

June 13, 2006

The Red Lodge City Council met in regular session on June 13, 2006 at 7:00 p.m. The meeting was called to order by Acting Mayor Reynolds followed by the Pledge of Allegiance to the Flag.

ROLL CALL OF OFFICERS Present: Acting Mayor Reynolds, Aldermen Bullock, Lockman, Stauffer and Scanlin. Absent: Mayor Roat and Alderman Mahan.

MINUTES OF MAY 23 Motion by Stauffer, second by Scanlin to approve the minutes of April 25 as read. On roll call vote all Aldermen present voted "Aye." Motion carried.

OFFICERS REPORTS The officer's reports were approved by the Council as submitted.

CLAIMS AGAINST THE CITY Scanlin reported the claims totaled \$145,869.03 and the Auditing Committee approved all claims.

Motion by Scanlin, second by Stauffer that claims against the City 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.

SPECIAL COMMITTEES None

STANDING COMMITTEES – Administration – Staff Assistant Job Description Motion by Scanlin, second by Bullock to adopt the Staff Assistant job description. On roll call vote all Aldermen present voted "Aye." Motion carried.

Discussion was held by the Council regarding the job title for the proposed job description. It was felt that the title of the position could change if the Council chooses especially during the budget process. Stauffer suggested the title of Operations Coordinator.

The Council set a budget work session for Monday, June 19 at 3:00 p.m.

Police and Emergency Services Lockman said the idea of an interlocal service district is still being discussed with the Council for the ambulance service. A draft is being reviewed.

Land Use and Planning – Red Lodge Ales – Class III Review – Public Hearing The public hearing was opened by Acting Mayor Reynolds. Brent Moore, City Planner, gave a staff report on this Class III review.

The applicant is Sam Hoffmann of Red Lodge Ales. Hoffmann, owner of Red Lodge Ales, is proposing to expand his brewery approximately 4,800 square feet. The total size of the brewery, taproom and existing office space at the south end of the building shall become approximately 9,600 square feet. The proposed expansion shall be used exclusively by Red Lodge Ales for brewing, storing brewing ingredients and storing finished product. The City Council agreed to work towards developing an access alley and utility corridor for the facilitation of the provision of services behind the commercial building fronting Broadway between 8th and 5th Streets.

The existing building has an approximate 4-foot section of sidewalk immediately adjacent to the building. The applicant is not intending to construct a sidewalk adjacent to his proposed expansion

due to the fact that the future design of 212 will include the provision for a sidewalk in the existing public right-of-way.

Bruce McKee of McKee Engineering has provided detailed storm water calculations, retention/detention and erosion control plans that meet or exceed Article 16.2.6.5 requirements. Public Works director Boyer has reviewed and approved these plans. Boyer has reviewed the water/sewer plans and accompanying documentation.

The code allows for angled parking, as exists to serve the existing building. The redesign of 212 will create parallel parking along this section of roadway to replace the existing angled parking. The plan indicates a space of 17' on the subject property for angled parking. According to City code, the requirements for 0 degrees angled parking is 22'. At 45 degrees, it is 19.5'. The subject property meets the code requirements for these dimensions by utilizing some of the public ROW for angled parking. Again this area will be redesigned for parallel parking. Additionally the applicant has agreed to provide one handicap accessible space consistent with the codes. The applicant has also mentioned in discussions with the landowner to the north regarding temporary parking on that property.

The elevation of the north side of the building provides a conceptual sign. Staff will review and approve the final sign plans as a separate sign permit application.

The applicant has met with members of Lions to discuss the proposed project and will address various ideas for mitigating impacts of the proposed project on activities at Lions Park.

Andy Anderson asked if the sewer line going south from Red Lodge Ales would be used to get the outside restroom operational. He asked if this would be done soon hopefully this summer. Anderson was told that this project does not directly affect the outside restrooms. Anderson is concerned as to when the restrooms will be operational.

Sam Hoffmann said he would be willing to give money to help pay for someone to do a plan for the barrier between the park and the east side properties. He feels a design plan needs to be devised before any barriers are erected.

Acting Mayor Reynolds closed the public hearing and opened comments and questions to the Council table.

Lockman asked Hoffmann about the USDA Rural Development Grant he has applied for. Hoffmann said the grant is for the bio-energy and solar aspects. He said it would be reimbursement for him to do the bio-diesel. He would like to use the fuel in his work. The ideal outcome would be to not use natural gas in the facility and to run the delivery truck on bio-fuels. If the grant does not work out the solar aspect will not be done right now.

Stauffer asked Moore if there was any schedule to begin the alley and any other infrastructure. Moore said the Public Works Director would need to answer this question. Moore talked of grant funds that are currently available to do a planned improvement for this area. Discussion has been held with those involved to combine these funds to possibly do a plan for a trail around Lions Park and the barrier to screen between the commercial area and the park area. Hopefully all the funding entities can unite to make this project happen by leveraging funds.

Stauffer asked if any thought was given to the parking situation after the lot to the north of this area is developed and the re-build of Highway 212. Hoffmann said he would put up signs on the leased area stating it is for parking only for Red Lodge Ales. Hopefully this will cut down on the for sale cars that are parked on this lot. Stauffer also asked where the solid waste would be put as space is a premium. Hoffmann said the idea is to put it on the west side.

Reynolds asked who would be responsible for putting in a sidewalk when the State comes through with their Highway 212 project. She was told that it would most likely be the State who takes care of installation of the sidewalk.

Motion by Scanlin, second by Stauffer that the application for Red Lodge Ales Class III does meet the criteria and requirements stated in Articles 3.4.6 and 6 of the Red Lodge Development Code in that it will further the policies and intent of the Red Lodge Growth Policy and other applicable plans and statutes, and that it will meet the state and federal requirements that may be applicable, and that it will be a harmonious expansion of the neighborhood, and that adequate city service will be available to service the site. I therefore move that this application be approved with the following conditions. 1.) An inspection of the bio-fuels production and storage facility be reviewed and approved by the Montana Department of Environmental Quality and the City Fire Inspector. 2.) Red Lodge Ales work with and enter into good-faith negotiations with City to develop a plan for a barrier to Lions Park along the portion adjacent to the subject property. 3.) A lease agreement for the development of additional off-street parking be provided to the City. 4.) The Solid Waste disposal facility be appropriately screened behind the proposed expansion. On roll call vote all Aldermen present voted "Aye." Motion carried.

Annexation Policy City Planner, Moore, asked the Council to review the proposed annexation policy and to bring any questions, concerns or suggestions to him as this will come to the Council as a resolution at the next Council meeting.

Board of Adjustments – Appointment of Craig Beam – Re-appoint Herb Noyes Motion by Bullock, second by Stauffer to approve the appointment of Craig Beam and the re-appointment of Herb Noyes to the Board of Adjustments. On roll call vote all Aldermen present voted "Aye." Motion carried.

Comparative Market Analysis – Bramble Property Gary Bramble owns property on the north end of town located by the recycling center. There are easements on the property that are beneficial to the City and it would complete the transportation grid in this area and it is felt it would be good for the City to own the property.

Motion by Scanlin, second by Stauffer to offer Gary Bramble \$26,000 for his property as stated in the comparative market analysis. On roll call vote all Aldermen present vote "Aye". Motion carried.

Public Works None

CITIZEN REPORT Richard Gessling, along with several citizens interested in the pool, brought a proposal to the Council regarding the covering of the City pool. The group stated what a shame it is to have the pool only be in use three months out of the year. Gessling did some research on a company that offers a structure that will meet the needs for the City pool. The company is called Alaska Structures. The structure would cover the pool deck area along with the wading pool. It is a steel frame structure with a fabric cover. The structure would help to reduce maintenance costs on

the pool. The structure would cost approximately \$166,000. It was asked if there would be interest by the City to continue with discussions on this idea and see what could be done to accomplish this. The Council said this is something the Public Works Committee and perhaps the Parks Board could discuss to see what ideas they could come up with.

OLD BUSINESS – Use of City Property – Rodeo Association The Rodeo Association is requesting parking space next to Pride Park to facilitate the sale of rodeo tickets during July 2nd, 3rd and 4th.

Motion by Scanlin, second by Lockman to approve the application of the Rodeo Association to use the parking space next to Pride Park for July 2nd, 3rd and 4th. On roll call vote all Aldermen present voted “Aye.” Motion carried.

Lockman said the insurance does not indicate that the City is an additional insured. Beartooth Insurance will be getting this to the City. She wants to make sure the business license is purchased for the 06-07 year.

Street Closure – Greg Zieler Greg Zieler is requesting the closure of 12th Street west from Broadway to the alley between Red Lodge Drug and Pride Park. He is also requesting open container. This request is for July 14, 15 and 16th from 8:00 a.m. to 12:00 p.m. Discussion was held on the subject of the business requesting the closure helping to pay for the cost of extra patrol officers for this function and closure. The cost is \$2208 for six extra officers for the closure on 13th Street and 12th Street for the Iron Horse Rodeo.

Motion by Lockman, second by Stauffer to approve the request for street closure and open container as requesting including the payment of extra officers for the total of \$1104. On roll call vote all Aldermen present voted “Aye.” Motion carried.

Lockman said the City needs to be sure that a current catering permit is brought in and the insurance naming the City as additional insured. Scanlin said she would like to encourage events like the Iron Horse Rodeo use the rodeo grounds for their event, as this area is further away from residential areas.

Use of City Property – Leo Wilson – Iron Horse Rodeo Leo Wilson is requesting permission for the usage of the grounds from Highway 78 to the rodeo grounds starting July 13th through July 16th for camping. There will be total of six port-potties placed on the premises. He said there will be an on site staff member 24 hours a day.

Motion by Bullock, second by Reynolds to approve the request for use of city property by Leo Wilson for camping. On roll call vote all Aldermen present voted “Aye.” Motion carried.

Bullock asked Wilson to also contribute towards having certified and trained individuals for security in this area.

Amendment to the motion by Bullock, second by Reynolds to include the payment of \$2760 for the cost of additional police officers. On roll call vote all Aldermen present voted “Aye.” Motion carried.

Ordinance No. 865 – Incorporating Amendments to State Building Codes – second reading
ORDINANCE NO. 865 (caption)

AN ORDINANCE AMENDING THE RED LODGE CITY CODE INCORPORATING AMENDMENTS TO THE STATE'S BUILDING CODES ACCORDING TO MAR NOTICE #24-301-191 BY REFERENCE.

Motion by Lockman, second by Stauffer to approve Ordinance No. 865 on second reading. On roll call vote all Aldermen present voted "Aye." Motion carried.

NEW BUSINESS – Street Closure – Bridge Creek and Snow Creek Saloon This request is being made by Bridge Creek and Snow Creek Saloon for approval for a street closure and an exception to the open container ordinance for July 13 – 16, 06. The request is to close 13th Street between Broadway and the east alley located between Snow Creek Saloon and what was previously Lucky Dog Wraps & Taps. The closure will begin at 8:00 a.m. on the 13th and continue until 6 p.m. on the 16th.

Motion by Bullock, second by Stauffer to approve the submitted request with the payment of \$1104 for the additional police officers. On roll call vote all Aldermen present voted "Aye." Motion carried.

Use of City Property – Red Lodge Baptist Church The church would like permission to put up a 20' by 40' tent from July 10th through the 16th. This is to serve a free pancake breakfast to the entire community including the motorcycle riders in attendance at the Iron Horse Rodeo. This is a ministry outreach of the Red Lodge Baptist Church.

Motion by Scanlin, second by Lockman to approve the request made by the Red Lodge Baptist Church. On roll call vote all Aldermen present voted "Aye." Motion carried.

Use of City Property – Gary Kisthard Mr. Kisthard made a request to the City to reserve City street space to put his hotdog stand when he is selling. As per City ordinance the fee would be \$2.00 per linear foot. The two areas he is requesting to use are the yellow areas next to Pride Park and the Snow Creek Saloon. Kisthard said both areas are a total of 10 linear feet for a cost of \$20.00. Mr. Kisthard would like to know what he needs to do to continue doing business. Discussion was held by the Council on this request.

Motion by Lockman, second by Reynolds to approve the reserve of City property requested by Gary Kisthard. On roll call vote those in favor: Aldermen Lockman, Stauffer and Reynolds. Those opposed: Aldermen Bullock and Scanlin. Discussion was held on the motion before roll call was taken. Motion failed.

The Council agreed that the ordinance needs to be addressed, as it does not fit the request being made by Mr. Kisthard. Mr. Kisthard's hotdog wagon is not motorized. The ordinance needs to be reviewed to see what can be done to make it more useable and this will be started by the Public Works Committee to see what can be done to assist Mr. Kisthard. Mr. Kisthard was told he could continue doing business as he has while the committee reviews the options.

Use of City Property – Farmers Market No information was given to the Council regarding this request.

Motion by Bullock, second by Lockman to table this request until the next Council meeting. On roll call vote all Aldermen present voted "Aye." Motion carried.

Street Closure – Red Lodge Area Community Foundation All the required information was not available at the current meeting for this request.

Motion by Bullock, second by Scanlin to table this request until the next Council meeting. On roll call vote all Aldermen present voted “Aye.” Motion carried.

Beartooth Events Hope Smith, race coordinator, told the Council that the 38th Annual Beartooth Run is planned for June 24, 2006. She said the event is held on the switchbacks of the Beartooth Scenic Byway. To celebrate the reopening of the Beartooth Highway a second race on June 25th has been added. This event is a 22-mile cycling road race for all age divisions called the “Beartooth Burn”. It is a combination of a hill climb and a time trial. No street closures are being requested for this run.

Program Income Plan – HOME Funds Program income has been received as recapture funds from previous projects the City had using HOME funds. Program income is generated when homes assisted with the Montana Dept. of Commerce HOME program are refinanced or sold by the initial assisted homeowners. This money cannot be accessed for down payment assistance nor housing rehab for low to moderate homebuyers until the City has officially adopted a “Program Income Plan.” The Red Lodge Area Economic Development Corporation will present a plan with a MOU for action by the City at the next meeting.

**Resolution No. 3215 – Expenditures Reimbursement with CREB
Resolution Expressing Official Intent Regarding
Certain Expenditures to be Reimbursed with
Proceeds of Clean Renewable Energy Bonds**

BE IT RESOLVED by the City Commission (the “Commission”) of Red Lodge, a political subdivision and governmental entity located in the State of Montana (the “Issuer”) as follows:

Section 1. Recitals.

- 1.01 The Issuer intends to apply for an allocation of Clean Renewable Energy Bonds to finance the costs of planning, engineering, procuring, and constructing a facility using wind to produce electricity (the “Project”).
- 1.02 The Issuer expects to pay certain expenditures (the “Reimbursement Expenditures”) in connection with the Project prior to the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis.
- 1.03 The Issuer reasonable expects that Clean Renewable Energy Bonds in an amount not to exceed \$459,848 will be issued and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures.
- 1.04 Section 54(d) of the Internal Revenue Code (the “Code”) requires the Issuer to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing.

Section 2. Findings. The Issuer finds and determines that the foregoing recitals are true and correct.

Section 3. Purpose; Not Binding. This declaration is made solely for purposes of establishing compliance with the requirements of Section 54(d) of the Code. This declaration does not bind the Issuer to make any expenditures, incur any indebtedness, or proceed with the Project.

Section 4. Declaration. The Issuer hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures.

Section 5. Effective Date. This Resolution shall be in full force and effect immediately upon its adoption.

Motion by Stauffer, second by Lockman to approve Resolution No. 3215. On roll call vote those in favor: Aldermen Lockman, Stauffer, Scanlin and Reynolds. Those opposed: Alderman Bullock. Motion carried.

CORRESPONDENCE None

MISCELLANEOUS Lockman said the Red Lodge Youth Council is participating in the paint the State project. It is an anti-meth contest. All the supplies have been donated for this project. She said hopefully the sign will go up in July and remain up during the summer.

Meeting adjourned at 9:40 p.m.

Mayor

ATTEST:

City Clerk