

# MINUTES OF THE CITY COUNCIL OF LAUREL

May 6, 2003

A regular meeting of the City Council of the City of Laurel, Montana, was held in the Council Chambers and called to order by Mayor Bud Johnson at 6:30 p.m. on May 6, 2003.

**COUNCIL MEMBERS PRESENT:**

Ken Olson	Doug Poehls
Gay Easton	Mark Mace
Dan Mears	Daniel Dart
	John Oakes

**COUNCIL MEMBERS ABSENT:** Lauren Van Roekel

Mayor Johnson asked the council to observe a moment of silence.

Mayor Johnson led the Pledge of Allegiance to the American flag.

**MINUTES:**

Motion by Alderman Oakes to approve the minutes of the regular meeting of April 15, 2003, as presented, seconded by Alderman Dart. Motion carried 7-0.

**CORRESPONDENCE:**

Montana Department of Commerce, HOME Program: Memo of April 2003 regarding Program Update.

Montana Department of Commerce, HOME Program: Memo of April 8, 2003 regarding FFY 2003 HOME Program Applications.

Cable Montana: Service Reports for March 2003.

Weis Construction: Letter of April 22, 2003 with questions regarding development of Blocks 7 and 8 of Nutting Subdivision.

Yellowstone County Air Pollution Control: Letter of April 25, 2003 regarding the City of Laurel's appointment to the Board; Proposed Changes to the Yellowstone County Air Pollution Control Program.

Montana Department of Administration: Memo from Norm Klein regarding June 2003 GASB #34 Seminar & Legislative Update.

**PUBLIC HEARING RELATING TO A COMMUNITY DEVELOPMENT BLOCK GRANT FOR THE CITY OF LAUREL.**

Mayor Johnson introduced Pat Murtaugh, of Montana Engineers & Administration, and Jason Mercier, of Morrison-Maierle.

Mayor Johnson opened the public hearing.

Pat Murtaugh passed around a sign-in sheet for signatures of those attending the public hearing.

Pat stated that this is the second hearing for the CDBG project. At the first hearing, the voice of the council people and the people attending were all in favor of going for a project that would help the wastewater system. We have gone over the project with the engineer and with the city's director of utilities, and we have come to design a project basically to take maximum advantage of CDBG funds and funds on hand to be able to do so without having any rate increase. Morrison-Maierle, Inc., has determined that the biggest problem with the wastewater system, both the collection system and the treatment system, is due to inflow and infiltration. By solving a big part of the problem of inflow and infiltration with the collection system, the treatment system will be enhanced by cutting out the resulting treatment of about a million gallons per day of rain or groundwater.

In finances, \$500,000 would be available from CDBG. The City of Laurel is eligible for the grant because the needs survey found a larger number of low to moderate-income people than the census had previously determined. CDBG will accept the survey done by ME&A. The city would provide approximately \$250,000 for the match, and Pat stated that Larry McCann had noted that this is a possibility. According to the engineer's estimate, the costs would be \$590,000 for construction, \$118,000 for engineering, \$21,000 for grant administration, and \$9,000 to cover various items such as legal issues, audit, city personnel time and travel and city personnel training, advertising, and other city office costs directly related to the project.

Pat mentioned that several documents would require signatures, and he has talked to the mayor briefly about them. The first document is a resolution to authorize submission of the CDBG application. The resolution would commit \$250,000 in matching funds for completion of the project, would commit the city to abide by federal regulations as described in the CDBG certifications for applications, and would authorize the mayor to act on the City's behalf in regard to the application. A resolution to adopt a capital improvements plan is also needed. CDBG looks at planning very heavily. CDBG looks at the CIP on several of the seven ranking criteria. Pat stated that, if the city has a CIP that is different from the one that ME&A proposed, it could be adopted and included in the application. He stated that a CIP is a planning document that you agree to look at and use but can be changed as necessary. A CIP is not a commitment to actually do the projects, but it is a planning document that is bendable. Pat recommended adopting the former capital improvements plan to show that work has already been done in planning. Pat then passed around copies of the suggested resolutions for the council's review. The resolution to adopt the CIP mentions that the number one priority, the intake structure, is under construction, and the number two priority, the Preliminary Engineering Report for the water system, has been completed. The resolution resolves that the CIP number one priority is replacement of the 18-inch trunk main on Alder Avenue and the replacement of the 8-inch collector in Railroad Street.

Pat stated that a list of items needed for the CDBG application has been given to Mary.

Jason Mercer, Morrison-Maierle, stated that it has been a few months since he and Scott Murphy made the final Wastewater Facilities Plan presentation to the council.

Many portions of the collection system are more than ninety years old. There is significant infiltration and inflow during the summer months, especially in those trunk mains that are in open fields. One area that was discussed was the eight-inch main that connects into the trunk main around Railroad. The main is capped, cracked, and patched, and is the first priority area for this application. It is estimated that fixing that one eight-inch line would eliminate about 40 to 50 percent of the infiltration. The remaining 60 percent of the infiltration is coming in through the trunk mains in those parallel pipes. The facility plan proposed replacing the single pipe to allow for expansion. The Main/Elm Street pump station, which is over thirty years old, has not had a lot of maintenance. It has been identified as a Phase 2 project after the CDBG. Any excess capacity that is in the collection system is marginal. In order to expand out into those growth areas that were identified through the planning process, upgrades will be needed in order to meet those demands and the needs of those growing areas.

The recommended near-term improvements for the collection system include: replace the trunk mains in the fields and open spaces, which is item number one in the CDBG application; replace the aging Main/Elm Street pump station (phase 2, TSEP application); the one-month lines that require maintenance every month are the third priority; develop an annual replacement program to identify the collection system mains that need replacement.

Results from implementing these improvements on the collection system include: infiltration reduction; upsize trunk mains to accommodate growth; reduce annual operation and maintenance (O&M) costs; reduction of potential health and safety issues.

The existing wastewater treatment facility was constructed in 1983-84 for a design population of 7,000. Except for some digester rehabilitation, no major upgrades or maintenance projects have been completed since the facility was constructed. Equipment and pumps that are twenty years old are going to require some maintenance. The debt on the plant construction is about to be retired, so a portion of money will be freed up to start addressing some of these maintenance issues.

The current treatment facility is more than sixteen years old. If that treatment facility were constructed new today, it would cost about \$14 million. That is a sizeable investment and it is important to keep it up and maintain it. The secondary treatment lacks redundancy, as one bank of

RBC's does the brunt of the treatment process. As the city continues to grow, that will need to be addressed and the city will need to add redundancy in order to continue to meet the discharge permit.

From the infiltration in the collection system, the peak summer flows stress the plant to the point of near compliance with the permit. The primary clarifier is really the first stage in the treatment process. Excess water gets in a hydraulic bottleneck and begins to fill that up and it cannot quite get through the plant fast enough. That has been identified and will be addressed in phase two. The thought is to reduce some of the infiltration and then look at the treatment plant. Miscellaneous components require short-term replacements. Population growth and regulatory changes will necessitate significant treatment change in the future. Jason reviewed the two growth scenarios. If the city expands to the east and to the north, the population could double and a significant amount of money would be needed to go into the treatment system to handle that growth. Those things were covered and options were available in the facility plan and the preliminary engineering report.

The near-term recommendations for the wastewater system were discussed. The number one item is the low point in the treatment plant. Everything drains to that point and is then pumped back into the treatment process to go out to the river. That plant pump drain, which is part of the CDBG application, has suffered hydrogen sulfide corrosion, is an older system, is twenty plus years old, and is on the verge of failures. Staff feels that it will maybe make it through this summer, but it really needs to be replaced. That was one item that was targeted in inclusion with the CDBG application. Other recommendations include: upgrade head works with new bar screen; install usable plant utility water system; upgrade potable water system to allow fire protection; improve primary clarifier hydraulics; major coating rehabilitation; add third RBC train; replace chlorination with UV disinfection; replace existing 24-inch outfall pipe; and miscellaneous digestion system improvements to increase flexibility.

The recommended Phase 1 for the CDBG Funding includes: 1) replace the 8-inch pipe along Railroad at a cost of \$63,000; 2) new 18-inch trunk main on Alder at a cost of \$411,000; 3) plant drain pump station replacement at a cost of \$95,000. The subtotal plus a cost projection factor would bring the total construction costs to \$590,000. The money would become available in September, and then construction possibly would occur in April or May of 2004. Engineering and construction administration would cost about \$118,000, and grant administration costs would be about \$30,000, for a total project cost of \$738,000. The CDBG grant would provide \$500,000 and the City of Laurel's match would be \$238,000.

Jason asked if there were any questions. There were none at this time.

Pat Murtaugh stated that typically at the end of a hearing they like to get input from the council members and anybody else in attendance regarding whether or not they want to proceed with the CDBG grant application.

Mayor Johnson stated that comments were welcome but no council vote could be taken at this time.

Alderman Poehls asked for an estimated timeframe for the project.

The CDBG application is due in May. The application goes through a ranking process first, and the best estimate is that monies would be available in September. There are two possible timelines. If the city feels that these things are going to need to be done regardless, which that is the recommendation, the design could be completed this summer so that construction could begin once those monies are available. If the city waits to make sure that the monies are available in September, the design process would begin later, the bidding process would probably be done in January, and construction on the eight-inch main would begin before irrigation season starts in 2004.

Alderman Poehls mentioned that the city had to go on a temporary water system for the water intake project. He questioned whether these projects would be affected in a similar way. Jason said that these three projects would have no affect on the community as a whole.

Mayor Johnson asked if there were any further questions or comments.

Alderman Olson stated that he supports the grant application. He questioned what the city's funding mechanism would be for the \$238,000. Pat Murtaugh stated that Larry indicated that the monies would come from reserves by the time the CDBG project was started and was confident that the monies would be available in the sewer enterprise fund. Larry will make his budget presentation to the council on May 28<sup>th</sup>. The CDBG application is due on May 23<sup>rd</sup>.

Mayor Johnson clarified that applying for the grant is not obligating the city in any form or fashion. Pat Murtaugh disagreed and stated that the resolution would commit the city to those matching funds. Mayor Johnson said that Larry was not here at the moment but may know something of which he is not aware.

Mayor Johnson asked if there were any other questions.

Alderman Mace asked if this was the first grant application for the wastewater treatment plant. Mayor Johnson and Alderman Easton agreed that it was. Mayor Johnson stated that we were not eligible to submit a grant until the needs assessment was completed.

Alderman Olson stated that the present opportunity with the amount of money that would be out of our pocket is a good idea. The needs survey, which cost money, was done so that the city could apply for additional funding. The project in itself is very valid. Obviously, the city has a problem with our lines. Infiltration has been a consideration for quite some time. He wondered where the Elm Street lift station would be on this project, as it did not make the first phase and he thought it was essential because of its importance. Alderman Olson stated that this is something that is needed, and we cannot keep putting it off. With the available funds through the grant, it would certainly be less impact for the financial part of the city. He stated that he thinks considerations for the match will become more evident as time allows. Alderman Olson stated that the overall project would be a step forward for the city.

Mayor Johnson asked if there were any other comments or questions.

Mayor Johnson closed the public hearing.

#### CONSENT ITEMS:

- **Claims for the month of April 2003 in the amount of 657,947.27.**  
A complete listing of the claims and their amounts is on file in the Clerk-Treasurer's Office.
- **Approval of Payroll Register for PPE 04/13/03 totaling \$113,700.17.**
- **Approval of Payroll Register for PPE 04/27/03 totaling \$113,459.34.**
- **Receiving the Committee Reports into the Record.**
  - Budget/Finance Committee minutes of April 1, 2003 were presented.
  - Council Workshop minutes of April 29, 2003 were presented.
  - Laurel Airport Authority minutes of October 22, 2002 were presented.
  - Laurel Airport Authority minutes of January 22, 2003 were presented.
  - Laurel Airport Authority minutes of February 25, 2003 were presented.
- **Resolutions.**
  - Resolution No. R03-42: Resolution authorizing the Mayor to sign an agreement with Associated Employers of Montana (AEM) for Human Resource Management**
  - Resolution No. R03-43: Resolution authorizing the Mayor to sign an agreement with Beartooth RC&D for assisting with economic development.**
  - Resolution No. R03-44: Resolution authorizing the Mayor to sign an amendment to an agreement with Engineering, Inc., for design of curb, gutter, and sidewalk improvements on Main Street from 1<sup>st</sup> Avenue to 3<sup>rd</sup> Avenue.**
  - Resolution No. R03-45: Resolution authorizing the Mayor to sign an extension to the contract with Laurel Carpet Cleaning & Upholstery for janitorial services at City Hall, City Court, the Library, the FAP building, and the City Shop building.**

The mayor asked if there was any separation of consent items. There was none.

Motion by Alderman Olson to approve the consent items as presented, seconded by Alderman Poehls. Motion carried 7-0.

**CEREMONIAL CALENDAR:**

Mayor Johnson asked two guests if they were in the midst of a merit badge effort. He then asked them to introduce themselves to the council.

Lucas Seibert is working on the first class merit badge and he needed to attend a council meeting for a part of the merit badge. Shilow Laszloffy is currently working on the communications merit badge, and one of the requirements is to attend a city council meeting, take notes, and write a summary on the meeting.

Mayor Johnson thanked them for taking the time to join us this evening

Lucky Seibert, the cub master, and the boys represented Troop 414.

**REPORTS OF BOARDS AND COMMISSIONS:** None.

**COMMUNITY ANNOUNCEMENTS (ONE-MINUTE LIMIT):** None.

**SCHEDULED MATTERS:**

- **Confirmation of Appointments.**

Current Board/Committee vacancies: Board of Appeals – two positions  
Police Commission – one position

Mayor Johnson mentioned the following positions that are currently vacant or have terms that will expire soon:

- 1) Board of Appeals: three positions – two-year terms beginning immediately
- 2) Police Commission: one position – three-year term beginning immediately
- 3) Laurel Airport Authority: one position – five-year term beginning July 1, 2003
- 4) Library Board: one position – five-year term beginning July 1, 2003
- 5) City-County Planning Board: two positions – two-year terms beginning July 1, 2003
- 6) Yellowstone County Air Pollution Control Board: one position – two-year term beginning July 1, 2003

Mayor Johnson asked the council for their input regarding filling these positions. The positions will be advertised in the paper, and letters will be sent to the respective members that are currently serving in the positions to find out if they are willing to be reappointed.

- **Land use variance for Crazy Mountain Oil and Gas for a proposed office location at 306 East 4<sup>th</sup> Street.** (Planning Board by a vote of 5-1 recommended approval for the land use variance on March 6, 2003; council held public hearing on April 15, 2003.)

Motion by Alderman Poehls to approve the land use variance for Crazy Mountain Oil and Gas for a proposed office location at 306 East 4<sup>th</sup> Street, seconded by Alderman Dart. Motion carried 7-0.

**ITEMS REMOVED FROM THE CONSENT AGENDA:** None.

**AUDIENCE PARTICIPATION (THREE-MINUTE LIMIT):** None.

**COUNCIL DISCUSSION:**

Mayor Johnson explained that House Bill No. 94 requires that all governing bodies, including councils, boards, and commissions, must provide for public comment, much as the council has done since the agenda change a year ago. However, that now would carry down to all committees and boards that are associated with appointments. Matt will be attending the workshop at the Elected Officials' Workshop later this week and will give the council some input. It seems reasonably clear that is the intent of the legislation that was signed as of April 24<sup>th</sup>. With that warning, the mayor

asked that anyone that holds a meeting, such as a committee chairman, should be in contact with him or with Matt so that the process is followed.

Alderman Olson mentioned that the Drug and Alcohol Task Force discussed the keg ordinance, the amount of monies taken from the agencies from the state to promote the Big Brothers and Big Sisters organizations, and the Adopt-A-Cop and D.A.R.E. programs at their recent meeting. In the fall, the task force plans to facilitate a program that would show some comparisons that Laurel students took in the area of drug and tobacco use and how it relates to the state. We are trying to set up a program that would allow public input, and to begin with it will have selected people for their audience. The task force is seeking a new chairman, as Carolyn Boyd will no longer serve as the chairman.

Mayor Johnson stated that he and Alderman Olson have served on the task force, and it is now time to pass the torch. That committee has facilitated a number of things, and as the committee originally cast its role as more of a catalyst than any other role, it has served that function quite well in a number of instances. Mayor Johnson asked anyone that had an interest in serving on the Drug and Alcohol Task Force to let him know. The task force was a result of the very first meeting of the school board and the city council, and two school board members and two council members formed the membership. The school board has replaced both of their members, but the council needs two members to step forward to be part of that committee. If that does not happen, other possibilities will have to be considered.

**UNSCHEDULED MATTERS:** None.

There being no further business to come before the council at this time, the meeting was adjourned at 7:10 p.m.

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Cindy Allen, Secretary

Approved by the Mayor and passed by the City Council of the City of Laurel, Montana, this 20<sup>th</sup> day of May, 2003.

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John E. Johnson, Jr., Mayor

Attest:

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Mary K. Embleton, Clerk-Treasurer