

December 9, 2008

The Red Lodge City Council met in regular session on December 9, 2008 at 7:00 p.m. The meeting was called to order by Mayor Scanlin followed by the Pledge of Allegiance to the Flag.

Before roll call was taken Mayor Scanlin presented Alderman Lockman with a plaque thanking her for the four years she has given the City of Red Lodge by serving as a Council member in Ward 2. She was thanked for her input during these years.

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

**MINUTES OF NOVEMBER 25** Motion by Mahan, second by Labrie to approve the minutes of November 25 as read. On roll call vote all Aldermen present voted "Aye." Motion carried.

Priest said his issues with the Airport Board are that he feels the land is one of the Cities biggest assets. The price of the leases is a very small point compared to the overall scheme of things. He feels it is potentially under utilized. Priest said he feels the lease amounts paid at the airport is not as important in the long run as the standby support services the City has for the ambulance service that does not come back to the City. He also feels there is room for discussion on the topic of Land Use and Planning of City/County land around the City of Red Lodge.

Mayor Scanlin said she recommends a study of the Interlocal Agreement with the County regarding the Airport Board and airport land.

**CLAIMS AGAINST THE CITY** Motion by Kampfe, second by Mahan that claims against the City totaling \$745,967.68 approved by the Auditing Committee, be paid and warrants drawn on their respective funds in payment. On roll call vote those in favor: Aldermen Kampfe, Mahan, Lockman, Labrie and Kennicott. Those opposed: Alderman Priest. Motion carried.

Kampfe said the biggest claims were the 2007 Water Rehab project, which is almost finished. Williams Plumbing and Heating had a claim totaling \$585,112, which was the largest claim for the month. This is due to the closing out of this project. COP Construction presented a claim totaling \$57,869 and HKM had a claim totaling \$15,609 for their engineering costs.

Kampfe said there was one claim to Ray Judd Petroleum, for \$404, that they are recommending not be paid. This claim is for fuel for the collection of cardboard. The committee stated they are not comfortable paying this claim or the one submitted last month without a written agreement with Norm Mance. The collection of cardboard is done for the business community and it is felt that perhaps the City should not be picking up the bill for the business collection. This topic will be turned over to Public Works for an official position.

Sanderson said he has met with EDC regarding the cardboard collection but he has not heard back from this committee. Beth Hutchinson said she has met with Mr. Mance and representatives of Experience Works emphasizing that the City is not in a position to participate and that a private business is needed. She said there is the possibility that if this would begin to move that Mr. Mance could still be paid by Experience Works to help build a little capital. Mayor Scanlin suggested to Hutchinson that these conversations continue and at some point bring the thoughts to the Public Works Committee. Mayor Scanlin asked Sanderson to relay the message to Ray Judd Petroleum that fuel charges will no longer be the responsibility of the City. Sanderson will also speak to Mance regarding these decisions so he will be

aware that the City will no longer be responsible for any charges made by Mance. Sanderson will also relay this message to any vendors that were primarily used for recycling purchases.

The discussion was held on the two claims that have not been paid, Ray Judd Petroleum and Rocky Mountain Tire and Lube, and the fact they dealt in good faith expecting the claims to be paid. This is something that will have to be dealt with in the near future.

**OFFICERS REPORTS** The officer reports were approved by the Council as submitted. Mayor Scanlin asked about the unaccounted water on the water report after all the work that has been done on the water project. The unaccounted water was 65%. Sanderson said this may be due to things like filling the tank a couple of times checking for leaks and chlorination. He said the numbers should go down but it takes a considerable amount of water to fill and flush the 16-inch line all the way from the waterworks plant to town.

**SPECIAL COMMITTEE – Update on West Fork Fuel Reduction Project** Traute Parrie gave the Council an update on the West Fork Fuel Reduction Project. She said the project was split out due to the fire this summer and they concentrated on the areas not affected by the fire, which are the Main Fork of Rock Creek and the Benbow area. She said the Benbow area has extensive amounts of storm damage and has existing fuel risk. All comment and objection periods for this project were observed by the Forest Service. Parrie said that hopefully a decision would be made in January on this project. She said that regarding the West Fork project, which is 935 acres, it was recommended to make 550 acres commercial and 385 non-commercial, either some prescribed burning or thinning with a fire crew or a contract crew.

Lockman asked that the impact to the West Fork be kept in mind, as this is an area that is used by a lot of people and has an impact to the City businesses. Parrie said this is something that will be kept in mind when the project is being done, as they do not want to hurt the economy of the City.

**STANDING COMMITTEES – Administration – 12/23/08 Council Meeting** Priest and Kennicott will both be absent for this meeting. As of now there is nothing urgent that needs to be taken care of at that meeting. Mayor Scanlin said that if anything comes up that couldn't wait until the first January meeting it can be dealt with at a special Council meeting with proper notice.

Motion by Kampfe, second by Kennicott to cancel the 12/23/2008 Red Lodge City Council meeting. On roll call vote those in favor: Aldermen Kamfe, Lockman, Labrie, Kennicott and Priest. Those opposed: Alderman Mahan. Motion carried.

**Resolution No. 3274 – Beartooth Hospital – Designation of Environmental Certifying Official**

**RESOLUTION NO. 3274**

**RED LODGE CITY COUNCIL**

**A Resolution by the City Council of the City of Red Lodge to designate an environmental certifying officer for the City of Red Lodge.**

**WHEREAS:** In 2008 the City of Red Lodge applied for federal, state, local and private funding to install new equipment in the Beartooth Hospital and Health Center, AND;

**WHEREAS:** All necessary funding has been received to permit the project to go forward, AND;

**WHEREAS:** An Environmental Certifying Official may be designated by formal resolution.

**NOW THEREFORE BE IT RESOLVED,** by the City Council of the City of Red Lodge, Montana to adopt Resolution Number 3274 designating Mayor Elizabeth Scanlin as the Environmental Certifying Official to produce an Environmental Review Record; the City of Red Lodge will ensure that it and all of its contractors or agents shall conduct all program matters in a non-discriminatory manner such that all persons regardless of race, gender, age, disability, or other protected class shall be treated equally, and further, each shall comply with the policies and procedures delineated in the 2008 Beartooth Hospital and

Health Center CDBG Management Plan, approved by the Montana Department of Commerce Community Development Block Grant Program.

Mayor Scanlin said the Hospital has a major financial package with CDBG that involves the City and apparently the Mayor is generally designated as the Environmental Certifying Official for the signing of papers. Sanderson said anytime Federal funds are used the City is required to comply with the National Environmental Policy Act. Part of this process is an environmental review prepared at the local level and certified by either the chief elected official or whomever the governing body designates as having the signatory authority to certify the review. It is mandatory that if federal dollars are used the NEPA document must be completed. The signing official is not expected to do the EA but just the signing of the certifying documents and someone qualified is contracted or perhaps on staff to do the work.

Motion by Kampfe, second by Mahan to approve Resolution No. 3274, A Resolution by the City Council of the City of Red Lodge to designate an environmental certifying officer for the City of Red Lodge. On roll call vote all Aldermen present voted "Aye." Motion carried.

**Insurance Issues – Fire Department, Lions Park, Special Events** Mayor Scanlin said the City insurance covers the City and does not cover the individuals who are co-sponsors. When the City asks for insurance coverage it is to cover the sponsor as well as the City's deductible. The participants in the Christmas Stroll did get coverage for the event. Mahan said that Lions Club insurance covers only Lions Club activities. It does not cover the ice rink. Mayor Scanlin said that ice skating rinks are not specifically excluded on the City insurance. She feels the rink would be covered under the MMIA insurance but she is waiting to hear from MMIA on this coverage. Priest said he would give the Council the information on coverage for the playground while it was being built. Since a third party built the ice rink he wonders about the coverage.

**Approval of Union Contract** The new contract for the non-police union has removed all items that were particular to police or fire as they are not a party to this union. Job postings to the union was clarified and reduced from 30-day notice to a 10-day notice before the openings can go external. The Labor Management Committee will consist of three members from the City and three union members. Overtime will be paid at 1 ½ regular pay, Sundays will be 2 times regular pay and holiday hours will be 2.5 times regular pay. The step pay needs to be clarified. In the pay matrix the step pay was done every two years with a 2% increase. The contract states 1% every year on hire anniversary. If the agreement is adopted as written the pay matrix will have to be adjusted to state the same.

Motion by Kampfe, second by Lockman to approve the agreement between the City of Red Lodge and the Red Lodge City Employees dated 12/09/2008. Motion was tabled.

Kampfe feels the contract will help at budget time due to the fact that salaries will be established along with any increases for the year. This should help a great deal with the largest portion of the budget, which is salaries.

Mahan objected to the fact that four members of the Council did not receive a copy of the agreement and have not had the opportunity to read it. She feels it is an important document and all should have read it before being expected to vote on this motion. She knows this agreement has been worked on diligently and she does not want to hold up the process but since this document is crucial she again feels they all should have the opportunity to read the agreement. It was decided that all should see the document first before any action is taken on the topic. The union is working under the former agreement and will continue to do so until the new one is adopted.

Motion by Priest, second by Lockman to table this motion until the January 13, 2009 meeting. On roll call vote those in favor: Aldermen Mahan, Lockman, Labrie, Kennicott and Priest. Those opposed: Alderman Kampfe. Motion carried.

**Emergency and Police Services – Illegal Dumping** Only one complaint has been received from the public on this dumping. Sanderson showed the site and pictures of the site to the Ward One representatives but the area was covered in snow. Fire Chief Kuntz said it appeared that the site did not pose a flammable hazard. Sanderson said the property owner could be cited for illegal dumping, which is outside the scope of the nuisance law. This would have to be done by the Chief of Police and could be ordered to be removed by State law. This would be the responsible way to go through State law and let the Police deal with the problem.

Mahan said she feels it should be pursued through the Police Department and have the area cleaned up. The Mayor said she would visit with the Chief and check on the State laws regarding this issue.

**Ordinance No. 874 – Addressing – Second Reading**  
**ORDINANCE NO. 874**

**Chapter (to be determined)**

**Addressing**

Sections:

1. Address number required.
2. Designation of address numbers.
3. Addressing fee.
4. Record of address numbers.
5. House, building or structure being erected or remodeled required to be numbered.
6. Specifications for display of address number.
7. Alternative method of address display.
8. Compliance required; correction of violations.
9. Change in name or number of street or avenue.
10. Penalty.

Motion by Lockman, second by Mahan to approve Ordinance #874, Addressing, on second reading. On roll call vote all Aldermen present voted “Aye.” Motion carried.

**Snow Removal** Lockman said it was felt that some of the existing ordinances the City has, especially ones dealing with snow removal, are now missing from the ordinance book. This is something that needs to be checked on to make sure they were not repealed or lost and if so they will need to be brought back so the Police have an ordinance to use regarding things like snow removal and overnight parking.

**Land Use and Planning – Mountain Springs Villa – Condition Clarification** NeighborWorks Montana has requested that the City reevaluate two items that were included in the preliminary subdivision approval for the Mountain Springs Villa project. These issues have arisen as a result of a determination imposed by the State of Montana CDBG program for the use of Housing and Urban Development funds and the requirement to install sidewalks on both sides of all streets located within the project.

Sanderson said the MSV project was approved by the City with a requirement that sidewalks be constructed along all streets within the boundaries of the subdivision. MSV proposes to plat all of the right-of-way (60 feet) for the extension of Hauser Avenue through their ownership and will build the street to the Cities urban design standards. This proposal is in excess of the minimum requirement of the City regulations and was done to facilitate on-street parking, good design on the part of the project and

addressing the desire of the City to extend Hauser Ave. as another north-south connector route. Sanderson said that it is important to remember that significant portions of the project (26 units) are located within the existing mobile home court. Because a large portion of the project is located within the confines of an approved/existing mobile home court, the Council needs to be careful only to impose the conditions set forth in the development code.

The MSV project could have proposed to plat half of the street (30 feet) and would have therefore not been required to provide a sidewalk on the east side of the extension of Hauser Ave. The requirement for MSV to install sidewalks along both sides of Hauser appears to be excessive and inconsistent with the record generated with this project. Sanderson said staff would also submit that the proposed right-of-way could be reduced to not less than 50-feet at the time of final plat approval to allow better development of the lots while still providing more than half of the street required.

The second issue is that at the time of project submittal for HUD funds, the proposal was to require that all of the pre-1976 homes be replaced with newer manufactured homes. The intent of the project was to modernize the residential structures in the neighborhood and put families into newer more energy efficient homes.

The problem with this is the HUD funding guidelines are very conservative on projects like MSV. HUD is concerned about the overall financial health of the development as well as the individual homeowner. HUD requirements do not allow the residents to take on more debt even though the purpose of replacement was to have savings from current energy expenditures be offset by the new mortgage obligation. These concerns coupled with the cost of new infrastructure and the purchase of the property makes it very difficult to require the existing residents to take on an additional debt for the purchase of a newer home. This problem is only applicable to the 26 units within the existing mobile home court. The HUD restrictions are not applied to Phase II of the project as it is not part of the existing mobile home park and is subject to different zoning than the existing park.

Sanderson said the solution is to recommend approval of the proposal submitted by NeighborWorks Montana and amend the condition that requires that the 26 homes within the existing park be modernized except voluntarily by the existing residents and on a mandatory basis as homes are sold or replaced via normal attrition.

Staff recommends that the Council amend the conditions of approval for the Mountain Springs Villa project to allow the replacement of existing mobile homes within Phases I and II at the time of turnover or at the owners discretion and that the sidewalks not be required on the east side of Hauser Ave. within Phase III, that the platted street of Hauser be reduced to 50 feet with the additional 10 feet to be allocated to the development lots to the west of the street.

Julie Flynn from NeighborWorks Montana said she agreed with Sanderson's report and recommendations.

Motion by Mahan, second by Labrie to approve the adoption of the Mountain Springs Villa memo as findings of fact and that the conditions of approval for the Mountain Springs Villa project be amended to reflect the following: 1) That within Phase III sidewalks are only required along the west side of the extension of Hauser Ave. 2) That the developer may reduce the platted right-of-way to no less than 50 feet on the extension of Hauser Avenue in Phase III of the project with the 10 additional feet added to the east boundary of the lots west of Hauser Ave. 3) That within the existing mobile home court (Phases I and II) that the existing homes may be replaced as turnover occurs or at the current owners discretion. 4) That all other conditions imposed by the City Council shall remain in full force and effect. On roll call vote all Aldermen present voted "Aye." Motion carried.

Priest asked about holding public comments regarding these issues. Sanderson said they do not need to be held because the end product is exactly what was originally approved in terms of the housing in Phase I and II. He also said that when public comments were held all of them were favorable toward modernization. The only thing that has been changed is the timing of when the modernization would occur. Julie Flynn said the project has submitted to the HOME Program the idea of replacing or upgrading the homes over time. CDBG said this was not permissible to make people upgrade. CDBG and HOME were in conflict with each other. That is why condition number 3 was included in the motion. It will be a gradual neighborhood commitment.

**DW Custom Builders – Conditional Use Permit/Class III Review** Sanderson told the Council that Don Wolfe has submitted a Class II and Class III Conditional Use permit for consideration by the Planning Board and Zoning Commission. The Planning Board will review and decide on the Class II and forward a recommendation to Council on the Class III for your January 13, 2009 meeting. Planning Board minutes and recommendation will be in the Council packet.

**Public Works – Update 2007 Waterline Rehabilitation Project – Preliminary Close Out** Sanderson said the budget for this project was roughly \$5,600,000. The funding sources were TSEP, EPA STAG Grant, DNRC and USDA/RD loan and \$92,000 of City of Red Lodge funds. Up to this date the amount spent is approximately \$4,800,000. There will be a few more bills coming to the City on this project. The budget, however, will not be exceeded when completed. This was a very good project done under budget with a lot of good value added.

**Resolution No. 3273 – Beartooth Highway – Nomination to the National Register of Historic Places**  
**RESOLUTION NO. 3273**

**A Resolution of the Red Lodge City Council in Support of the Nomination of the Beartooth All American Road to the National Register of Historic Places.**

**WHEREAS**, The National Register is the official list of the Nation's historic buildings and archaeological sites that are considered to be worthy of preservation, and;

**WHEREAS**, The Beartooth All American Road is being reviewed by the State Historic Preservation Review Board for nomination to the National Register of Historic Places, and;

**WHEREAS**, National Historic Registration provides recognition for historic value and rewards efforts in preserving places of designation, and;

**WHEREAS**, Listing of a site or district affords it prestige, which can enhance its value and raise community awareness and pride. While National Register properties do not have to be preserved, listing does insure that preservation is taken to be an important consideration whenever a site's future is in question.

**NOW, THEREFORE BE IT RESOLVED** that The Red Lodge City Council supports the nomination of the Beartooth All American Road to the National Register of Historic Places.

The City wrote this resolution to help show their definite support for this nomination. The Board will be meeting the middle of January 2009 for this nomination. This nomination will create no liability to the City. It could hopefully help in the future for funding purposes.

Motion by Lockman, second by Mahan to approve Resolution No. 3273, A Resolution of the Red Lodge City Council in Support of the Nomination of the Beartooth All American Road to the National Register of Historic Places. On roll call vote all Aldermen present voted “Aye.” Motion carried.

**Resolution No. 3272 – Approve Selection of Sidewalk from Highway 78 to Mountain View School as a CTEP/Safe Routes City Sponsored Project**

**RESOLUTION NO. 3272**

## RED LODGE CITY COUNCIL

**A Resolution by the City Council of the City of Red Lodge to approve an application for funding of sidewalk construction using CTEP, Safe Routes to Schools and Local Cash-in-Lieu of Sidewalks funds.**

**WHEREAS:** The Red Lodge City Council has held numerous public meetings and hearings to identify potential pedestrian enhancement projects, AND;

**WHEREAS:** The City of Red Lodge has a duly created Parks and Recreation Board, AND;

**WHEREAS:** The City Parks and Recreation Board has prepared and the City Council has adopted a comprehensive pedestrian trails plan, AND;

**WHEREAS:** In July 2008, the Red Lodge City Council has adopted a capital improvement plan that identifies the need for the construction of sidewalks and other pedestrian routes to enhance pedestrian, especially school aged children, safety, AND;

**WHEREAS:** In August 2008, the Red Lodge City Council has adopted a Growth Policy for the City of Red Lodge that identifies the need for additional sidewalks and pedestrian ways to our schools and core business district, AND;

**WHEREAS:** The Red Lodge City Council has created a cash-in-lieu of sidewalks restricted cash account to be used for the construction of new sidewalks within the City of Red Lodge, AND;

**WHEREAS:** The Red Lodge City Council has identified areas along Hauser and Villard Avenues along with portions of Fifth and Eighth Streets.

**NOW THEREFORE BE IT RESOLVED,** by the City Council of the City of Red Lodge, Montana to adopt Resolution Number 3272 and authorize the Mayor to submit an application for funding for the construction of sidewalks with standard curb and gutter in accordance with the attached Exhibit 'A' to the Community Transportation Enhancement Program and Safe Routes to Schools, with the City of Red Lodge accepting the maintenance of the constructed sidewalks.

Motion by Priest, second by Mahan to approve selection of sidewalk from Highway 78 to Mountain View School as a CTEP/Safe Routes City sponsored project, Resolution No. 3272. On roll call vote all Aldermen present voted "Aye." Motion carried.

**CITIZEN REPORT** Beth Hutchinson asked the Council how much money they would have available for match if the Federal government does release a lot of funding for infrastructure. She said there has been a program, Streetscape, where the infrastructure underground has been discussed. She asked if the City would have the funds if this federal funding were to become available. Mayor Scanlin said the short answer is that every City will be in the same boat and she guesses that a lot will be grants without a match.

Beth Hutchinson asked if the Public Works Department planned on trying any of the alternative snow plowing. The City has a system in place and it needs to be made to work for everyone, as it is a simpler program. Snow plowing is something that always inconveniences someone. Hutchinson was told she could discuss this with the Public Works Committee.

Norm Mance said he has tried to make some meetings with Public Works to discuss recycling. This has not been accomplished yet. He feels the responsibility of recycling belongs to the City. Mayor Scanlin said the City has a recycling program going with Allied Waste. They do not pick up cardboard from the commercial area. Mance said he would like to keep working with the cardboard collection but through the City. He would like to meet with the Public Works Committee. Mayor Scanlin told Mance that the Council has not approved cardboard collection and they feel this is the responsibility of the commercial area. The Council, at this point in time, has not approved a cardboard collection project. Mance was told that he could ask to speak to the committee.

**OLD BUSINESS** Kennicott said that plowing at Country Club Estates is something that needs to be discussed as driveways in this area always need to be shoveled after the streets have been cleared. She asked what could be done to help in this area. Mayor Scanlin said she does not know what the solution is given the vehicles the City has. It will involve shoveling and snow blowing on everyone's part in town.

**NEW BUSINESS** Kennicott said she is curious about the process of setting up Council committees. How is the makeup of the committee determined? Mayor Scanlin said the Council could decide themselves on the structure. She likes to have a representative from each ward on each committee. Mahan told the Council to e-mail her their preferences for committee membership. She will then put a schedule together to be reviewed.

**CORRESPONDENCE** None

**MISCELLANEOUS** None

Meeting adjourned at 9:15 p.m.

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Mayor

ATTEST:

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City Clerk

Corrections made at the January 13, 2009 meeting.