

July 24, 2007

The Red Lodge City Council met in regular session on July 24, 2007 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, Stauffer, Scanlin and Reynolds. Absent: Alderman Lockman.

**MINUTES OF JUNE 26** Motion by Scanlin, second by Reynolds to approve the minutes of June 26 as presented. On roll call vote all Aldermen present voted "Aye." Motion carried.

**MINUTES OF PUBLIC HEARING JULY 2** Motion by Scanlin, second by Mahan to approve the minutes of the public hearing held July 2 with the correction of the spelling of two names. On roll call vote all Aldermen voted "Aye." Motion carried.

**MINUTES OF JULY 10** Motion by Scanlin, second by Mahan to approve the minutes of July 10 as presented. On roll call vote all Aldermen present voted "Aye." Motion carried.

**SPECIAL COMMITTEE** None

**STANDING COMMITTEE – Administration** None.

**Police and Emergency Services** Mayor Roat told the Council that Officer Calvin Spear has resigned effective August 25. He will be moving to Alaska to a police force there. The City will be advertising to fill this position.

Scanlin told the Council that the request submitted by Sergeant Cope for an additional raise increase for the upcoming year has been declined at this time and Cope will be given the five percent raise that is in effect per the union contract. This is not official yet and Scanlin will speak to the union representative. This is a request that should be done through negotiations with the union.

Mayor Roat said the Iron Horse Rodeo went well this year due partly to the presence of the help from other departments like the Highway Patrol, County and reserve officers along with the capable help of the local department. There was one incident that could have escalated but was handled very well by the officers so no damage was done. Discussion needs to be held before the event next year to see what can be done to help alleviate the problems raised by the residential area especially close to the downtown area.

**Land Use and Planning – Modify Spires Annexation Agreement – Size of Water Line** This annexation agreement has previously been approved with an eight inch water line. It has been found that the benefit received from a twelve-inch line that is looped with an eight-inch connection on each end acting in itself as a reservoir would be more beneficial to the City. The additional cost would be approximately \$50,000. The City could pay this additional cost or simply deduct it from the \$200,000 gift to the City from Russ Squire for phase one of this project. It is by request from the City that this line be upgraded so this is why the agreement needs to be modified.

Motion by Mahan, second by Kampfe to approve the modification in the Spires Annexation Agreement. On roll call vote all Aldermen present voted "Aye." Motion carried.

Mahan said there was a lot of discussion held in committee with the Public Works Director. He feels this would be an added benefit to the City to increase this line at this time to save a considerable amount of work and cost in the future. Boyer agreed with the reduction of the contribution being made by Mr. Squire.

Andie Mattie, HKM Engineering, said a twelve-inch line will work more as a transmission line. He said there will be approximately 4000 feet of line that will be upgraded from an eight-inch line to a twelve-inch line. This upgrade will guarantee a looped eight inch water main from the intersection of Highway 78 and Cole Drive northerly along Highway 78 and Willow Creek Road to and through the property to a connection within the Diamond "C" Links. The main transmission line along Willow Creek Road will be a twelve-inch line. Mattie said the water flow will be greater with a twelve-inch line.

**Public Works** None

**CITIZEN REPORT** Bill Bullock told the Council that the bear proof dumpsters in Rotary Park at Rock Creek are very good containers. He said the only problem lately is that they are filled to capacity and overflowing during the weekends. He said the easiest fix appears to be to have the City crew empty the containers during the weekend so they do not overflow for the bears to get at the trash. Scanlin asked if a fix to this problem could be to get more dumpsters to help with the overflow. Mahan said she would speak with Boyer about this problem and see what his options are to alleviate the problem.

**OLD BUSINESS** None

**NEW BUSINESS – Street Closure – Festival Friday Night** The Friday Committee of the Festival of Nations is requesting the closure of 14<sup>th</sup> Street between Oaks and Villard and the parking lot between the Civic Center and Doug Brown Field. This request is for August 3, 07 from 1:00 – 5:00 p.m.

Motion by Reynolds, second by Scanlin to approve the closure of 14<sup>th</sup> Street between Oaks and Villard with no objection to the use of the parking lot on the north side of the Civic Center. On roll call vote all Aldermen present voted "Aye." Motion carried.

**Open Container Request – Festival of Nations** The Festival Board is requesting an open container exception permit in Lions Park and a road closure of north Oakes between the library and the Arts Guild for August 4<sup>th</sup> and 5<sup>th</sup>. The live music is scheduled to stop at 10:00 p.m. The neighbors in this area have been spoken with or flyers were left to explain what will be happening in the park this weekend.

Motion by Reynolds, second by Kampfe to approve the request made by the Festival of Nations on August 4<sup>th</sup> and 5<sup>th</sup> in Lions Park. On roll call vote all Aldermen present voted "Aye." Motion carried.

**Resolution No. 3241 – Interim Financing Water Project – 1st Interstate Bank**

**RESOLUTION NO. 3241**

**RESOLUTION OF THE CITY COUNCIL OF RED LODGE, MONTANA ACCEPTING THE PROPOSED FIRST INTERSTATE BANK LOAN FOR THE CITY'S PREVIOUSLY APPROVED WATER PROJECT AND TO FURTHER AUTHORIZE THE MAYOR TO EXECUTE ANY REQUIRED LOAN DOCUMENTS ON THE CITY'S BEHALF**

**WHEREAS**, the City Council of Red Lodge, Montana previously approved a water project to be paid through long term financing obtained through the USDA-Rural Development; and

**WHEREAS**, the City Council desires to expedite construction on the project by obtaining a short term loan (24 months) from First Interstate Bank to allow the City to commence construction on the project;

**WHEREAS**, First Interstate Bank provided the attached commitment letter for the City Council's consideration and the attached commitment letter contains the terms and conditions for approval of the proposed loan;

**WHEREAS**, the City Council intends to pay off the First Interstate Loan with the proceeds of the USDA-Rural Development funds upon their receipt; and

**WHEREAS**, obtaining the First Interstate Bank loan for the project is in the best interest of the citizens of the City of Red Lodge.

**NOW THEREFORE BE IT RESOLVED** that the Red Lodge City Council hereby accepts the loan offered by First Interstate Bank in the amount of \$4,305,000.00 with the following terms:

1. Loan Type: Non-Revolving Line of Credit
2. Loan Term: 24 months
3. Payments: Principal and Interest due at maturity
4. Interest Rate: 5.34%
5. Collateral: A Letter of Commitment for long-term financing from Rural Development upon completion of the project

**BE IT FURTHER RESOLVED** that the Red Lodge City Council hereby authorizes the Mayor and Staff to provide First Interstate Bank the following items as conditions for the loan:

1. Evidence of the commitment for long-term financing from Rural Development;
2. A Copy of the most current City of Red Lodge Budget;
3. A Copy of the minutes from the City Council meeting approving the water project;
4. A Copy of City Council Resolution naming individual authorized to sign on behalf of the City of Red Lodge; and
5. Final dollar amounts of loan proceeds.

**BE IT FURTHER RESOLVED THAT** the City Council authorizes the Mayor to execute all documents required to effectuate this Resolution on the City's behalf.

Motion by Reynolds, second by Mahan to approve Resolution No. 3241. On roll call vote all Aldermen present voted "Aye." Motion carried.

**Authorize Mayor to Sign Buy-Sell Agreements on Cooper Lots** Mayor Roat said that RC&D has worked to get three qualified buyers for the lots on Cooper Ave. They request that a representative of the holder of the paper work be authorized to sign on a buy-sell agreement. The Mayor wants the Council to understand and agree with the concept of allowing the Mayor to sign on buy-sell agreements.

Motion by Mahan, second by Reynolds to authorize the Mayor to sign a buy-sell agreement on the Cooper lots as they are sold. On roll call vote all Aldermen present voted "Aye." Motion carried.

Scanlin said the City needs to make sure the deed restrictions have been filed at the County because the shared equity is important. The Mayor said he would show any buy-sell agreements presented to Scanlin for her review and to anyone else who would like to see them before they are signed.

Mayor Roat said it looks very much like single-family residents will be put on these lots. The alternative of re-zoning to allow multi family homes is still available.

**Endorsement of RC&D Area Plan** Mayor Roat said that RC&D would like to have an endorsement of their Area Plan for July 2007 to July 2012 by the City of Red Lodge. Mayor Roat said he is very pleased with the beneficial work RC&D is doing for our community. This plan does not obligate the City to anything but only shows our endorsement of the plan.

Motion by Scanlin, second by Mahan to endorse the RC&D's Area Plan by the City of Red Lodge. On roll call vote all Aldermen present voted "Aye." Motion carried.

**CORRESPONDENCE** Mayor Roat said the City received a letter from the insurance carrier that the lift at the library is not functioning. Mayor Roat said it was not installed very well and that he would try to find out who put the lift in and have them come and repair it.

**MISCELLANEOUS** None

Meeting adjourned at 7:55 p.m.

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Mayor

ATTEST:

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City Clerk