor craft on the lake would pose significant threat to the water quality. Also an additional 400 slips would create a breeding ground for milfoil.

According to Mr. Catlett the EPA has the legal tools to be very tough when it come to water quality. There are many communities throughout the country that use the local lake as their primary drinking water source. There are two that he knows of that have an alpine source for their drinking water and have chain linked fences around those lakes and do not allow any public access. He stated that any motorized activity that is being considered that would put the drinking water at risk need to be scrutinized. The City needs to look at what the focus of the future of the tourism in our community may look like. The focus should be on non-motorized activity. The community should consider an outlet for non-motorized craft. As a 38 year resident and business owner he is opposed to any kind of marina expansion.

Darrell Cobb – 1550 Chris Lane – He is a part of the McCall Merchants Association which is comprised of over 70 businesses in town and their objective is to protect and promote all forms of recreation. He feels that motorized activity has been attacked lately. He feels that all recreational users should have the opportunity to enjoy the lake. As far as the marina expansion, Mile High Marina did present their plan to his group. The Association felt that it would be a nice addition to the city and would help both motorized and non-motorized recreation. The Association has not had the opportunity to see the Careys plan so he does not have a comment. However an expansion of the Marina, whoever it is, would be a benefit to the community.

Colby Nielson – He thinks that a 400 slip Marina expansion is absurd. Even though both proponents have done a lot for the City does not mean that they have to be allowed to develop. He does not think that the development growth needs to happen. For the City owned land he thinks that the City should develop it for the public. Use the chunk of land to build some public swimming lanes, and create a safe environment for non motorized uses and possible classes for non-motorized sports. He stated that the City needs to look at the direction they are going and know that another marina is not a unique way to attract tourism. It is not an attraction to make people want to move here. How can the community attract people who want to live here? Make it a place where people want to raise their kids.

Mr. Neilson made a point about making the docks a place of public access would make the slip holders vulnerable to theft and vandalism which would result in them having to be closed to public access. Some of the issues of this town are to find alternatives to greed and the exploitable nature of the developers. He thinks it would be a project for the Urban Renewal Agency to take on. To build a unique thing for this community would attract people to live here not just visit here. A good investment on the City's part would be to have a designated swimming area and learning area for non motorized sports. The lake is essential part of our community for both motorized and non-motorized activity. This piece of land needs to be maintained and the marina does not need to be expanded. McCall is community not a commodity.

Marilyn Arp – She thinks that the real issue is to know what the correct questions are that need to be answered. She is a proponent that what is done for the locals does wash over and promote

tourism. She is concerned about the size and the scale of the expansion and the view sheds it would create. From the first proposal part of there project was directed at being able to redo the breakwater. Whose responsibility is it to maintain the breakwater? How does the Department of Lands weigh in on the breakwater issue? What does public access really mean? She urges the City to be cognizant of what the questions are. It is a big expansion and any loss of public land needs to have a huge public benefit.

Joe Napier – He had advice on the possible committee, to make it a non-biased committee. He does not think that lake side owners are non-biased.

Linda Porter – In her experience of marinas they are generally city owned. As the land owner the City should consider owning and operating the marina.

David Carey asked where we go from here. He needs direction of what the next step is and an understanding of where to go. He would like to be kept them informed.

It was clarified that the Council would schedule an additional executive session. This would happen before scheduling a public session to state what the next step is and the timeline is driven by what the Council wants.

Brian O'Morrow had a response to some of the comments. Regarding the idea of non-motorized as part of their proposal, they are looking at some type of non-motorized launch area. Also the idea of storage boxes is there would be a place that would fit to the outside of the slip to hold a scull or a kayak. Regarding the issue of the milfoil, he understands that shading tends to promote milfoil growth, but having a breakwater and a contained area facilitates the control with easy access to the problem. The areas around marinas are easier to manage. The issue of milfoil in the lake is due to the problem of cross contamination. With more slips there is less cross contamination due to people leaving their boats exclusively in Payette Lake. The Department of Lands process is that they regulate the lake bottom. First a developer has to come through the City's conditional use permit process. The public hearings are held and then when the City grants the conditional use then everything starts all over again with the Department of Lands.

Mr. O'Morrow defended the idea of the 400 slip expansion and why it is a good idea. It is not easy to defend and he agrees that the idea is frightening. They analyzed everything that would go into the expansion, and the cost estimate they received for the breakwater was \$1.1 million. This cost estimate almost pulled them out of the project. If the cost of the breakwater were divided among the 578 slips that they have proposed it would be \$17,000 per slip just to start out with. The kinds of improvements they want to make do not just happen. The issue of the waiting list is that there are currently 200 people on the list. They think that of those 200 hundred people most of them are in McCall at least sometime in the summer with their boats. Compare the sale of ski passes at a ski area, it increases the use incrementally however it spreads out the uses. So there may be an increase during the evenings on weekdays but potentially less on the weekend. The tough question is from the land planning point of view. What is the best use of the land, and how many slips is a responsible use of the land? When there is something interesting and attractive it makes it a responsible use of the land. Why 400 slips – they feel it is a public access

improvement, it is not just the boardwalk, but it is allowing people to access the lake that otherwise couldn't.

Jim Arp – 1704 Pine Circle – He would like the Council to resolve all of the legal problems first, and then continue the talk about the marinas.

Cindy Miller – 657 Koski Ave – She would like to know if there has been any research as to how many slips are currently for sale or for rent. If there are slips for sale and then why there are 200 people waiting for slips. Thanked the Council for allowing the public to comment.

Marilyn Arp – Her concern is with the process and objects to discussing the issue under executive session. She thinks that the public work needs to be done in the public.

Tuck Miller – 657 Koski Ave – His comment is that north of the Marina the beach area needs to be cleaned up. The City needs to present the best image possible. He also felt that the comment made by Colby Nielson was brilliant, that we are a community not a commodity. The proposed committee to advise the City Council on the Marina issue, the members should be McCall City residents.

Shorty Clark – Parks and Recreation Advisory Committee chairperson, commented that two loads of logs were removed today, from the beach north of the marina.

Mayor Kulesza thanked the community for participating in the Marina discussion. He reiterated that the Council has not made any decisions at this time and that they will be reviewing the information before any decisions will be made.

There was an announcement that there will be some town hall structured meetings about the airport development issues coming after the first of the year and the public is encouraged to attend.

Mr. Kirkpatrick asked that the Council give some kind of direction to the proponents and staff as to a timeline. Mayor Kulesza stated that they would continue discussion after a brief recess.

The Meeting recessed at 10:00 and reconvened at 10:15.

Mayor Kulesza called for the close of the Marina issue for this meeting. Mr. Kirkpatrick stated that the Council should give some kind of a time line of what is to come for the marina issue.

Mayor Kulesza stated that at a previous meeting there was some discussion about determining the capacity of the lake. He would like to know if the issue has been looked at and if not how they should go about it. Does the number of slips tie into the amount of boats on the water and how does it relate to the issue of safety and water quality? The Watershed Advisory Group had sent in a letter with the idea of a dry-land marina as being a solution. The question is if it would be something to consider. He would also like some visual perspectives as to what a person would see standing on the beach or on the boardwalk, what it looks like now and what it would look like with the marina expansion. Mr. Kirkpatrick clarified whether the Council wanted the

parking issue and visual perspective prior to determining if a conditional use permit will be accepted or if accepted during that process. It was determined that during the process the Council would discuss it.

Council Member Scott asked how many commercial slips compared to how many boats were on land and some comparisons with Coeur d'Alene and Lake Pond Oreille to determine what our local for capacity would be. Initially when the Council talked about other options for the land, she would like more detail on the viability of a public use space, what might that be, such as a park and what public access we might be losing.

Council Member Scott wanted to know who the breakwater benefits. It would benefit Legacy Park users. Would the plan for replacing it where it is deal with the beach wave action? It was stated that the understanding was that it would.

Council Member Witte stated that in a technical report about protecting the lake, from the Big Payette Water Quality Council, there is a recommendation for an annual assessment of various water quality issues, and asked if those assessments are currently being done. Mr. Kirkpatrick confirmed that yes they are. There are annual testing done in three places in the lake by both Big Payette Water Quality Council and the Watershed Advisory Group and has been done for eight or ten years. They look at: temperature, dissolve oxygen, and one other element. Council Member Witte would like to see that report.

For the second meeting in November, there will be an executive session and if there is not enough time, and then continue to the December 4, 2008 meeting. There may be an open session at the December 4, 2008 meeting.

AB 08-209 McCall Avenue homes update

Connie Hogland, CEO of Neighborhood Housing Services, stated that they are unable to make their payment to Idaho First Bank as a result of not being able to sell any of the McCall Avenue homes. Due to the current housing market the homes are very difficult to sell with the restrictions they have. There are currently five of the nine homes that are empty. She had met with the bank and she stated the Idaho First has been very fair and has given two extensions already. There is a balloon payment due in December of \$720,000. Unless they are able to sell the McCall Avenue homes, her agency will be in tremendous jeopardy.

She has talked with possible buyers and members of the McCall business community asking if any may be interested in participating in an employee assistance program where they can help with a down payment or closing costs. The reactions she received was that as long as there are the restrictions on the houses, they will not be able to sell the houses. Without those restrictions she thinks they have a very good chance of being able to sell the remaining five houses. Her request is that the Council vote to remove the restrictions on the houses with her commitment to try and sell to the working people of McCall. It is not that they want to sell to investors; however they need to be able to sell the houses. If they have to give the houses back to the bank then they would not keep the restrictions. She feels that it is their only option at being able to sell these homes.

Michael David, with Valley Adams Regional Housing Authority (VARHA), stated that the VARHA board voted unanimously to remove the restrictions. This is not what had been planned; however, it is the best chance of selling these homes. Due to the current housing market they are in a situation where they are unable to sell the houses with the restrictions. He does not know even with the restrictions being lifted if the houses will sell.

There was much discussion on the restrictions and the implications of lifting those restrictions. It was clarified that there have been two homes that have sold, one lease option and one pending sale. That leaves five houses empty. There was discussion about the possibility of a business purchasing the homes and then renting to the employees. The Council did not like the idea of the homes being rented. The Council continued discussion on the different options and they wanted to do everything possible to keep them as work force housing.

There was some concern that the original documents with the restrictions were not currently in front of the Council Members. Through much discussion the Council determined that they would keep the owner occupied restriction in an effort to maintain the work force housing. There was some confusion on understanding what owner occupied meant. It was clarified that the Council wanted it to mean exactly that: "owner occupied". Keeping it owner occupied gives an opportunity to sell the homes to the original targeted group and does not allow the homes to be sold as second homes.

Council Member Bailey moved to remove the income cap, the appreciation cap, and retain owner occupied language on the housing covenants on the sale of the McCall Avenue Homes, and direct the staff to present the necessary documents for formal approval to Council on October 29, 2008. Council Member Mayor Kulesza seconded the motion.

Council Member Scott clarified with Mr. Nichols that she was cleared to vote as she owns property near the McCall Avenue Homes. Mr. Nichols did not see any conflict. Council Member Witte wanted clarified why they couldn't just wait until the next meeting when the documents were prepared and the motion was clear. It was clarified that Ms. Hogland needed to have some kind of a vote that she could go back to the bank and say that this is what the Council decided upon. Council Member Witte was concerned that the Council did not have adequate information in front of them to make that decision. Council Member Scott said she agrees with the vote; however she would like to see the original documents and the new documents so she can see what has been deleted.

Mr. Nichols interpreted the motion as directing staff to present documents next Wednesday, which would remove the income limits and remove the appreciation cap, in the form of covenant amendment and or lease amendment which would have a document in front of the Council to which they could vote upon. Council Member Bailey asked Ms. Hogland if that would meet her needs. Her response was that she would do the best she could.

Council Member Bailey amended the motion to include the removal of the capital improvement restriction. In a roll call vote, all members voted aye and the motion passed.

AB 08-210 Environmental Advisory Committee Update to the City Council

Claire Remsberg presented the mission statement, and bylaws practices and procedures of the environmental advisory committee. The bylaws practices and procedures document was in draft form. The mission statement is:

The mission of the Environmental Advisory Committee to the City of McCall is to identify and promote a unifying policy of objectives for environmental stewardship and sustainability across all City departments and for the ultimate benefit of the community.

After the Committee has been formed, then the committee will work out the details of the bylaws practices and procedures. Clarification of city residency is not a requirement to apply to the committee.

Council Member Scott moved to establish the Environmental Advisory Committee and approve the Mission Statement and have the committee work out the bylaws. Council Member Bailey seconded the motion and in a voice vote, all members voted aye and the motion passed.

AB 08-207 Tree Committee Annual Report

Monika Trapp, Parks Supervisor and City Staff member to the Tree Committee, introduced John Lillehaug, Chairman of the Tree Committee. Mr. Lillehaug presented the annual report. Their biggest accomplishment was the adoption of the Revised Tree Ordinance. Two of the committee members took on the project of reviewing the landmark tree list. Of the trees they could find they used GPS technology to map their location.

They are considering doing an inventory of the trees in the City; this would be a very big job to include much data collection. Gerry Bates, with the Idaho Department of Lands, has offered assistance along with equipment to help with the project. They are also looking into the possibility of a grant to help facilitate the project. Mayor Kulesza stated that he believes Tree City USA offers grants for this type of project. The committee received a \$300 grant for Arbor Day from the Department of Lands. This money allowed the committee to plant several trees around the McCall Avenue Homes housing. They also received the Seventh Year Tree City USA certification and second year Award from Tree City USA.

Ms. Trapp explained her work with Gerry Bates and the different grants they had received for trees at the airport, Rotary Park and Water Treatment Plant. They received a good review of the work they had done with their grant money. Mr. Bates had made two visits to McCall to look at the work being done and has made a commitment to come again should they decide to go forward with the tree inventory. As the City Arborist, Ms. Trapp as committed to taking on extra work that has been well recognized by the citizens of the community. Mayor Kulesza recognized the committee for the great work they are doing.

COMMITTEE MINUTES

The Council received copies of the following minutes:


- Planning and Zoning Commission – September 9, 2008

- Parks and Recreation advisory Committee – July 9, 2008

ADJOURNMENT

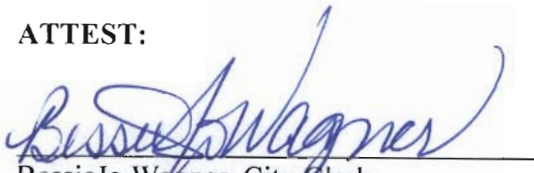
Council Member Scott moved to adjourn the meeting; Council member Witte seconded the motion. In a voice vote all members voted aye and the motion passed

Without further business, the meeting was adjourned at 11:41 p.m.



Bert Kulesza, Mayor

ATTEST:



BessieJo Wagner, City Clerk