

March 9, 2010

The Red Lodge City Council met in regular session on March 9, 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.

**MINUTES OF FEBRUARY 23** Motion by Mahan, second by Labrie to approve the minutes of February 23 as submitted. On roll call vote all Aldermen present voted "Aye". Motion carried.

**CLAIMS AGAINST THE CITY** Motion by Kampfe, second by Mahan that claims against the City totaling \$332,687.15, 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 largest claim for the month was from Sundance Solar for \$198,366, which is for the solar panel project that was approved by the Council in January. Sanderson told the Council that the funds used to pay the Sundance Solar claim are ARRA "A" funds which will be forgiven. These ARRA "A" funds, which are grant funds, will be spent first as the ARRA "B" funds will start accruing interest as soon as they are spent.

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

**COMMENTS FROM PUBLIC** None

**SPECIAL COMMITTEES** None

**STANDING COMMITTEE – Administration – Resort Tax Ordinance** The new Resort Tax Ordinance will combine all amendments previously made to the Resort Tax so it will be more concise and hopefully easier for all to read and understand. The inclusion of the ability to spend Resort Tax funds on Emergency Services will be done in the new ordinance. This is something the voters said yes to being able to spend on emergency services along with the other categories.

Kampfe said the bonding requirement states that the \$500 bond shall remain in full force and effect for a period of three months after the expiration of any initial business registration issued and shall be held to assure that the Resort Tax is paid according to City law. This will give businesses a track record of nine to fifteen months before the bond is returned to them.

**Emergency and Police Services – Appointments to the Police Commission** Mayor Roat received nine letters of interest from citizens who would be willing to serve on the Police Commission. He asked the committee to review the letters and make a recommendation for the appointments. Mayor Roat said he was pleased to appoint Bill Larson and Edward Williams.

Motion by Kennicott, second by Richter to approve the appointment of Bill Larson and Edward Williams as members of the Police Commission of the City of Red Lodge. On roll call vote all Aldermen present voted "Aye." Motion carried.

Kampfe said the Council appreciated all who were willing to serve on this commission. Kennicott said a new and updated handbook for Police Commissions would be sent to the City from the State when it is adopted.

**DSVS Workshop** Kennicott said the training that was held by The Domestic & Sexual Violence Services was very impressive and well attended. She said it was good to see a different take on how systems approach the same issues.

Kennicott reported on a meeting that was held with the doctors on the ambulance district. The doctors said our district and service is one of the best in the State. Mayor Roat said the County Commissioners should have made a decision today to place this issue on the June ballot. If it passes when placed on the ballot the funds received would come in November when taxes are paid.

**Land Use and Planning – Building Department Fee Structure** Mayor Roat encouraged the Building Inspector to find out if he could assess a penalty for people who have not obtained a building permit before they start a project when they have reasonable cause to know they must do so. Many times a person will begin construction knowing they have not purchased a building permit and when confronted will purchase the permit without challenge. According to the International Building Code section 108.4, the building official is granted allowance to impose a fee when work is commenced without first obtaining the required permit. The Building Inspector will be the one to administer this penalty when necessary. If a recipient of this penalty is aggrieved they can then appeal to the Council for review and judgment by first going to Sanderson and the Mayor. Sanderson said the enforcement will be up to 50% of the cost of the building permit fees.

### **Ordinance #881 – Floodplain Regulations**

#### **ORDINANCE NO. 881**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RED LODGE, MONTANA, ADOPTING A NEW CHAPTER 3 OF TITLE 12, ENTITLED 2010 RED LODGE FLOODPLAIN ORDINANCE, TO THE RED LODGE CITY CODE.**

The Planning Board has worked for several months on the floodplain regulations. Sanderson said these regulations are the second of three legs being used to implement the Growth Policy that was adopted in 2008. Sanderson asked the Council to review the draft regulations and give back any comments so they can be discussed during the public hearing on March 23.

**Public Works – Report on Automated Meter Reading Acquisition and Release of RFP** Sanderson said this RFP would include up to 800 meters, all of the software for computers and the devices necessary to make automated meter reading a reality in Red Lodge. The closing date on the RFP is April 16, 2010. Discussion was held on the RFP with some changes being made. The timeframe to acquire the system components will be a short one to be completed within the current fiscal year. Sanderson said the City is required to accept the lowest responsible bid on the system. Discussion was held on this but Sanderson said this is the law in Montana.

Motion by Mahan, second by Richter to approve the release of the RFP for Automated Meter Reading Acquisition with the edits as outlined by Sanderson. On roll call vote those in favor: Aldermen Mahan, Richter, Labrie and Kennicott. Those opposed: Aldermen Kampfe and Priest. Motion carried.

Priest asked why the cost benefit analysis was excluded from the RFP. Sanderson replied that the cost benefit analysis cannot play a part in the decision making on the bids. The City will need to take the lowest most responsible bid. Sanderson said he would be happy to run an in house cost benefit analysis for the Council, if they choose, after the bids are received. Priest and Kampfe both feel that Sanderson could in fact do this for the Council. Priest commented that one of the questions he would like to see answered by the cost benefit analysis would be whether to go with a handheld or fixed wire system. He said he feels the analysis would answer this question and the RFP could be written to address which system the City would like to proceed with. He said if the process cannot answer this question then

maybe the Council needs to answer the question before the RFP is submitted. Sanderson said he feels the components of the RFP will answer all questions.

**Resolution #3302 – Budgetary Authority – 2009 Solar Panel PV Project**  
**BUDGETARY AUTHORITY RESOLUTION**  
**RESOLUTION NO. 3302**

**WHEREAS**, the City of Red Lodge received funds in the amount of \$632,150.00 for FY-2010 for use in the construction of a 48Kw Solar Panel PV Array and the installation of Variable Frequency Drive Motors at the Waste Water Treatment Plant, for which no provision was made in fiscal 2009-2010 City budget. These funds were given to the City of Red Lodge as a grant/loan from the Montana State Revolving Fund, a grant from North Western energy, proceeds from House Bill 645 and grants from anonymous persons within the City of Red Lodge; AND

**WHEREAS**, cities may appropriate federal or state money received during the fiscal year by formal resolution,

**NOW THEREFORE, BE IT RESOLVED** that the City Council hereby appropriates the sum of \$632,150.00 and directs the City Clerk to allocate said amount to the following programs and objects.

<u>Revenue Code</u>		<u>Amount</u>
5310-331024		\$10,964.00
5310-334121		\$511,186.00
5310-365000		\$110,000.00
<u>Expenditure Code</u>	<u>Object of Expense</u>	<u>Amount</u>
5310-430600-353	Audit Expense	\$3,000.00
5310-430600-352	Bond Counsel	\$10,000.00
5310-430600-354	Engineering Expenses	\$17,000.00
5310-430600-397	Construction	\$602,150.00

BE IT FURTHER RESOLVED that the above appropriation shall become effective on March 9, 2010.

Motion by Richter, second by Mahan to approve Resolution #3302 to authorize the budgetary authority for the 2009 solar project. On roll call vote all Aldermen present voted “Aye.” Motion carried.

**Wally Zook – Amended Septic Tank Request** Wally Zook previously came to the Council with a request to install a septic tank and drain field to accommodate an expansion of the use at Hangar #18. The Council denied this first request. Mr. Zook amended his request in the following manner. The proposed solution stated the City of Red Lodge amend the existing resolution to allow him to construct a septic system for an addition to the existing hangar meeting the sanitation codes of the State of Montana. In turn, he would enter into an agreement with the city for financial participation in any water and sewer connection that occurs in the future. This of course would have to have reasonable financial limits. In addition he would also enter into an agreement to be financially liable for the legal abandonment of the proposed system. He would also agree to record this document and it would follow the chain of title to any possible future owners of the facility.

Priest said the Airport is a stand-alone area. This request should be considered without bias.

Motion by Priest, second by Mahan to approve Wally Zooks amended septic tank request. On roll call vote those in favor: Aldermen Mahan and Priest. Those opposed: Aldermen Kampfe, Richter, Labrie and Kennicott. Motion failed.

Kampfe said there is no idea when City services will be brought to the Airport area but that at some point in the future it will be done. Mayor Roat said he feels it will be quite a long time before utilities are brought to the Airport due to the cost of such a project. Kampfe feels that if Mr. Zook’s request is okayed

it will be setting a precedent. Steve Morgan, professional engineer in Montana, commented that the way to help pay for utilities being brought to the Airport is to do exactly what Mr. Zook has offered to do and that is to have developers pay a share of the cost and dedicate these funds to help bring this about. Mr. Morgan said that Mr. Zook's proposed septic tank would be very minimal. There will only be one toilet and one sink.

Kennicott raised some questions on the new lease that Mr. Zook has with the Airport Board. The new lease has a paragraph on septic and sewer that gives the decision-making authority to the Carbon County Sanitarian. She said she was not aware that the lease format had changed and did not know why a new lease had been signed when the previous lease had not yet expired. Mr. Zook said the new lease was done to accommodate the addition and the septic agreement.

**CITIZEN REPORT** Vivian Beam owns Garden Party, the business that installs the flower baskets on the downtown light poles. These baskets have been funded, for the last three years, by the Red Lodge Merchants Association, which has merged with the Red Lodge Lodging Association. Without a doubt these flower baskets are very beautiful and beneficial to Red Lodge. Beam commented that the Association has grown weary of making all the calls to ask for donations so these baskets can be hung. She said she feels the need to have an organized format for raising the funds each year. She said she is asking the Council for any answers or help they may be able to give on what can be done in the future. Beam was told that the City has also donated funds each year and there is budget for this year also.

Angela Beaumont reported to the Council that the Montana Travel Commission receives the Bed Tax funds that the lodging partners collect on a daily basis from the room tax and it is felt that there is not a lot of visibility on the Visit Montana website. Beaumont said the Association has invited a representative from the Montana travel Commission to visit Red Lodge and attend their next meeting. This meeting will be held at the Pollard on March 22 at noon.

Laura Getz, Vice President of the Boys and Girls Club Board of Directors, told the Council that the club is trying to obtain funds from the State of Montana for the proposed renovation of the club. She asked the City for a letter of support that can be sent with their packet requesting a \$350,000 appropriation from the State level. The budget for the club renovation is just over \$900,000 with over \$560,000 already being obtained for this project. The Council said they had no objections to the Mayor signing this letter of support.

**CORRESPONDENCE** DOWL-HKM has submitted a letter to the City explaining their view on the mishaps that occurred during the Mountain Springs Villa project. This letter will be considered when the City is reviewing the engineering RFP's that are submitted.

Mayor Roat said the Resort Tax funds collected are down about \$28,000 from the previous year.

**MISCELLANEOUS** Alderman Kampfe told the Council that he will be out of town from March 17 – 22 but will miss no meetings.

Alderman Labrie told the Council that she will be gone from the City March 21 – 29 and will be absent for the next scheduled Council meeting.

Kennicott asked where the City stands on the Airport change of leases. Priest said he believes the change in the lease is beyond the scope of what has been approved of in the agreement between the County and the City. He feels the Airport Board needs to know of the City's concerns and he will bring this information to the Board. The Council told Priest to definitely do so.

Sanderson reminded the Mayor and the Public Works Committee, the reviewing committee for the municipal engineering contract, that the RFP's are due to the City by March 12, 2010. He said he would like to meet with the committee to open these proposals. It was decided to do this on Tuesday, March 16<sup>th</sup> at 10:00 a.m. here at City Hall.

Meeting adjourned at 9:05 p.m.

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Mayor

ATTEST:

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City Clerk