

December 10, 2013

The Red Lodge City Council met in regular session on December 10, 2013 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 Foisy, Mahan, Larson, Schoenike and Williams. Absent: Alderman Labrie.

**DEPARTMENT HEAD ATTENDANCE:** Community Development Director – Forrest Sanderson, City Clerk – Debbie Tomicich.

**MINUTES OF PUBLIC HEARING NOVEMBER 12** Motion by Mahan, second by Schoenike to approve the minutes of the public hearing held on November 12 as submitted. On roll call vote all Aldermen present voted “Aye.” Motion carried.

**MINUTES OF NOVEMBER 12** Motion by Mahan, second by Williams to approve the minutes of November 12 as submitted. On roll call vote all Aldermen present voted “Aye.” Motion carried.

**CLAIMS AGAINST THE CITY** Motion by Williams, second by Mahan that claims against the City totaling \$139,135.36, 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.

Williams reported on some of the claims that were being paid. The NorthWestern Energy claims to be paid totaled \$11, 053. The work done by Great West Engineering for this timeframe totaled \$11,277. One of the people who benefited from the first time homeowner grant funding sold their home so they had to pay back the Department of Revenue \$22,500 so these funds could then be used to help someone else. These funds were recovered from the homeowner at the closing time. The monthly contract amount and the various dumpster rents to Republic Services totaled \$29,249.

Foisy asked if the repairs done to the overhead door at the recycling center would help with the heating problems. Mayor Roat said it hopefully would if the doors were not opened all the way to the top and he has spoken with the people helping the workers and this should be done. Jim Bushnell got bids to have the work done and the bid from Powell Overhead Door came in much lower than any other so they did the work.

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

**COMMENTS FROM PUBLIC REGARDING AGENDA ITEMS** None

**SPECIAL COMMITTEES – Water/Sewer Rate Study** Chad Hanson, Great West Engineering, said they have collected the needed information from City personnel. Hanson gave the Council a copy of a rate scenario: Estimated Annual Expenses: 1) O&M: used current budget, which allows some conservatism. 2) Reserves: City currently does not have a designated reserve amount so used 10% of the O&M. 3) Debt Service: Straightforward, sum of existing debt for each enterprise fund. 4) Capital Expenditures: Public works provided a list, but there are not costs associated. The pending CIP will provide a lot of this information as well as a priority list. Hanson said no definite costs can be inserted for CIP at the present time. Hanson said the average historical revenue was determined from the actual records for the last three fiscal years.

Hanson gave the Council some examples of rate increases based on the transfers from Resort Tax and then again based on no transfers. He said that if the Resort Tax transfer remains and no money is set aside for CIP

then the proposed rate increases look pretty good.

Hanson said that currently the rate structure is a base plus usage structure and that this is fairly common throughout the state. He said it works for Red Lodge and is easily understandable and it would be his recommendation. He wonders if the Council sees any reason to change this method. The question asked is if the City would like to increase the base and usage rates equal percentages or look at a disproportionate increase. He said that looking at the sewer usage the City bills by usage in December, January, February and March and the rest of the year is an average of these months. He said again, this is fairly standard across the state. He stated that commercial services are usually charged actual usage year round as they generally do not irrigate anything. He wants the City to discuss whether this is something they would like to do as it would be his recommendation.

Hanson said he would like the Council to decide how they would like him to move forward on this project. He asked if they could pick a target dollar amount to be set aside for capital expenditures so it could be worked into the projected target rate. He would also like the Council to pick a target percentage increase and to then round to a set base rate. When these things are decided upon they can be worked into the rate schedule to see what the increases would need to be.

The City needs to remember that if grant funding is sought the Department of Revenue will look to see if our target rates are set where the Department expects them to be.

**STANDING COMMITTEES – ADMINISTRATION – Ordinance #901 – Resort Tax Administrative Ordinance – second reading**

**ORDINANCE NO. 901**

**THE FOLLOWING IS AN ORDINANCE REPLACING CHAPTER 4 OF TITLE 2 OF THE RED LODGE MUNICIPAL CODE, INCLUDING ORDINANCES NO. 832, 833, 833 FIRST AMENDED, 833 SECOND AMENDED, 833 THIRD AMENDED, 833 FOURTH AMENDED, 833 FIFTH AMENDED, 834 AND 879 OF THE CITY COUNCIL OF THE CITY OF RED LODGE, MONTANA, ADMINISTRATIVE ORDINANCES GOVERNING THE COLLECTION AND REPORTING OF RESORT TAX REVENUES. (caption)**

Motion by Larson, second by Williams to approve Ordinance No. 901, an ordinance replacing chapter 4 of Title 2 of the Red Lodge municipal code, including ordinances no. 832, 833, 833 first amended, 833 second amended, 833 third amended, 833 fourth amended, 833 fifth amended, 834 and 879 of the City Council of the City of Red Lodge, Montana, administrative ordinance governing the collection and reporting of Resort Tax revenues on second reading. On roll call vote all Aldermen present voted “Aye.” Motion carried.

**Resolution No. 3363 – Harper Estate – Red Lodge Public Schools Foundation  
RESOLUTION # 3363**

**A RESOLUTION OF THE CITY COUNCIL PLEDGING DONATED FUNDS TO THE RED LODGE PUBLIC SCHOOLS FOUNDATION FOR THE PURPOSE OF CONSTRUCTING AN AUDITORIUM.**

**WHEREAS**, by and through his last Will and Testament, the Estate of Gregory T. Harper donated funds to the City of Red Lodge for the specific purpose of constructing an auditorium to be utilized by the City and School District #1; and

**WHEREAS**, the City Council has determined that pursuant to the donation provided through the Will and Testament of the Estate of Gregory T. Harper, the donated funds should be utilized for construction costs rather than planning and design costs to ensure the auditorium is actually constructed as intended and desired by the estate; and

**WHEREAS**, as of November 14, 2013, funds of approximately \$112,000 are being held in an interest earning account by the City; and

**WHEREAS**, the City Council intends to hold the funds in such account until the Red Lodge Public Schools Foundation gathers additional funding through donation or otherwise to pay for a majority of the design and construction of the auditorium project.

**NOW THEREFORE, BE IT RESOLVED**, the City Council hereby pledges all funds donated by the Estate of Gregory T. Harper to the Red Lodge Public Schools Foundation for the purpose of constructing a performing arts auditorium for the use by the City and School District #1; and

**BE IT FURTHER RESOLVED**, the Red Lodge Public Schools Foundation shall provide the City an estimated cost to design and construct the auditorium; and

**BE IT FURTHER RESOLVED**, the City shall release the funds to the Red Lodge Public Schools Foundation once 75% of the estimated cost to design and construct the auditorium are secured; and

**FINALLY, BE IT RESOLVED**, the pledge authorized through this Resolution shall continue for a period of two years and shall expire on December 10, 2015 if the Red Lodge Public Schools Foundation fails to raise the requisite 75% of the design and construction funds. The City Council may renew or extend the pledge through further Resolution.

Motion by Williams, second by Larson to approve Resolution No. 3363, a resolution of the City Council pledging donated funds to the Red Lodge Public Schools Foundation for the purpose of constructing an auditorium. On roll call vote all Aldermen present voted "Aye." Motion carried.

This resolution is being done to extend the timeline on Resolution No. 3325 which has expired and the new resolution will be in effect for an additional two years.

Amendment to resolution by Schoenike, second by Mahan to amend the paragraph that starts "NOW THEREFORE, BE IT RESOLVED" to read "NOW THEREFORE, BE IT RESOLVED, the City Council hereby pledges all funds donated by the Estate of Gregory T. Harper to the Red Lodge Public Schools Foundation for the purpose of constructing a performing arts auditorium for the use by the City and School District #1." On roll call vote all Aldermen present voted "Aye." Motion carried.

**Airport Board Appointments – Willis Coffman and Wally Zook** Mayor Roat said that both Willis Coffman and Wally Zook are members of the Airport Board and their appointments have expired. He would like Council concurrence on the reappointment of both these gentlemen.

Motion by Williams, second by Mahan to approve the appointment of Mr. Coffman and Mr. Zook to the Airport Board. On roll call vote all Aldermen present voted "Aye." Motion carried.

**POLICE AND EMERGENCY SERVICES** Mahan reported that many issues were discussed today at the Police and Emergency Services Committee meeting. She said that discussion was held on having someone available who can field questions regarding the new telephone system. Right now there are some problems with the phones and it is unknown who would be the responsible person to get the questions resolved. Mayor Roat said that Amy Moore would be a good local person to have regarding the phone system. He said it needs to be defined as to what the responsibilities would be in association with this task. Then, if decided upon, Ms. Moore can be asked about her thoughts on this. It was also suggested that employee Asano Otsu could be approached to see if this is something she would be willing to take on.

**Police Department Roof** The roof of the Police Department building is still leaking and will ultimately need to be repaired.

**Snow Party** Mahan said there is supposed to be a snow party on Friday, December 13, when the State will remove the snow from Broadway. The street is getting narrow due to the buildup of snow so the State will be in to clear it away with the help of the City crew.

**LAND USE AND PLANNING** Sanderson said the first draft of the proposed amendments of the Red Lodge Zoning Regulations have been sent to the Planning Board for their consideration at their first meeting in January. The Zoning Regulations are probably the single most important tool used to implement the Growth Policy. The Planning Board will be doing a lot of work again after doing the Growth Policy.

**PUBLIC WORKS – Airport Road Agreement with Carbon County** Motion by Schoenike, second by Mahan to approve the interlocal agreement between Carbon County and the City of Red Lodge regarding the realignment, construction and pavement of the Airport road. On roll call vote all Aldermen present voted “Aye.” Motion carried.

Schoenike said the biggest concern is under the section of what the City of Red Lodge will be responsible for. Item #3 states “Will provide an asphalt conditioning product such as Reclamite to be applied to the asphalt millings as they are delivered and applied. Estimated cost is \$20,000.” Schoenike said that originally the cost was stated as \$18,000 and since it has already increased he feels the City should be sure that it does not go any higher. He said he would like to see the agreement modified to show that \$20,000 would be the maximum cost. Williams stated that one of the things being changed is the revision of where the road will go. More road will be done than was first discussed so he said he is a little nervous with only \$20,000 but that he does not want to see it be much more than this. More reclamite will definitely be needed with the change. Resort Tax will be the funding source for this project.

**Resolution No. 3364 – No Parking Snow Removal Route Declaration – East Side of Word Avenue from 8<sup>th</sup> Street to Highway 78**

**RESOLUTION NO. 3364**

RED LODGE CITY COUNCIL

A resolution by the City Council of the City of Red Lodge to create a no parking zone during snow removal operations on a portion of North Word Avenue.

WHEREAS: The Red Lodge City Council Passed Ordinance #896 that included the following specific sections, AND;

**Section 2. Service:**

**Snow removal from public rights-of-way is a service provided by the City of Red Lodge to our residents and business owners. In the provision of this service the Department shall strive to reasonably keep the snow and ice removed from the driving lanes of our public rights-of-way by 11:00 A.M. the day after the cessation of any storm.**

**Snow and ice removal from the public right-of-way shall be accomplished in a manner that is the most efficient and cost effective to the City. Snow removal from sidewalks is the responsibility of the landowner adjacent to the sidewalk and is governed by Chapter 4 of this Title.**

**Widening of parking lanes may occur once the driving lanes have been opened.**

**Section 3. Encroachments.**

**Given the development pattern of the City it is impossible for the Department to avoid pushing snow in a manner that may inconvenience property owners. Residents need to accept the fact that we live in snow country and that snow removal operations may restrict free use of encroachments onto the public right-of-way.**

**Section 4. Parked Cars.**

**Cars parked along public rights-of-way during and immediately following a snow event are subject to being plowed in during snow removal and widening operations. Being plowed in does not constitute an exemption to the parking limitations imposed by State Law or other City Ordinances.**

WHEREAS: Parking and snow removal operations are limited as the Right-of-Way for North Word Avenue from 8<sup>th</sup> Street to Highway 78 is only 30 feet in width, AND;

WHEREAS: The Mayor and City Council have received numerous complaints related to safe travel lanes, snow removal operations and vehicles parking on both sides of the described portion of North Word Avenue, AND;

WHEREAS: The City Council of the City of Red Lodge has the authority to restrict, limit or prohibit parking on any public Right-of-Way within the City Limits to effect compliance with Ordinance #896, AND:

WHEREAS: The Red Lodge Public Works Department has determined that restricted parking on North Word Avenue between 8<sup>th</sup> Street and Highway 78 will during snow removal operations with further through its ability to reasonably keep the snow and ice removed from the driving lanes of our public rights-of-way by 11:00 A.M. the day after the cessation of any storm.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Red Lodge, Montana to adopt Resolution Number 3364 which restricts parking on the East side of North Word Avenue as follows

1. Parking on the Public Right-of-Way shall be prohibited from the intersection of West 8<sup>th</sup> Street to Highway 78 from October 1 to April 30 each year on the East side of North Word Avenue.
2. Parking on the East side of North Word Avenue Right-of-Way shall be prohibited year round from the intersection of West 5<sup>th</sup> Street to Highway 78.

3. The City shall sign the respective areas to alert owners and the public to the restrictions provided in this resolution.

Motion by Mahan, second by Larson to approve Resolution No. 3364 as presented with the change made to Section 2 to state "Rights-of-way" and the last Whereas: will read "The Red Lodge Public Works Department has determined that restricted parking on North Word Avenue between 8<sup>th</sup> Street and Highway 78 during snow removal operations will further the department's ability to reasonably keep the snow and ice removed from the driving lanes of our public rights-of-way by 11:00 A.M. the day after the cessation of any storm." On roll call vote all Aldermen present voted "Aye." Motion carried.

Bushnell explained the concerns with the plowing and widening of Word Avenue in this area. He said the resolution mostly affects only one resident. This road area is narrow and harder to take care of.

**Appendix A – TSEP Infrastructure Planning Grant Application** Sanderson reminded the Council that funds need to be found to do a Capital Improvements Plan. He said that \$10,000 of local funds have been dedicated to make this happen but grants are necessary to obtain the needed \$40,000 to do this CIP. Sanderson said he received a call from the Department of Commerce explaining that Red Lodge has been fully funded for the \$40,000. The Department asked Sanderson if Red Lodge would be willing to submit a TSEP Grant Application for \$10,000 matched with the local \$10,000 and then the Department of Commerce will fund the remaining \$20,000 with CDBG funds. This will then allow them to spread the CDBG funds as far out into the communities in the State as possible. CDBG is frequently the only funding source that many communities have for doing many of their projects. Sanderson feels this request is not unreasonable as the City will be fully funded to do a CIP. Sanderson will then administer both grants. He does need authorization for the Mayor to sign Appendix A so the new application can be submitted.

Motion by Foisy, second by Schoenike to authorize the Mayor to execute the TSEP Infrastructure Planning Grant Application, specifically to authorize the statement on page three in the resolution on page seven. On roll call vote all Aldermen present voted "Aye." Motion carried.

Schoenike said the City received an agreement from ESRI (Environmental Systems Research Institute) for the cities GIS online community maps program participation. This information came from Tom Kohley. The agreement will allow the City to upload a lot of GIS data and make it more available as well as being able to download information at a later date.

Motion by Schoenike, second by Mahan to allow the Mayor to execute this agreement on behalf of the City. On roll call vote all Aldermen present voted "Aye." Motion carried.

**Public Works Report** Foisy said that one of the main items on the list compiled by the Public Works Department was the need to replace some meters. Public Works needs to replace the meters to get a more accurate reading on the metered water and the water that is produced. They estimate the cost of the needed meters to be approximately \$18,000. The department feels this to be an important purchase.

**CITIZEN REPORT** Michael Szczutkowski thanked the Council for working on the Resort Tax Ordinance and getting the new revised one implemented tonight. The start date for the new ordinance will be February 1, 2014 and he said there are currently businesses that are jumping the gun on the start of the ordinance. Mayor Roat said to get the info to the City and we will let the businesses know the start date of the new ordinance.

**CORRESPONDENCE** High Plains Architects of Billings announced that the Boys and Girls Club of Carbon County has achieved LEED Platinum certifications under the U.S. Green Building Council's LEED for New Construction and Major Renovation v2009 rating system. The building, owned by the Boys and Girls Club of Carbon County, is the first LEED Platinum project in Red Lodge. It is also the first LEED Platinum certified project in Montana under USGBC's v2009 rating system.

**MISCELLANEOUS** The next scheduled meeting for the Council is December 24, 2013. Mayor Roat asked the Council if they are prepared to hold this meeting.

Motion by Mahan, second by Schoenike to cancel the December 24, 2013 Council meeting. On voice vote all Aldermen present voted "Aye." Motion carried.

This will be noticed to the public in advance of the meeting.

Meeting adjourned at 8:45 p.m.

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Mayor

ATTEST:

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City Clerk