

April 14, 2009

The Red Lodge City Council met in regular session on April 14, 2009 at 7:00 p.m. The meeting was called to order by Mayor Scanlin followed by the Pledge of Allegiance to the Flag.

ROLL CALL OF OFFICERS Present: Mayor Scanlin, Aldermen Kampfe, Mahan, Richter, Labrie, Kennicott and Priest. Absent: None

MINUTES OF MARCH 24 Motion by Mahan, second by Labrie to approve the minutes of March 24 as corrected. On roll call vote all Aldermen present voted "Aye." Motion carried.

There were some spelling and typing corrections made to the minutes. Kennicott asked for a correction under the title of Fire and EMS District. In the fifth paragraph the starting sentence will now read "Kennicott said that most of the **members** of the Red Lodge Volunteer Police Association **have** (has) moved away with only one volunteer left."

CLAIMS AGAINST THE CITY Motion by Kampfe, second by Labrie that claims against the City totaling \$97,425.39 approved by the Auditing Committee, be paid and warrants drawn on their respective funds in payment. On roll call vote all Aldermen present voted "Aye." Motion carried.

Kampfe reported that the claims presented this month are lower than they have been for a long time. He commented that one of the reasons for this is the City currently does not have any major projects going. He said the largest claim was to Allied Waste for \$22,988 for the monthly contract and dumpster rent. This is about the same amount that is paid each month. Kampfe said the largest capital purchase was \$8,306 for computers and supplies for the IT system. This project is moving along. He said the smallest claim that he had ever seen was \$.45 for a water bill overpayment.

OFFICERS REPORTS The Mayor said the water report states the City is still at a 58% unaccounted for water loss. There is an 8,000,000-gallon loss. She said the City is looking into a leak detection program. Also the City is hoping to have a new remote meter-reading project done this next fiscal year that in part will help to capture the loss.

COMMENTS FROM PUBLIC None

SPECIAL COMMITTEE None

**STANDING COMMITTEE – Administration – Ordinance No. 875 – Snow Removal – Second Reading
ORDINANCE # 875**

AN ORDINANCE TO CLARIFY AND REVISE THE RED LODGE REQUIREMENTS FOR THE REMOVAL OF SNOW AND ICE FROM SIDEWALKS WITHIN THE CITY.

Motion by Kampfe, second by Mahan to approve Ordinance #875, An Ordinance To Clarify And Revise The Red Lodge Requirements For The Removal Of Snow And Ice From Sidewalks Within The City, on second reading. On roll call vote those in favor: Aldermen Kampfe, Mahan, Richter, Labrie and Kennicott. Those opposed: Alderman Priest. Motion carried.

Mayor Scanlin said this Ordinance removes the requirement of snow removal from the residential areas and removal from the commercial area to be done by 10:00 in the morning after cessation of the storm. It also expands the commercial area from the Bank of Red Lodge to the block of the Roosevelt School. It also generally includes one-half block off Broadway, and includes the commercial area of Oakes.

Priest said he would like to see the ordinance speak to having the sidewalks “substantially” cleared of snow and ice. He said it is sometimes very hard to completely clear the sidewalk. He also said the sidewalks are not being totally kept clear of snow and ice now. Others felt the ordinance is all right the way it is written and that the Police will be able to see if someone has made a conscientious effort for removal. If this becomes a problem the Council will need to review the ordinance again at a later date.

Stimulus “ARRA” Update – HB 645 Sanderson said this bill has cleared the House by significant numbers. It is not known if it has passed the Senate or not. Sanderson said he has not heard of any issues on this bill. If signed by the Governor this bill will pay directly to the City approximately \$54,000. These funds could be used to pay for the repairs to the roof of City Hall.

Mayor Scanlin said the PRV on the West Bench initially did not receive a very good reception at the State level. The City has the concern that it was perceived as a flow reduction project rather than one that would assist the subdivisions that have been approved in the last five or ten years. The Mayor said she had HKM resubmit the project accenting the fact that it is not primarily flow reduction but water distribution. With this change it appears that the City is still in the running for DEQ funds.

The other City project before DEQ is the sewer treatment plant solar system. The Mayor said this project is an agenda item at tonight’s meeting for action if the Council is comfortable going forward.

Appointment to the Resort Tax Committee The time is here to have another review from a Resort Tax Committee. Mayor Scanlin has five applicants interested but the ordinance calls for a seven-member committee. Mayor Scanlin said the committee could also have a Council representative and perhaps a staff member so she suggested Janie Michelcic as she does the handling of the Resort Tax. The Mayors recommendations to the committee are: Mary Fitzgerald, Ryan Sankey, Sunny Lewis, Gary Robson and Angela Beaumont. Wanda Kennicott agreed to serve on the committee as Council representative and Janie Michelcic as staff representative agreed to sit on the committee.

Motion by Mahan, second by Kampfe to approve the following on the Resort Tax Review Committee; Mary Fitzgerald, Ryan Sankey, Sunny Lewis, Gary Robson, Angela Beaumont, Wanda Kennicott and Janie Michelcic. On roll call vote all Aldermen present voted “Aye.” Motion carried.

DEQ Application for SRF – Solar Panels Wastewater Motion by Kampfe, second by Richter to approve the DEQ application for SRF funds for the solar panels at the wastewater treatment plant. On roll call vote all Aldermen present voted “Aye.” Motion carried.

Kampfe said he is skeptical of this project but that he is open-minded about it. He would like to get a lot more information about the project. Sanderson told the Council that the project is set for approximately \$500,000. The State Revolving Fund is essentially a loan program but they have a portion of capital forgiveness of about 52% of the funds. The loan through the State Revolving Fund would then be for \$248,856 for twenty years at .75% interest for the life of the loan. Sanderson said the yearly payment for twenty years would then be \$13,450 with an estimated yearly saving from the project of \$9,120. This would be about a thirty-year payback on the project.

There are no estimates of the operating costs at the present time. It was asked how much land would be needed for the project. Mayor Scanlin said these questions would be answered within the preliminary engineering plan. The Council is giving permission to submit this proposal to DEQ for the stimulus funds. At this point the City is committing nothing. Kampfe said for this initial step he would be voting yes. Mahan said she is also skeptical but will vote in the affirmative to get answers not yet given regarding the project. She said she is familiar with solar energy and know there are costs associated with maintenance and

repair. She would like to see these other costs. Priest said that when you lose money for twenty years he fails to see how this is a stimulus project. He will however vote in favor to be able to get more information on the project. He had hoped for a more dramatic cost savings.

Resolution No. 3279 – MMIA Revised and Restated Interlocal Agreement The following five resolutions are being done as the City’s insurance company is changing their name. The City needs to approve a resolution for the name change for each insurance coverage they have with MMIA. The name change is from Montana Municipal Insurance Authority to Montana Municipal Interlocal Authority.

RESOLUTION APPROVING AND ADOPTING THE MONTANA MUNICIPAL INTERLOCAL AUTHORITY REVISED AND RESTATED AGREEMENT #3279.

Motion by Kampfe, second by Priest to approve Resolution No. 3279, MMIA Revised and Restated Interlocal Agreement. On roll call vote all Aldermen present voted “Aye.” Motion carried.

Resolution No. 3280 – Approving & Adopting MMIA Revised & Restated Worker’s Compensation Program Agreement

RESOLUTION APPROVING AND ADOPTING THE MONTANA MUNICIPAL INTERLOCAL AUTHORITY REVISED AND RESTATED WORKERS’ COMPENSATION PROGRAM AGREEMENT #3280.

Motion by Kampfe, second by Mahan to approve Resolution No. 3280, Approving and Adopting MMIA Revised and Restated Workers’ Compensation Program Agreement. On roll call vote all Aldermen voted “Aye.” Motion carried.

Resolution No. 3281 – Approving & Adopting MMIA Amended & Restated Liability Coverage Program

RESOLUTION APPROVING AND ADOPTING THE MONTANA MUNICIPAL INTERLOCAL AUTHORITY AMENDED AND RESTATED LIABILITY COVERAGE PROGRAM AGREEMENT #3281.

Motion by Kampfe, second by Priest to approve Resolution No. 3181, Approving and Adopting MMIA Amended & Restated Liability Coverage Program Agreement. On roll call vote all Aldermen present voted “Aye.” Motion carried.

Resolution No. 3282 – Approving & Adopting MMIA Amended & Restated Property Program Agreement

RESOLUTION APPROVING AND ADOPTING THE MONTANA MUNICIPAL INTERLOCAL AUTHORITY AMENDED AND RESTATED PROPERTY PROGRAM AGREEMENT.

Motion by Kampfe, second by Mahan to approve Resolution No. 3282, Approving and Adopting MMIA Amended and Restated Property Program Agreement. On roll call vote all Aldermen present voted “Aye.” Motion carried.

Resolution No. 3283 – Approving and Adopting MMIA Employee Benefits Program Agreement

RESOLUTION APPROVING AND ADOPTING THE MONTANA MUNICIPAL INTERLOCAL AUTHORITY EMPLOYEE BENEFITS PROGRAM AGREEMENT #3283.

Motion by Kampfe, second by Labrie to approve Resolution No. 3283, Approving and Adopting MMIA Employee Benefits Program Agreement. On roll call vote all Aldermen present voted “Aye.” Motion carried.

Schedule Budget Workshops FY 2010 Mayor Scanlin said discussions have been held with department heads on the upcoming fiscal year 2010 budget. She hopes to have a budget to the Council by the end of the month. She wants the Council to be able to review the budget figures during the months of May and June as the total amount of the State funding will not be available until about September. She said the City should be able to have a preliminary budget done on time with the additional figures being brought in when they are known. She said the increase in wages may be anywhere from two to five percent this year. The Mayor suggests budget workshops on the alternating Tuesdays from Council meetings. Department heads will be available at these times. The Council decided to start May 19, 2009 from 5:00 to 7:00 p.m.

Emergency and Police Service – Ordinance #876 – Speed Limit Red Lodge High School – First Reading

ORDINANCE # 876

AN ORDINANCE AMENDING THE 2005 RED LODGE CITY CODE TO ADD A SCHOOL ZONE FOR THE RED LODGE HIGH SCHOOL AND ESTABLISH A 15 MILE PER HOUR SPEED LIMIT IN ALL SCHOOL ZONES.

WHEREAS: The City Council of the City of Red Lodge, Montana has the authority to adopt and enforce regulate traffic regulations (7-14-4103 M.C.A.) within the City Limits, AND;

WHEREAS: The 2005 Red Lodge City Code establishes school zones and sets speed limits in such zones, AND;

WHEREAS: A new Red Lodge High School is established and School District 1 has requested the city set a reasonable school zone and associated speed limit in that zone, AND;

WHEREAS: The Chief of Police for the City of Red Lodge has reviewed, and concurred with the proposed school zone and speed limit.

Now therefore:

BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF RED LODGE, MONTANA THAT SECTION 6-1-8.B OF THE 2005 RED LODGE CITY CODE IS HEREBY REPEALED AND THAT THE FOLLOWING ADDITIONS BE INCORPORATED INTO THE 2005 RED LODGE CITY CODE:

6-1-8.A.3 Zone 3: Along Fifth Street from Cooper Avenue North to Rock Creek

and along Chambers Avenue North from Fifth Street to the Nature Center and ball fields and along Second Street from Cooper Avenue North to Rock Creek. The entirety of the area commonly referred to as Coal Miners Park is included in this zone.

6-1-8.B Speed Limits: In such designated zones, it shall be unlawful and no person shall drive or operate a motor vehicle in such zones, or either of them, or in any portion thereof, at a speed greater than fifteen (15) miles per hour at such times as the zones shall be set apart for such speed limit.

Motion by Kennicott, second by Labrie to approve an ordinance #876 amending the 2005 Red Lodge City Code to add school zones for the Red Lodge High School and establish a fifteen miles per hour speed limit in all the zones on first reading. On roll call vote all Aldermen present voted “Aye.” Motion carried.

Mayor Scanlin said that Chief Pringle has a concern that there does not seem to be a zone in this particular ordinance that addresses parks. Research will be done to see if this topic is housed in another ordinance or whether it needs to be added here.

Land Use and Planning – Cooper Lots Deed Restrictions and Lot Pricing Laura Getz reported to the Council that these lots are not currently selling. Getz said it is felt that the public does not yet quite understand what the Affordable Housing Committee is trying to accomplish. They also feel that reporting in the newspaper is being done poorly regarding low-income housing. Jodi Ronning said the volume of sales for 2007-2008 has decreased by 50% and then again from 2008-2009 they have dropped another 35%. In our market the sale prices appear to be coming down. Jodi said that of the remaining four Cooper Lots, two have infrastructure on the lot and two do not. The two inner lots are just vacant lots with no amenities. Lot 5

is the most desirable lot and they are keeping the selling price at \$62,000. Water, sewer, electricity and phone lines all go with this lot. The suggested selling price for Lot 2 is \$60,000. The two inner lots, 3 and 4, have no improvements and the suggested selling price for these two lots is \$58,000. There would be no deed restrictions on these four lots. Getz said the problem is if they do not sell for the required amount of money, and there is a shortage, the City will need to pay the difference. This is something that will need to be recognized by the City. Efforts will continue for the marketing of these lots.

Motion by Mahan, second by Kampfe in regard to the Cooper Lots to lift the deed restrictions and change the pricing structure on address 319 to \$60,000, address 315 to \$58,000, address 309 to \$58,000, and address 305 to \$62,000. On roll call vote all Aldermen present voted "Aye." Motion carried.

Mayor Scanlin said that none of the six lots on Cooper would have deed restrictions.

Resolution No. 3278 – Process to Purchase City Owned Land

RESOLUTION NO. 3278

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF RED LODGE TO ADOPT A PROCESS FOR THE SALE OF CITY OWNED LAND.

WHEREAS: The City Council recognizes that City owned land is held in trust for all of the residents of the City of Red Lodge, AND;

WHEREAS: The Red Lodge City Council identified the need to develop a comprehensive and fair method for the consideration of and sale of City owned land, AND;

WHEREAS: The Red Lodge City Council recognizes that any decision to sell City owned land must be an open public process that affords all parties that may be interested in the parcel an opportunity to purchase the parcel, AND;

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Red Lodge, Montana to adopt Resolution Number 3278 to adopt the 'City Owned Land Sales Flowchart, dated April 2, 2009' that is attached to this resolution as the process by which the City of Red Lodge will consider the sale of lands owned by the City of Red Lodge.

Motion by Mahan, second by Labrie to approve Resolution No. 3278, Process For the Sale of City Owned Land and the flow chart accompanying it. On roll call vote all Aldermen present voted "Aye." Motion carried.

Authorization to Order an Appraisal of City Owned Land – Heritage Propane Motion by Mahan, second by Richter to authorize the request for an appraisal of the City owned land where Heritage Propane is located currently. On roll call vote all Aldermen present voted "Aye." Motion carried.

Heritage Propane has made an offer to the City to purchase the land they are currently leasing. The City will need to have an appraisal done on this property. It is felt the offer made is a low one.

Use of City Owned Property – Civic Center Parking Lot – Chamber Home and Garden Show The Chamber of Commerce is requesting the use of City owned land for May 2nd and 3rd. They are requesting the use of the Civic Center parking lot in order to provide outside exhibit space.

Motion by Mahan, second by Kampfe to approve the use of the parking lot behind the Civic Center for the Red Lodge Area Chamber of Commerce for a Home and Garden Show for May 2nd and 3rd. Hours on Saturday from 9:00 a.m. to 5:00 p.m. and hours on Sunday noon to 5:00 p.m. On roll call vote all Aldermen present voted "Aye." Motion carried.

CDBG Planning Grant – Authorize Application Sanderson said his department is in the process of putting the final touches on the planning grant they would like to submit to CDBG. This would be a grant of up to \$20,000 for growth policies, subdivision regulations, zoning documents and capital improvement plans. The City has done or is currently doing most of these documents with City funds. The Planning Department is asking for submittal of this grant application to help defray the costs of these projects to the City budget. These funds will help to complete the zoning ordinance for the City in FY 2010. When all is completed the ordinances will be in place to implement the growth policy. Hopefully, since almost all the work and costs have been handled by the City, CDBG will look favorably on the granting of these funds. A commitment of \$20,000 will need to be in the City budget for a match on this grant application. Sanderson has currently included this match in the FY 2010 budget proposal.

Motion by Mahan, second by Kampfe to approve the authorization for the CDBG Planning Grant application. On roll call vote all Aldermen present voted “Aye.” Motion carried.

Public Works – Reduction Mercer Letter of Credit – Cabin On Cooper Sanderson said the letter of credit currently stands at \$93,687.50. Cabins on Cooper have performed work and the Public Works Director has inspected it. They are now asking for a reduction in the letter of credit of \$18,800 leaving the City with \$74,887.50 on the credit for a guarantee for the remaining improvements. Sanderson said the recommendation is to approve the reduction of the letter of credit.

Motion by Priest, second by Labrie to approve the reduction of the letter of credit. On roll call vote all Aldermen present voted “Aye.” Motion carried.

Kennicott asked what paving has been done. Sanderson said it is the paving in the alley that has been completed by the developer. The paving on Cooper Avenue and First Street has not yet been completed. Hopefully this will all be done during the summer of 2009.

Reroof City Hall Contract Sanderson said the City has awarded the contract to reroof City Hall to Briggs providing they submit a contract that meets all of the concerns and issues stated in the RFP. The contract presented by Briggs meets all the concerns and standards. Briggs has purchased the required building permit and a business license to do the work. The contract will go to the Administration Committee and Sam Painter at the same time to be reviewed before the Council takes action. If the Council has any questions on the contract they should present them to the Administration Committee.

Motion by Kampfe, second by Priest to table this action until the April 28, 2009 meeting. On roll call vote all Aldermen present voted “Aye.” Motion carried.

HB 645 Funds Motion by Mahan, second by Labrie to table this action item until more information is available. On roll call vote all Aldermen present voted “Aye.” Motion carried.

DEQ Application for SRF – Water Rehabilitation Sanderson said the DEQ application is for the part of the previous project that was not done due to the lack of funding. This new application would be for the pressure reducing valve replacement near the County shop and the extension of the 16-inch main from the PRV past the airport and to the golf course. This would help run up the pressures and volume to the golf course. Sanderson said that initially DEQ looked at the application as just for fire flow protection. DEQ is not in the position to award funding for fire flows so they were prepared to reject the application. Sanderson said the fire flow at the golf course and the high school are a component of the application but the water mains on Second Street are currently two-inch lines and would be replaced with an eight-inch line. The extension of the sixteen-inch main idles substandard lines. This was clarified to DEQ with submitted documentation and the request to have the application reviewed once again. The City should know by the

end of the month if these funds will be available for our use. Mayor Scanlin pointed out that the City has received considerable funds already for water projects that have been done and so we are lower on the list and are competing with other communities with shovel ready projects that have moved up the list.

Pool Drainage Requirements Mayor Scanlin said MMIA has given the City some information regarding the drains in swimming pools. It seems that the City pool may not be affected by any of the problems coming to the forefront with drains. The City has a dual drain system that meets the stated requirements. The baby pool has a gravity feed drain with no suction. The State pool inspector will come to Red Lodge to confirm this.

CITIZEN REPORT Mary Fitzgerald commented that the 35 mile per hour speed limit on Highway 212 on the north end of town by the Silver Strike and First Interstate Bank is probably not appropriate any longer with the new high school built in this area. She said the area is much busier now. She feels it should be down to 25 miles per hour. Montana DOT is the entity to be dealt with. Sanderson said he will make a phone call to MDOT in the morning.

Mayor Scanlin asked Fitzgerald to visit with the other appointees to the Resort Tax Review Committee and set up a meeting to start discussion. There is a need to confirm when items should be placed on the ballot if the committee had any suggestions that the Council would like to see go to the vote of the public regarding this issue.

OLD BUSINESS None

NEW BUSINESS None

CORRESPONDENCE None

MISCELLANEOUS Mayor Scanlin told the Council that she will be on vacation and will miss the next Council meeting.

Meeting adjourned at 9:15 p.m.

Mayor

ATTEST:

City Clerk

