

# MINUTES

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**McCall City Council  
Special Meeting  
Legion Hall - McCall City Hall (Lower Level)  
October 24, 2014**

## Agenda

Call to Order  
Work Session  
Adjournment

## **CALL TO ORDER AND ROLL CALL**

**Mayor Aymon called the Special meeting of the McCall City Council to order at 3:00 p.m. Mayor Aymon, Councilor Giles, and Councilor Witte were present. Councilor Scott and Councilor Swanson were absent.**

**City Staff present were Gene Drabinski, City Manager; BessieJo Wagner, City Clerk.**

## **WORK SESSION**

### **AB 14-200 Current 3% Local Option Tax Distribution of Funds Discussion**

BessieJo Wagner, City Clerk, introduced the discussion regarding the priorities for the distribution of the current 3% Local Option Tax (LOT) to Council. She introduced into the discussion the expense of Winter Carnival and the 4<sup>th</sup> of July to the City considering the cost of fuel, labor, and police. Mayor Aymon asked if the City subsidizes other government departments that help or did they volunteer. Mrs. Wagner commented that she believed the costs were covered through a Memorandum of Understanding (MOU) with the Police Department and those other agencies.

Mrs. Wagner pointed out that another thing for the Council to consider was that the City's parks take a big hit, and Legacy Park, for example, was looking at approximately \$100,000 in repairs. Mrs. Wagner noted that it seemed that every time the Parks Department presented a project for the Local Option Tax Commission to consider, the Commission would comment that the City could pay for that project. Mrs. Wagner noted that there have been fewer applications from the Parks Department and Golf due to the opinions of the Local Option Tax Commission. Mayor Aymon noted that Golf had received a fairly hefty sum over the years, probably more than anyone. Mrs. Wagner added that in the beginning the Council was very supportive of the golf course. The Council had wanted the golf course to receive money for seasonal help to bring the course up to standard with the other golf courses in the area, so a lot of money was approved for the golf course. The golf course had been funded every year for 10 years.

Mrs. Wagner went through the list of recipients and explained how they were chosen and their connection to the City. Mrs. Wagner explained that McPaws and Mountain Community Transit are both things that were covered within the City's budget currently. She stated that would make sense that LOT would help subsidize those entities as they are already covered through property tax dollars. She stated that funding projects through LOT that was already a line item within the City's budget would also alleviate some of the demand of property taxes. Mrs. Wagner stated that there were other groups such as the MIC (McCall Improvement Committee) that do a lot of things for the parks. Therefore the MIC applications should be submitted through Parks so that all park-related items could be considered together. She also commented that if applications were to be submitted through Parks then the City could assure the work was being done. When another organization does the work, the City does not have any control over who is contracted and how the work is done. Mrs. Wagner emphasized that if the projects were done through the City then the project like the Historical Museum would be regulated per the City purchasing policy. The Historical Museum could also apply through the Parks Department and the Senior Center could apply through the Community Development Department. She commented that the Historical Museum and the Senior Center were City-owned buildings that need to be maintained and are affected by tourism. Mrs. Wagner re-iterated that projects submitted through the Community Development and Parks Departments would be managed through the City contractually and per City policy.

Councilor Witte asked Mrs. Wagner if her research on other cities seemed to suggest that the money is mostly used for City improvement projects. Mrs. Wagner confirmed and noted that some of the other cities with LOT also have commissions, just like McCall does, and many of those cities mirror McCall's ordinance. She stated that just like the McCall's ordinance, the purposes are identified but the ordinance does not specify any community nonprofit, for-profit, or whatever program that can apply, the ordinance only states that the applications or projects to be considered would need to fall into the categories specified. Mrs. Wagner stated that for the other cities that she contacted, the commission reviews city projects much like McCall's proposed 1% committee would look at city projects and help prioritize those projects. She also reminded the Council that there was an opportunity for the community to be a part of the process, and that is why the commission is supposed to come to the budget meetings, so that they understand the needs of the City and how the LOT money could best be spent within the City's needs.

Mayor Aymon questioned whether the City was required to have a LOT commission via the State ordinance. Mrs. Wagner stated no, and confirmed that McCall was actually the first city to have a LOT commission. When asked if other cities have LOT commissions, Mrs. Wagner confirmed that some do and some do not. Mayor Aymon asked how the City's ordinance evolved, or how the City determined the current categories. Mrs. Wagner explained that she did research and could not find any documentation of how the LOT projects changed from city projects to community projects. She could find nothing in any of the minutes around the time in 2005 or 2004 when it was adopted originally.

Mayor Aymon noted that broadly, when looking at recreational and cultural activities including but not limited to library, community art, and cultural events, one could broadly

define that as McCall Music Society, etc. She also noted that when looking at marketing, advertising, tourism development, and event promotion, one could broadly interpret that to be fireworks. She concluded stating that it would depend on how the category was interpreted. Mrs. Wagner added that it could also reflect what kind of guidance was received. Mayor Aymon commented that the projects being funded are still within the scope of the ordinance, just broadly defined. Mrs. Wagner noted that it depended on whose opinion was considered. Mrs. Wagner added that approximately four projects were eliminated last year because they did not fit into the scope.

City Manager Gene Drabinski stated that when he started serving on the LOT Commission, besides Mrs. Wagner's guidance, he admitted that he was influenced by the six other members, all of whom had more experience than he did at the time.

Councilor Giles agreed that it was the culture at the time, but it did not necessarily mean that it was the right culture today. He admitted that perhaps LOT projects were not chosen appropriately at that time. Although now that he has seen the City's perspective for six months, and thinking about the next 1% increment, he would lean more toward focusing on some of the basic needs of the City. Councilor Giles noted that there was a lot of flexibility and a lot of responsibility on the part of the LOT Commission to select the appropriate projects.

Mr. Drabinski stated his opinion that if the 1% sales tax did not pass, then the City would absolutely have to rethink how the LOT funds were allocated.

Mrs. Wagner added the thought of how much the City's parks are impacted. For instance, Rotary Park went through a major refurbish that also required 100% compliance with ADA, which in turn required about \$60,000 in additional funds that were not budgeted for that project.

Councilor Witte questioned Mrs. Wagner's implication that the LOT funds are moving away from the City. Mrs. Wagner agreed and stated that over the last five years the funding directed toward City projects has gone down. The general feeling from the Commission is that the City will find the money to do the projects, and that it is the City's problem and not the LOT Commission's problem. Councilor Witte stated that she thought that people do not consider the LOT money to be City tax money. Councilor Giles agreed that there was a disconnect there, and he added that when he and Mr. Drabinski were on the commission it was a tough sell to get some of the really good City projects funded.

Mrs. Wagner reminded the group of the definition of a tax, stating that a tax is demanded by the government for support for specific facilities or services, and it is levied. The very nature of a tax is to be used by the government agency that imposes the tax. She stated that the Local Option Tax is an opportunity to fund a lot of City projects that are real and need completion.

Mayor Aymon noted the wording in other cities' ordinances was similar to McCall's and that the City is not alone in that type of ambiguous wording. Mrs. Wagner noted that other cities do partner with the chambers to do their advertising, but many of those events mentioned are city-sponsored events that may use city facilities.

Councilor Giles discussed the manner and timing in which LOT funds would transition towards more City-oriented projects. Funding was already set in place for projects through the end of fiscal year 2015, so it would start with fiscal year 2016.

Mayor Aymon reminded the group that a decision cannot be made today or without the full body of members present. She stated that there had to be a lot of conversation because those would be big changes and there may have to be a gradual transition.

It was decided to revisit the discussion when all council members are present before addressing the LOT Commission in the spring of 2015. The discussion was scheduled for a work session prior to the Council meeting on November 20, 2014.

#### **AB 14-201 McCall City Code Title 4 Rewrite review**

BessieJo Wagner, City Clerk, discussed the ongoing revision of Title 4 of the City Code. Many of the chapters will be omitted that are no longer relevant. The remaining or added chapters are summarized below:

- Chapter 1: General information, definitions.
- Chapter 2: Childcare.
- Chapter 3: Snow removal.
- Chapter 4: Taxicabs (recently adopted, no changes.)
- Chapter 5: Pawnbrokers.
- Chapter 6: Limited duration businesses.
- Chapter 7: Events and activities.
- Chapter 8: Alcoholic beverages (no substantial changes).
- Chapter 9: Non-property taxes (no changes).
- Chapter 10: Products containing phosphorus (no changes).

Although the current Chapter 5 (Dance Halls) would be omitted, there was a question about "unlawful dancing" because this is the only reference in the Code that addresses nude dancers. Mrs. Wagner suggested incorporating the wording into another chapter if the Council wanted it to remain in the Code, perhaps Title 5, Public Safety. Mayor Aymon asked if other cities do not allow "artistic dancing?" Mrs. Wagner said she would research this. It was stated that the issue of nude or artistic dancing would need to be thought about and either to be defined with Business Regulations or in some other area of the code. Mrs. Wagner stated that if the Council would like to address the issue of strippers, it could be done and the language would be brought up to date. Mayor Aymon stated that she would like to know what other municipalities do, in particular, Sandpoint, Ketchum, etc. and what their code states. Mrs. Wager stated that she would do some research and see how other cities address the issue.

Mrs. Wagner explained a change to the vendor's license requirement for exempt nonprofit organizations. She stated that the requirement was eliminated because exempt and for-profit organizations should be treated differently, and would come to light when fees are examined. Mayor Aymon asked about the permitting process for nonprofit organization vendors, which shall be the same as for-profit vendors, so there is no reason to have it separated.

Mrs. Wagner continued regarding definitions of a trade business, a home occupation is not required to be licensed, but in the rewrite home occupations would be required to be licensed, which would also include contractors doing work within the city limits. She clarified that this would be people who work with the public, not employees of other businesses. Councilor Witte asked if business licenses were required for a contractor who lived within city limits or a contractor who did business within city limits (not necessarily a resident). Mrs. Wagner stated that this question came up in a previous meeting in October and was determined that the license is necessary even for nonresident contractors doing business within the city.

Mrs. Wagner stated that the definition of child day care was added. She stated that there are regulations within the last couple of years at the State level for child care and the revised code would require a state license to receive a City business license for day care and would be reflected in Chapter 2.

Mrs. Wagner called out some additional changes recommended for MCC Title 4 Business Regulations:

1. The definition of pawnbroker was added.
2. Peddler is a new definition. In other cities there has been trouble with peddlers breaking in and assaulting people, so more stringent laws are being established around peddlers. This goes back to the Green River Ordinance. Fundraising for school sports or activities would be excluded.
3. Short-term rentals are defined, also defined within the ordinance, but added to business definitions as well.
4. Regarding Special Events, this section is under construction and in need of further discussion. Mrs. Wagner asked for input on this. McCall has many unique events that may not be properly defined. The intent is to define these events. Chapter 7 will define what events require permits and regulations.
5. Child care businesses are licensed through the State. In order to get a City license they have to produce their State license. The State code is very thorough.
6. Regarding Vendor Licensing, anything that referenced "hawker" was removed. Also, a person holding a vendor's permit or license that is part of another licensed event (street carnival, etc.) is not required to hold a city-issued permit.

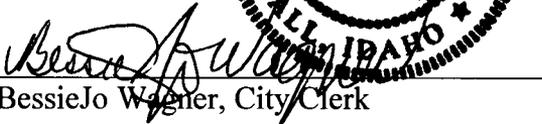
7. Requirements were added for a peddler. They must apply for a permit no less than eight weeks prior to the start date and undergo a thorough background check. The background check is very similar to that of a taxicab driver.

In summary, the licensing of a snow removal business will be worked on by Peter Borner, Public Works Superintendent. Pawnbroker licensing and Special Events will be addressed by the Council at a work session in November.

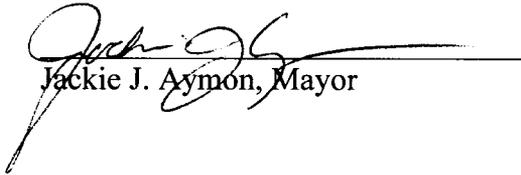
## ADJOURNMENT

Without further business, Mayor Aymon adjourned the meeting at 4:44 p.m.

ATTEST:

  
BessieJo Wagner, City Clerk



  
Jackie J. Aymon, Mayor