

January 12, 2010

The Red Lodge City Council met in regular session on January 12, 2010 at 7:00 p.m. The meeting was called to order by Mayor Roat followed by the Pledge of Allegiance to the Flag.

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

APPOINTMENT OF CITY JUDGE Motion by Mahan, second by Kampfe to appoint Steve Muth as City Judge for a four-year term. On roll call vote all Aldermen present voted "Aye." Motion carried.

Mayor Roat presented Judge Muth with the Oath of Office.

OATH OF OFFICE TO ALDERMEN Judge Muth presented the Oath of Office to the three newly elected Council members. This oath was given to Jason Priest, Ward One, Maryvette Labrie, Ward Two and Glory Mahan, Ward Three. Mayor Roat was given the Oath of Office on January 4, 2010.

MINUTES OF DECEMBER 22 Motion by Mahan, second by Labrie to approve the minutes of December 22 as submitted. On roll call vote all Aldermen present voted "Aye". Motion carried.

CLAIMS AGAINST THE CITY Motion by Kampfe, second by Kennicott that claims against the City totaling \$192,430.18 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 on some of the claims that were presented to the Council. The claim from NorthWestern Energy totaled \$11,771.00 for the month. The largest claim was to Carbon County Abstract & Title for \$52,515 to help a citizen with the down payment on a home being purchased. These funds will be given to the City from the HOME program set up for this use. DOWL-HKM was paid \$28,422.98 with the lion's share being for the research done on the solar panel project as well as the administration of the bids for the same project.

OFFICERS REPORTS The officer's reports were presented to the Council for their review.

COMMENTS FROM PUBLIC None

SPECIAL COMMITTEE – Beartooth Nature Center – Update on Proposals Jeff Ewelt, Executive Director, gave the Council a power point presentation showing the Nature Center's plans for their new property. The center has property approximately five miles from Red Lodge and their new center will eventually be located at the site. Mr. Ewelt said the center, from this point on, will be a native wildlife facility. The current facility is not energy efficient and they are striving for the new facility to be green. They also need the new facility to make sure the animals are kept safe. The power point that was presented showed the layout of the proposed new facility. Mr. Ewelt told the Council that if they have any questions regarding the new facility and location to please come to him so they can be discussed. Mr. Ewelt said that community engagement is very important for the facility to succeed. The Nature Center wants to work closely with the community.

STANDING COMMITTEE – Administration – Elect Council Chairman Motion by Kampfe, second by Labrie to appoint Glory Mahan as Council Chairman. On roll call vote all Aldermen present voted "Aye." Motion carried.

Council Committee Appointments Motion by Kampfe, second by Mahan to appoint the following Council committees:

Administration: Kampfe, Kennicott and Labrie

Emergency and Police Services: Kennicott, Priest and Richter

Land Use and Planning: Mahan, Kampfe and Labrie

Public Works: Priest, Mahan and Richter

On roll call vote all Aldermen present voted "Aye." Motion carried.

Department Head Appointments Motion by Kampfe, second by Mahan to appoint Debbie Tomicich as City Clerk. On roll call vote all Aldermen present voted "Aye." Motion carried.

Motion by Kampfe, second by Mahan to appoint Orval Boyer as Public Works Director. On roll call vote all Aldermen present voted "Aye." Motion carried.

Motion by Mahan, second by Richter to appoint Richard Pringle as Police Chief. On roll call vote all Aldermen present voted "Aye." Motion carried.

Motion by Mahan, second by Kampfe to appoint Tom Kuntz as Fire Chief. On roll call vote all Aldermen present voted "Aye." Motion carried.

Motion by Mahan, second by Kampfe to appoint Forrest Sanderson as the Planning Director (Community Development Director). On roll call vote all Aldermen present voted "Aye." Motion carried.

Motion by Kampfe, second by Mahan to appoint Jodie Moore as Library Director. On roll call vote all Aldermen present voted "Aye." Motion carried.

Appoint City Attorney Mayor Roat said that Third Class City's are allowed to have one appointed attorney. He said civil work can be done by contract in addition to the appointed attorney. This appointment is for a two-year term and is being done per State law. He requested the approval of the Council to appoint Kent Young as Prosecuting City Attorney.

Motion by Mahan, second by Labrie to appoint Kent Young as the City Prosecuting Attorney. On roll call vote all Aldermen present voted "Aye." Motion carried.

Kent Young will meet with the Administration Committee to review the terms of his appointment.

Civil Attorney The current contract that is in place with Sam Painter has no end date. The contract can be terminated by either party upon due notice.

Motion by Mahan, second by Priest to retain Sam Painter for the calendar year 2010 subject to terms of the contract. On roll call vote all Aldermen present voted "Aye." Motion carried.

Solar Project – Approve Financing – Approve Project Sanderson gave the Council the project assumptions regarding the solar panels. The interest rate for the ARRA loan would be 0.75%. The payback time would be less than the warranty period. Any grant of other local money could be used to pay down the ARRA loan. Energy savings, demand charges and power generation would inflate consistently over the project. The solar panels would lose capacity on a linear basis over the life of the project. The annual maintenance would be \$1000 per year. The maintenance figure was inflated by 3% per year for each year of the life of the panels. The solar panels have a life span of only 30 years. The solar panels will generate an average of \$5,551 in savings and the inflation rate on energy costs is consistent with historic increases at 3.343%.

The decision needs to be made at this meeting to satisfy the timeline to use the ARRA money. If Red Lodge does not use the funds they will go back to the State and be distributed to another community for designated uses.

Sanderson further reported to the Council the assumption analysis and whether or not they have been met. The interest rate for the ARRA loan would be 0.75% and this has been met. The payback time would be less than the warranty period and this has not yet been met. Sanderson said the payback period is 27 years and the warranty on the panels is 25 years. Any grant of other local money could be used to pay down the ARRA loan has been partially met. DEQ said the City can use these grant funds to accelerate the payments.

Motion by Kampfe, second by Richter to approve the financing package as given by the programmatic SRF rules, approve the project, award the bid, issue notice to proceed and authorize the Mayor to execute the necessary documents to implement the completion of the 2009 Red Lodge Solar Panel/VFD Motor project. On roll call vote those in favor: Aldermen Kampfe, Richter, Labrie and Kennicott. Those opposed: Aldermen Mahan and Priest. Motion carried.

Kent Young stated that the \$60,000 given by two citizens for this project is to be used for the contingency fund. Both parties have indicated that if the funds are needed as contingency they then can be used for pay down on the loan. Young said this project is a good opportunity to be a great example.

Several people spoke to the Council thanking them for their consideration of such an important project. They feel that others, including the State, will be looking at what Red Lodge is doing. It was stated that it was no accident that NorthWestern Energy was willing to give Red Lodge the full \$50,000 grant to help with this project. The project has come very close to the 25-year pay back period the City originally strived for. At the end of the payback period this system will afford some free energy to the City and is a commitment to future residents.

Kampfe asked what other projects the \$10,964 HB645 funds could be used for. He was told that these funds need to be spent on infrastructure and that is why they can be used on the solar panel project. They could also be used on items such as renovations to City Hall or perhaps to the new shop building that is being built. Originally the funds were allocated for the re-roofing of City Hall but that project came in under the amount given to the City through HB645.

Kennicott read from the Growth Policy parts that speak to things like this project and energy saving. She feels the public has spoken to projects like this. She said this is a stimulus for two local businesses. She said she is confident that these businesses will do everything possible to come in at the bid amount and not use the contingency funds.

Mayor Roat said these panels will not run the sewer facility by themselves but will reduce the amount of electricity that goes into the facility. He said that clarification has been given by NorthWestern Energy that net metering is part of the project. The successful contractor for this project is Sundance Solar with help from Red Lodge Electric.

Zoning Regulations – Update on Contract Negotiations Sanderson told the Council that Sanderson-Stewart has presented their proposal for services, deliverables and timelines for professional services to prepare for the updated zoning regulations. Sanderson said that all was within the accepted parameters that the Council approved as part of the grant funding and budget. The Administration Committee will need to review the contract and then report to the Council their recommendations. This will be on the January 26 agenda as an action item.

Emergency and Police Services Kennicott said the mechanic is stilling looking over ladder truck #71. Kuntz said they are having problems getting parts for the ladder truck as it is getting very old. The ladder truck does have some major expensive issues. She said the police Tahoe was repaired under warranty. It is now in the shop for a new power steering pump that is not under warranty and will cost \$400 plus labor.

Chief Kuntz gave the Council an update on the formation of an ambulance district. This is being done by the petition process. The amount that would go on taxes would be \$69.00 per year on a residential or developed commercial unit. This flat fee will be an increase in taxes. Kuntz said that 40% of the registered voters in the ambulance district are needed on the petition. This is a preparedness cost that allows for the provision of services.

Priest said he feels the district is a good idea but he sees that it could be a tax increase on the taxpayer unless the mill levy is reduced in the General Fund.

Land Use and Planning – Ordinance #880 – Subdivision Regulations

Ordinance 880

AN ORDINANCE ADOPTING THE 2009 RED LODGE SUBDIVISION REGULATIONS AND REVISING TITLE 12 OF THE RED LODGE CITY CODE ALSO KNOWN AS THE 2006 RED LODGE DEVELOPMENT CODE.

RECITALS

Ordinance No. 867 AM was previously adopted by the Red Lodge City Council on September 26, 2006, amending Title 12 of the Red Lodge City Code which is commonly known as the 2006 Red Lodge Development Code; and

Chapter 6 of the 2006 Red Lodge Development Code contains the City’s Subdivision Regulations; and

On August 12, 2008, the City Council of the City of Red Lodge adopted Resolution 3259, which formally adopted the 2008 Red Lodge Growth Policy. The 2008 Red Lodge Growth Policy may be cited as Chapter 1 of Title 12 of the Red Lodge City Code; and

The Red Lodge City Council held a duly noticed public hearing to consider adoption of the 2009 Red Lodge Subdivision Regulations at City Hall at 7:00 pm on October 13, 2009; and

The Red Lodge City Council adopted Resolution No. 3294 on November 24, 2009, which states the intention of the City Council of the City of Red Lodge to adopt the 2009 Red Lodge Subdivision Regulations; and

In accordance with Chapter 3 of Title 76 of the 2009 Montana Code Annotated, the City Council of the City of Red Lodge held a duly noticed public hearing on the 2009 Red Lodge Subdivision Regulations on December 22, 2009.

Now, therefore, the City Council of the City of Red Lodge ordains as follows:

That the 2009 Red Lodge Subdivision Regulations are hereby adopted for the City of Red Lodge PENALTY. Unless otherwise provided, each violation of this Title shall be a misdemeanor and shall be punishable by a fine not exceeding five hundred dollars (\$500.00).

EFFECTIVE DATE. That this ordinance and the rules, regulations, provisions, requirements, orders and matters established and adopted hereby shall take effect and be in full force and effect 30-days after the date of its final passage and adoption.

CODIFICATION. The 2009 Red Lodge Subdivision Regulations shall be codified as Chapter 2 of Title 12 of the Red Lodge City Code.

REPEALER. Chapter 6 of the 2006 Red Lodge Development Code AKA Chapter 6 of Title 12 of the Red Lodge City Code is hereby repealed upon the effective date of this ordinance. All other resolutions, ordinances and sections of the Red Lodge City Code and parts thereof in conflict herewith are hereby amended or repealed to conform to this Ordinance 880.

Motion by Mahan, second by Kampfe to approve Ordinance #880, An Ordinance Adopting the 2009 Red Lodge Subdivision Regulations and Revising Title 12 of the Red Lodge City Code also known as the 2006 Red Lodge Development Code, on first reading. On roll call vote all Aldermen present voted "Aye." Motion carried.

Heritage Propane Sanderson told the Council he has received the Landscape Management Plan for Heritage Propane and it will be an agenda item on the January 26 meeting. It is the last piece needed for the sale of this property. He said the City is moving toward a closing date of January 28 on this property sale. This would be in time to retire the outstanding debt on the Cooper Lots.

Public Works – MOU Red Lodge Ice Motion by Priest, second by Kampfe to authorize the Mayor to execute the Memorandum of Understanding between the City of Red Lodge and Red Lodge Ice as drafted. On roll call vote all Aldermen present voted "Aye." Motion carried.

This MOU has gone to the City Attorney and he has approved the document as it is being accepted with his revisions. All concerns have been covered that were addressed by the Lions Club. They are pleased with the adoption of the MOU. The Lions Club is reviewing the MOU that they have with the City and this will be coming back to the Council.

Extras Priest said the ball has been dropped regarding the Police Union negotiations. The Labor Management Committee will remain consistent with Priest, Kampfe and the Mayor. The few problems left with this contract have to be resolved.

Mahan will remain as the Council representative on the Red Lodge Planning Board.

Priest also commented on the Resort Tax Ordinance and his thoughts on sending it back to the Resort Tax Review Committee with the changes that have been proposed for their review. Kampfe said he feels this proposed ordinance needs to go the Administration Committee as it needs to become a document of the City. He said there are some tough political decisions to be made regarding this ordinance. The Administration Committee will keep everyone informed as they go through the document.

CITIZEN REPORT None

CORRESPONDENCE None

MISCELLANEOUS Kampfe told the Council he will be absent from the City January 15 through January 23.

Motion by Mahan, second by Labrie to give permission to Kampfe to be absent January 15 – January 23. On voice vote all Aldermen present voted "Aye." Motion carried.

Kennicott told the Council that she would be absent from the City January 21 through February 7.

Motion by Mahan, second by Labrie to give permission to Kennicott to be absent January 21 – February 7. On voice vote all Aldermen present voted "Aye." Motion carried.

Meeting adjourned at 9:50 p.m.

Mayor

ATTEST:

City Clerk