

April 28, 2015

The Red Lodge City Council met in regular session on April 28, 2015 at 7:00 p.m. The meeting was called to order by Mayor Williams followed by the Pledge of Allegiance to the Flag.

ROLL CALL OF OFFICERS Present: Mayor Williams, Aldermen Foisy, Mahan, Larson, Labrie, Brown, and Schoenike.

DEPARTMENT HEAD ATTENDANCE: Police Chief- Steve Hibler, City Clerk – Loni Hanson, and Public Works Director – Jim Bushnell.

PUBLIC HEARING ON ADOPTION OF THE 2015 RED LODGE GROWTH POLICY Mayor Williams opened the public hearing. Hearing no comments, Williams closed the public hearing.

MINUTES OF APRIL 14, 2015 Motion by Mahan, second by Labrie to approve the minutes of April 14, 2015 as submitted. On roll call vote all Aldermen present voted “Aye.” Motion carried.

COMMENTS FROM PUBLIC REGARDING MATTERS WITHIN CITY JURISDICTION THAT ARE NOT ON THE AGENDA none

STANDING COMMITTEES-ADMINISTRATION- Election polls and mail-in ballots

Larson said there are two options for the Election, the first option being a mail-in ballot and the second option is to have polling places. The cost of the mail-in ballot is \$905.77, which would be mailed out to all of the registered voters in the City and then tabulated later. The cost of the polls would be \$2,339.66.

Williams said there are currently 1478 active voters in the three precincts the City has and among them there are 398 active absentees. Williams said a decision can be made at a later time when it gets closer to elections.

Mahan said the difference in cost between the two choices is \$1,433.89, which is a significant amount. Mahan said it might be time to try the mail-in ballots.

Authority to execute a lease agreement for Sewer jetter truck Motion by Foisy, second by Larson to approve a lease agreement with Tax-Exempt Leasing Corporation for a Vactor Sewer Cleaner Truck for the principle amount of \$315,000.00, interest amount of \$27,830.25 and first payment due on April 27, 2016, with the total number of five payments and to give the Mayor authority to execute the documents. On roll call vote all council members present vote “Aye”.

Williams added at the end of the lease agreement the truck will be the City’s.

Foisy stated this item was discussed at the last council meeting. He said the Public Works Director talked about the need of a maintenance schedule for the sewer mains and currently we are not

maintaining the lines like we should and it could be a liability issue. Foisy said the truck was included in the Capital Improvements Plan as one of the highest priorities.

Foisy said the agreement has a fixed interest rate of 2.8% for the five years.

EMERGENCY SERVICES- State of MT overtime/equipment grant Motion by Brown, second by Larson to approve the submission of the State of MT overtime/equipment grant. On roll call vote all Aldermen present voted “Aye.” Motion carried.

Brown said the grant request was submitted last week, with the help of Officer Cope and Chief Hibler. She said they made requests for four different projects, two were for the overtime costs for officers on the 4th of July weekend and the motorcycle rally and two were for in-car video cameras. Brown said they have received verbal confirmation from the State that we will be receiving one of the grants for the help with overtime costs for the motorcycle rally and possibly some assistants for overtime costs for the 4th of July.

Williams pointed out there are no matching funds required for these grants.

Larson thanked Bill Foisy for bringing the grant to the committee’s attention.

Other Emergency Items- Addressing Mahan said she received a grid from Jon Trapp and now will be able to identify the major problem areas. Mahan said it is a huge amount of work and time consuming. She said they plan on meeting with Tom Kohley about what he may have in his system. She said one of the main questions is where the divider line between North and South is. Mahan said they are making some progress and will continue to do so.

Larson said they had a discussion about the upcoming jail meeting which will be at the Elks on May 15, at 6:00 p.m. It is going to be held by the County Commissions. Larson said he would like to see everyone there and voice their opinions on how they feel about the jail situation in Carbon County.

Williams said during the first 111 days of this year, the City has made contact with approximately 80 people who we felt should have been incarcerated for one reason or another, primarily DUI’s. Out of that 80, we incarcerated 9 people, due to the fact the detention center in Billings is typically full. Williams said you have to have a really bad person to send them to jail. He said it does make policing difficult at times. Williams said the County Commission are looking at a couple options, including taking people to Cody, WY and the other is to take people to Bozeman, MT. Those options would cost the City’s taxpayers about \$65,000 from the general budget. Williams said the County is responsible to provide a jail and we expect them to do that in a way that works economically also.

Williams said they have been working with the County to determine how we went from a \$9,000 dispatch fee to a \$25,000 or \$31,000 fee. In the past year, the County purchased nearly a quarter of a million dollars’ worth of new equipment which was installed around the County, which is adding to the system complexity and the cost of their payroll expenses going up. The total cost for dispatching fees for the upcoming fiscal year for the entire county is about three quarters of a million dollars. Williams said they will continue working on it and try to understand it and make

sure we are being treated fairly.

LAND USE AND PLANNING- Resolution #3385, Resolution of Intent to Adopt the 2015 Red Lodge Growth Policy Motion by Schoenike, second by Brown to approve Resolution #3385, Resolution of Intent by the City Council of the City of Red Lodge to adopt the 2015 Red Lodge Growth Policy and creation of a 30-day public comment period. On roll call vote all Aldermen present voted “Aye”. Motion Carried.

RESOLUTION NO. 3385

RED LODGE CITY COUNCIL

A resolution of intent by the City Council of the City of Red Lodge to adopt the 2015 Red Lodge Growth Policy and creation of a 30-day public comment period.

WHEREAS: The Red Lodge City Council tasked the Planning Board with the preparation of a Growth Policy for the City, AND;

WHEREAS: The Red Lodge Planning Board approved an action plan incorporating public input and an approximate time line for the adoption of a new Growth Policy for the City of Red Lodge, AND;

WHEREAS: The proposed Growth Policy addresses all of the statutory components of a Growth Policy to the extent acceptable to the Planning Board and City Council, AND;

WHEREAS: The Red Lodge Planning Board did conduct a public hearing of the Growth Policy on March 11, 2015, AND:

WHEREAS: The City of Red Lodge through its Community Development Department has and continues to work cooperatively with the Carbon County Board of County Commissioners on planning and land use related issues, AND:

WHEREAS: The City Council of the City of Red Lodge is desirous of establishing and maintaining up to date growth management regulations including but not limited to Zoning, Subdivision, and Floodplain Regulations, AND;

WHEREAS: The City Council of the City of Red Lodge is statutorily required to update and examine the Growth Policy on a time frame not to exceed 5 calendar years, AND;

WHEREAS: The City Council of the City of Red Lodge is desirous of providing persons who may be effected by the adoption of the Growth Policy ample opportunity for involvement in the adoption process, AND;

WHEREAS 76-1-604 of the Montana Code Annotated provides the process for the adoption, revision, or rejection of a growth policy by the City Council.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Red Lodge, Montana to adopt Resolution of Intent Number 3385 and hereby open a public comment period for 30 calendar days during which persons may comment upon the Growth Policy. Said comment period will expire upon May 29, 2015 . Further, notice of the passage of this resolution of intent shall be published in the Carbon County News during the comment period and a public hearing on the Growth Policy is scheduled for June 9, 2015.

Persons desirous of commenting upon the Growth Policy shall submit their comments in written form to:

City of Red Lodge
GROWTH POLICY COMMENTS
City Clerk
P.O. Box 9
Red Lodge MT 59068

BE IT FURTHER RESOLVED, by the City Council of the City of Red Lodge, that following the closure of the comment period that the City Council will by Resolution adopt, adopt with revisions, or reject the Growth Policy prepared by the Planning Board at a time and date of the choosing of the City Council.

City of Red Lodge
Ed Williams, Mayor

Loni Hanson, City Clerk

Schoenike said the Planning Board held their public hearing on the Growth Policy on March 11, 2015 and they passed Resolution #15-01. The changes in the Growth Policy are the inclusions of the Comprehensive Parks Plan, the Capital Improvements Plan, the Urban Forestry Plan and the corrections of a few minor issues throughout the text. Schoenike said they will take public comment for the next 30 days and will have a hearing on June 9, 2015.

Ordinance #914, Updating Building Codes Schoenike said they are planning on moving forward with this ordinance next month. He said they are changing the codes so we are able to adopt the current building codes by resolution, rather than ordinance. The ordinance will say we will adopt the most current codes by resolution. It will also clarify how the members of the Board of Appeals will be appointed. It will also give us options in terms of adopting things like plumbing and electrical codes. Schoenike said he received an email from the Department of Industry which stated we only need to adopt the codes that we are able to enforce and do inspections on.

Other Land Use and Planning Items Schoenike said they will, hopefully, bring the Annexation Policy from the Planning Board to the Council at the second council meeting in May.

PUBLIC WORKS- Resolution #3384, Resolution of Intent to Increase the Water and Sewer Rates Motion by Foisy, second by Mahan to approve Resolution #3384, a resolution of intent to increase the City of Red Lodge's Water and Sewer rates and charges to become effective on July 1, 2015 and setting a date and time for a public hearing as modified. On roll call vote all Aldermen present voted "Aye". Motion Carried.

RESOLUTION NO. 3384

A RESOLUTION OF INTENT TO INCREASE THE CITY OF RED LODGE'S WATER AND SEWER RATES AND CHARGES TO BECOME EFFECTIVE ON JULY 1, 2015 AND SETTING A DATE AND TIME FOR A PUBLIC HEARING.

WHEREAS, the water and sanitary sewer rates and charges in effect at the present time are not adequate to provide revenues to defray the increased costs of operation, maintenance, and capital of the City's water and sewer distribution facilities and systems; and

WHEREAS, a Water and Sewer Rate Study has been conducted for the City of Red Lodge, March 2015, to insure that rates, charges and classifications are reasonable and just in accordance with MCA 69-7-101 and to insure that undertakings are self-supporting in accordance with MCA 7-7-4424; and

WHEREAS, the provision of the water and sewer systems and facilities is essential to the preservation of the public's health and welfare; and, that the new rates, must before taking effect, be approved by the City Council after advertising and conducting a public hearing pursuant to the Rules and Regulations governing Water and Waste Water Service for the City of Red Lodge, Title 10, Chapter 8, Section 1, as previously adopted by the City Council through Ordinance 835 and MCA Section 69-7-111; and

WHEREAS, current budgetary requirements with respect to the operation of said facilities in addition to on-going and future projects require the proposed rates to become effective on or about July 1, 2015, to enable the City to proceed as expeditiously as possible to accomplish the objectives herein above recited; and

WHEREAS, pursuant to Montana law, the City Council has determined that a public hearing must be advertised and held to gather public testimony and input regarding the proposed increases in water and sewer rates and charges.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RED LODGE, MONTANA:

1. That the City Council of the City of Red Lodge considers it both advisable and necessary to increase the municipal water and sewer rates and charges for all users and proposes to increase the rates and charges as specifically contained on the rate and charge schedule marked "Exhibit A" that is attached hereto and hereby incorporated into this Resolution by reference.

2. That a public hearing shall be held on May 26, 2015 at 6:00 p.m. in the City Council Chambers, at City Hall, Red Lodge, Montana, for the purpose of gathering and receiving testimony, input and comments from all interested or affected users, citizens, persons, associations, corporations and/or companies.
3. Notice of the hearing shall be published once a week for three consecutive weeks in the *Carbon County News*, a newspaper that conforms to the requirements of MCA § 7-1-4127, and the first such publication shall not be more than twenty-eight (28) days prior to the hearing and the last publication shall be not less than three (3) days prior to the hearing, in a form substantially similar to the Notice of Public Hearing marked and attached hereto as “Exhibit A”.
4. Additionally, the notice of the hearing shall be mailed at least seven (7) days and not more than thirty (30) days prior to the hearing to all persons who are served by the City’s utilities. The notice shall contain an estimate of the amount the customer’s average monthly bill will increase.
5. A copy of this Resolution and Notice of the public hearing (Exhibit A) shall be mailed to the Montana Consumer Counsel at least seven (7) days before but not more than thirty (30) days prior to the hearing date.

Introduced at a regular meeting of the City Council on April 28, 2015, by Council Member _____.

PASSED and APPROVED by the City Council of the City of Red Lodge this __ day of April, 2015.

APPROVED by the Mayor this ___ day of _____, 2015.

CITY OF RED LODGE

Ed Williams, Mayor

ATTEST:

Loni Hanson, City Clerk

EXHIBIT A

City of Red Lodge Water and Sanitary Sewer Utility Service Rates and Charges

And

Notice of Public Hearing

OFFICIAL NOTICE IS HEREBY GIVEN that the Red Lodge City Council will hold a Public Hearing on May 26, 2015 at 6:00 p.m. in the Council Chambers at City Hall located at 1 South Platt, P.O. Box 9, Red Lodge, Montana 59068 regarding proposed municipal water and sewer rate increases.

The City is proposing to modify the existing water rates as follows:

		Current	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Base Rate per EDU		-	\$ 22.95	\$ 23.41	\$ 23.88	\$ 24.35	\$ 24.84
Capital Expenses per EDU		-	\$ -	\$ 2.81	\$ 5.63	\$ 9.85	\$ 14.07
Curb-Stop Fee per Service		-	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00
Total		-	\$ 24.95	\$ 28.22	\$ 31.51	\$ 36.20	\$ 40.91
Meter Size	EDUs	Monthly Service Charge					
¾"	1.00	\$ 22.95	\$ 24.95	\$ 28.22	\$ 31.51	\$ 36.20	\$ 40.91
1"	1.79	\$ 32.79	\$ 43.08	\$ 48.93	\$ 54.82	\$ 63.23	\$ 71.65
1½"	4.00	\$ 39.35	\$ 93.80	\$ 106.88	\$ 120.03	\$ 138.82	\$ 157.65
2"	7.14	\$ 71.05	\$ 165.86	\$ 189.20	\$ 212.68	\$ 246.22	\$ 279.83
3"	16.00	\$ 163.96	\$ 369.20	\$ 421.50	\$ 474.11	\$ 549.28	\$ 624.59
4"	28.57	\$ 327.91	\$ 657.68	\$ 751.08	\$ 845.02	\$ 979.23	\$ 1,113.71
Block		Monthly Usage Charge per 1,000 gallons					
0 to 3,000 gallons		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,001 to 8,000 gallons		\$ 4.12	\$ 4.12	\$ 4.20	\$ 4.29	\$ 4.37	\$ 4.46
8,001 to 20,000 gallons		\$ 5.41	\$ 5.41	\$ 5.52	\$ 5.63	\$ 5.74	\$ 5.86
> 20,001 gallons		\$ 6.83	\$ 6.83	\$ 6.97	\$ 7.11	\$ 7.25	\$ 7.39

Fiscal Year being July 1- June 30

The City is proposing to modify the existing sewer rates as follows:

		Current	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Base Rate per EDU		-	\$ 23.83	\$ 24.31	\$ 24.79	\$ 25.29	\$ 25.79
Capital Expenses per EDU		-	\$ 10.82	\$ 13.55	\$ 16.28	\$ 20.38	\$ 24.48
Total		-	\$ 34.65	\$ 37.86	\$ 41.07	\$ 45.67	\$ 50.27
Meter Size	EDUs	Monthly Service Charge					
¾"	1.00	\$ 23.83	\$ 34.65	\$ 37.86	\$ 41.07	\$ 45.67	\$ 50.27

1"	1.79	\$ 42.66	\$ 62.02	\$ 67.76	\$ 73.52	\$ 81.75	\$ 89.99
1½"	4.00	\$ 95.32	\$ 138.60	\$ 151.43	\$ 164.29	\$ 182.67	\$ 201.10
2"	7.14	\$ 170.15	\$ 247.40	\$ 270.30	\$ 293.26	\$ 326.07	\$ 358.96
3"	16.00	\$ 381.82	\$ 554.40	\$ 605.71	\$ 657.16	\$ 730.70	\$ 804.39
4"	28.57	\$ 680.82	\$ 989.95	\$ 1,081.56	\$ 1,173.45	\$ 1,304.75	\$ 1,436.34
Block	Monthly Usage Charge per 1,000 gallons						
0 to 3,000 gallons	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,001 to 8,000 gallons	\$ 1.61	\$ 1.61	\$ 1.64	\$ 1.68	\$ 1.71	\$ 1.74	\$ 1.74
8,001 to 20,000 gallons	\$ 1.61	\$ 2.11	\$ 2.15	\$ 2.20	\$ 2.24	\$ 2.28	\$ 2.28
> 20,001 gallons	\$ 1.61	\$ 2.67	\$ 2.72	\$ 2.78	\$ 2.83	\$ 2.89	\$ 2.89

Fiscal Year being July 1- June 30

One (1) EDU = equivalent dwelling unit, which is a typical ¾" residential water service.

Based upon an assumed average usage of 6,000 gallons per month, the rate structure is estimated to increase the monthly water charge by the following amounts for a typical ¾" service.

Fund	Current	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Current Target Rate
Water	\$ 35.31	\$ 37.31	\$ 40.83	\$ 44.37	\$ 49.32	\$ 54.29	\$ 58.74
Sewer	\$ 28.66	\$ 39.48	\$ 42.78	\$ 46.10	\$ 50.79	\$ 55.50	\$ 37.76
Water and Sewer	\$ 63.97	\$ 76.79	\$ 83.61	\$ 90.46	\$ 100.12	\$ 109.79	\$ 96.51
Increase Over Current	-	\$ 12.82	\$ 19.64	\$ 26.49	\$ 36.15	\$ 45.82	-

Fiscal Year being July 1- June 30

For more information, please contact Loni Hanson, at 1 South Platt, PO Box 9, Red Lodge, MT 59068 or by phone at 406-446-1606.

Dated this ___th day of _____, 2015.

Loni Hanson
CITY CLERK
CITY OF RED LODGE
1 South Platt, PO Box 9
Red Lodge, MT 59068

Publish Carbon County News: (Insert Publication Dates)

Schoenike said changes have been made under the tables in Exhibit A. He said there is a new line under the water rates table, which is a curb stop fee per service. This is a \$2.00 fee that will be put into place to finance the City's taking responsibility for maintenance and replacement of

the pressurized service lines from the main to the curb stop and including the curb stop. The \$2.00 fee is per month, per service regardless of the size of service. The Fiscal Years numbers in the water table and the last table reflect the added \$2.00 fee. The sewer rate table did not change.

Williams said at this point in time, it is the responsibility of the property owner to maintain their water lines from the main to the curb stop. The Council felt the City should be responsible to maintain the lines from the main to the curb stop to make sure they are properly installed and the paving is done right. Williams said the \$2.00 fee will help in doing that.

Ordinance #916- Clarifying Mechanism for Changing Water/Sewer Rates Schoenike said they encountered some places in our code that contradict itself. There will be some clarification in 10-8-1, 10-8-2, and 10-8-3. Some change in language in 10-8-4 to remove our old policy of averaging December, January, February, and March water usage for determining wastewater usage, which was a change that was recommended as part of our water and sewer rate study. 10-8-8 currently speaks to impact fees and it will be changed to describe the curb stop fees. Schoenike said under Chapter 9 of Title 10 of the code, it is currently titled “Current Rates, Charges and Fees” and it is where we start seeing contradictions to other parts of the Code. 10-9-1, 10-9-2, 10-9-3 and 10-9-5 all speak to specific rates, which are generally done by resolution, so all of those will be repealed and reserved. The remainder of Chapter 9 speaks to impact fees and will be retitled to “Impact Fees”.

Amend Task Order 4 for Water and Sewer Rate Study Motion by Foisy, second by Mahan to approve a modification to Task Order #4 Water and Sewer Rate Study to Great West Engineering to reflect an additional \$5,000 for that task making the total \$15,000. On roll call vote all Aldermen present voted “Aye”. Motion carried.

Foisy said the reason behind the increase were things that were outside of the original scope of work which includes Great West working with the City to find historical data that was assumed to exist when the scope of work was developed, this included two meetings in Red Lodge with City personnel. They sized an irrigation system for the land application of treated wastewater on the City’s existing “bench property” and prepared a cost estimate for the system at the request of Forrest Sanderson. Chad Hanson, Project Manager, attended seven Public Works Committee and/or Council meetings regarding the rate study, when the original cost estimate assumed attendance to two committee meetings. Great West prepared three draft versions of the rate study, the final draft study, and two informational memorandums for the City, where as the original scope of work assumed that there would be one draft study followed by the final study once review comments were received. Finally, the original scope of work includes a public hearing on the rate study, but not the additional public forum held on April 9, 2015.

Sidewalk Maintenance Agreement-MDT Williams said he met with Mr. Tooley, head of MDT, and discussed the ADA sidewalks again. Williams said MDT believes the design they have is best for Red Lodge regardless of the impact it has on snow removal and ice issues. He said he is having the City’s attorney look at the agreement to determine if we can negotiate our responsibility to keep those corners clean, out of the contract.

Foisy pointed out it is negotiation of the existing agreement to modify where we can't actually plow efficiently.

Other Public Works Items Foisy said there will be two items that will be added to the agenda for the May 12 council meeting. The first item will be to ask for authority to submit a grant application for a preliminary engineering report for our wastewater plant. TSEP grants open May 18 and they are noncompetitive and are a first come, first serve. Foisy said the second item for discussion will be the proposed ordinances for the Parks Board and tree regulations.

CITIZEN REPORT None

CORRESPONDENCE None

MISCELLANEOUS Foisy said the City wide clean-up will be on May 15, 16, and 17 by the Recycling Center.

Williams said he received the preliminary general budget papers for next year and so far it looks like we are dealing with a \$125,000 issue. He said we will make the first pass through it and then get it to the Admin committee to look at.

Schoenike said there has been some discussion on changing the times of the committee meetings that are held on Council Meeting days. The suggestion is to move Emergency Services to 1:00 p.m., Land Use and Planning to 2:00 p.m., Admin to 3:00 p.m. and Public Works to 4:00 p.m. He said this will consolidate and encourage the committees to have concise one hour meetings.

Motion by Schoenike, second by Mahan to approve the changing of the times for committee meetings that are held on Council Meeting days to: Emergency Services at 1:00 p.m., Land Use and Planning at 2:00 p.m., Administration at 3:00 p.m., and Public Works at 4:00 p.m. On roll call vote all Aldermen voted "Aye". Motion Carried.

Mahan said there will be a Mayor Appreciation meeting on this Thursday, April 30, between 5:00 p.m. to 7:00 p.m. at the Elks.

Mahan said the new Chancellor at MSUB, Mark Nook, will be at the Elks on May 7, between 1:30 p.m. to 2:30 p.m. Mahan said MSUB provides scholarships for Carbon County students and this is a good chance to thank Mr. Nook for all that MSUB does for Carbon County.

Meeting adjourned 7:45 p.m.

Mayor

ATTEST:

City Clerk

