

# MINUTES OF THE CITY COUNCIL OF LAUREL

July 15, 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 July 15, 2003.

COUNCIL MEMBERS PRESENT:            Lauren Van Roekel    Doug Poehls  
   Ken Olson                Mark Mace  
   Gay Easton              Daniel Dart  
   John Oakes

COUNCIL MEMBERS ABSENT:            Dan Mears

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

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

Mayor Johnson stated that a public hearing on the budget amendments for fiscal year 2002-2003 would be held at this meeting. The public hearing was advertised, but was not included on the agenda.

## MINUTES:

Motion by Alderman Poehls to approve the minutes of the regular meeting of July 1, 2003, as presented, seconded by Alderman Mace. Motion carried 7-0.

## CORRESPONDENCE:

Montana League of Cities and Towns: Memo of June 30, 2003 regarding NorthWestern Energy Marketing Contract.

Air Pollution Control: Minutes of May 13, 2003; Agenda of July 8, 2003.

MMIA: News and Views, Summer Issue 2003.

## PUBLIC HEARINGS:

- **Public hearing on the 2003-2004 Preliminary Budget** (continued from June 17, 2003; continued from July 1, 2003)

Mayor Johnson opened the public hearing.

Mayor Johnson asked Clerk-Treasurer Mary Embleton to present the budget changes to the council.

Mary distributed a cover letter and the proposed changes to the council.

Mary stated that the cover letter shows the list that brought about the proposed budget changes for appropriations. No proposed changes have been made on the revenue side yet, because we need to see how things progress. The pages are replacement pages for the Preliminary Budget booklet. Mary suggested that the council could bring in their budget booklet to insert the new pages, or they could staple them to the old pages. The Budget Changes column on page twelve shows the net effects of the issues outlined in the letter. The Tax Levy Requirement Schedule on page seven shows that the proposed budget changes cause a difference of revenue minus appropriations of \$138,000, instead of the previous \$126,000. The remaining pages follow the same format. Mary offered to answer any questions at any time.

Mayor Johnson asked twice if there were any other comments, either for or against the Preliminary Budget. There were none.

Motion by Alderman Oakes to continue the public hearing on the 2003-2004 Preliminary Budget to August 5, 2003, seconded by Alderman Dart. Motion carried 7-0.

- **Public hearing of Ordinance No. O03-04: Ordinance amending Chapter 17.62 of the Laurel Municipal Code relating to Conditional Use Permit.**

Mayor Johnson opened the public hearing.

Mayor Johnson asked three times if there were any proponents. There were none.

Mayor Johnson asked three times if there were any opponents. There were none.

Mayor Johnson closed the public hearing.

- **Public hearing on the Budget Amendments for fiscal year 2002-2003.**

Mayor Johnson opened the public hearing.

Mayor Johnson asked three times if there were any proponents. There were none.

Mayor Johnson asked three times if there were any opponents. There were none.

Mayor Johnson closed the public hearing.

**CONSENT ITEMS:**

- **Clerk/Treasurer Financial Statements for the month of June 2003.**
- **Approval of Payroll Register for PPE 07/06/03 totaling \$124,066.45.**
- **Receiving the Committee Reports into the Record.**

--Budget/Finance Committee minutes of June 17, 2003 were presented.

--Insurance Committee minutes of July 2, 2003 were presented.

--Council Workshop minutes of July 8, 2003 were presented.

--Laurel Airport Authority minutes of April 23, 2003 were presented.

--Laurel Airport Authority minutes of May 26, 2003 were presented.

- **Resolutions.**

**Resolution No. R03-66: A resolution approving Blue Cross Blue Shield Blue Select Plan, a Managed Health Care Plan.**

**Resolution No. R03-67: A resolution transferring certain insurance funds of the City of Laurel, Montana.**

**Resolution No. R03-68: Being a resolution authorizing budget transfers.**

**Resolution No. R03-69: Budget amendment resolution reflecting increases in revenue and appropriation for fiscal year 2003 – General Fund.**

**Resolution No. R03-70: Budget amendment resolution reflecting increases in revenue and appropriation for fiscal year 2003 – all other funds.**

**Resolution No. R03-71: Resolution authorizing the Mayor to sign an agreement to provide health services with St. Vincent Healthcare of Billings, Montana.**

**Resolution No. R03-72: Resolution approving a Drug and Alcohol Testing Policy for the City of Laurel.**

**Resolution No. R03-73: A resolution approving agreements between the City of Laurel and Laurel Fire District No. 7, said agreements relating to fire protection.**

**Resolution No. R03-74: Resolution authorizing the Mayor to sign an agreement with Moulton, Bellingham, Longo & Mather, P.C. for legal services.**

**Resolution No. R03-77: Resolution authorizing the Mayor to sign an agreement in cooperation with the City of Billings and Yellowstone County regarding the Air Pollution Control Board.**

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:** None.

**REPORTS OF BOARDS AND COMMISSIONS:** Beartooth RC&D – Marvin Carter

Mayor Johnson introduced Marvin Carter, the City of Laurel’s appointed representative to the Beartooth RC&D.

Marvin Carter presented a report on the Beartooth RC&D, the Resource Conservation and Development Board. With offices located in Joliet, they serve the five counties from Big Timber to Hardin and represent the cities, towns, and communities within those counties. The City of Laurel is currently working on a grant through Cal Cumin that the RC&D got through the federal government to help with cleanup and signing. Beartooth RC&D has worked on some major projects, including the slaughter plant south of Laurel and the SYSCO plant in Billings. They are hoping to have the slaughter plant running again within the next six months or year. SYSCO was contemplating moving the plant until the Board helped them write some grants.

Beartooth RC&D’s major project is to help the cities and towns with economic development. They are presently helping the City of Laurel with the State Firefighters’ Memorial Park. They have helped and will continue to assist with the swimming pool project. The Custer Cattle Company near Custer, which will be a feedlot for 10,000 to 15,000 cattle, has been another big project.

Gay Easton is also a member of the Board and represents the Yellowstone County Conservation District. Beartooth RC&D is busy and tries to do things that are good for communities. They provided assistance for the cabinetmaker’s plant in Bridger, the community center in Joliet, and the sewer plant project in Park City. They assist in grant writing for water departments and water plants. The City of Laurel pays yearly dues of \$250 to \$300 dues for the services of the Beartooth RC&D.

Beartooth RC&D might have to relocate their offices, as the Federal government will not provide additional rent dollars. If the present rental fee increases, they will need to relocate. The county commissioners of Carbon County have offered them the extension office in Joliet once the extension office moves into the new community center. They may take that opportunity because they would be able to pay the rent that the federal government allows, and they could do some upkeep and modernization in the building. They hope to hire an additional paid employee to help with the grant writing. They have completed the projects of signing of streets and addresses throughout the counties, a project associated with 9/11.

Alderman Mace questioned how the Board interacts with the positions of economic development coordinators.

Marvin stated that the city should contact Beartooth RC&D for input about an economic development director. He thinks that an economic director should be somebody that thinks “outside the box”. The individual would need to be working for the economics of the City of Laurel. He suggested that visiting with their economic director would provide some good information and help in selecting an economic director for the City of Laurel.

Alderman Oakes asked regarding the availability of grant monies.

Marv stated that different grants are available. They applied for the Brownfield grant, but they did not receive it. The Brownfield Project reviews former service stations, locations of hazardous waste, elevators, old mine sites, and similar locations throughout the counties. They will rewrite the grant

in September. Only eighty-nine grants were allowed on the Brownfield Project the first time around. The locations will be listed and told what needs to be done.

Mayor Johnson thanked Marvin Carter and invited him to come back every quarter to present an update, as the council would like feedback from all appointees.

Marv mentioned the first-time homebuyer's classes that are held in Laurel. About 600 individuals have gone through the classes here in Laurel, and the project is bigger statewide than in New York City. Government representatives in Washington D.C. are amazed at the first-time homebuyer project here.

Mayor Johnson stated that the monthly meeting of the Beartooth RC&D had previously conflicted with council meetings. The meeting date has been changed and is now scheduled for the third Monday of the month at DJ's at 6:00 p.m.

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

Jean Kerr, Laurel City Court Judge, explained the discussion at the court staff meeting today. Concerns regarding lack of time to complete their work and the current budget constraints caused them to discuss how to address those issues. After the staff discussion, the court is considering another change in their office hours. Office hours for the public would be from 8:30 a.m. to noon and from 1:00 p.m. to 4:00 p.m.

Mayor Johnson stated that Jean chose the one-minute time limit and the time was done. She agreed to continue speaking during the three-minute opportunity later on the agenda.

Mayor Johnson asked if anyone else wished to speak during Community Announcements. There was no one.

**SCHEDULED MATTERS:**

- **Confirmation of Appointments.**

**Police Commission:**

Mayor Johnson appointed Wallace Hall to a three-year term, ending December 31, 2005, on the Police Commission.

Motion by Alderman Van Roekel to approve the appointment of Wallace Hall to a three-year term, ending December 31, 2005, on the Police Commission, seconded by Alderman Olson. Motion carried 7-0.

**Laurel Airport Authority Board:**

Mayor Johnson appointed Bill Brennan to a five-year term, ending June 30, 2008, on the Laurel Airport Authority Board.

Motion by Alderman Van Roekel to approve the appointment of Bill Brennan to a five-year term, ending June 30, 2008, on the Laurel Airport Authority Board, seconded by Alderman Mace. Motion carried 6-1, with Alderman Poehls voting nay.

**Air Pollution Control Board:**

Mayor Johnson appointed John Oakes to a two-year term, ending June 30, 2005, on the Air Pollution Control Board.

Motion by Alderman Van Roekel to approve the appointment of John Oakes to a two-year term, ending June 30, 2005, on the Air Pollution Control Board, seconded by Alderman Poehls. Motion carried 7-0.

- **Resolution No. R03-75: Being a resolution to discuss increasing the levying and assessing of all of the property embraced within the City of Laurel, Montana, for street maintenance for the fiscal year 2003-2004.**

Motion by Alderman Mace to approve Resolution No. R03-75, seconded by Alderman Olson.

Mayor Johnson stated that this resolution is unusual because it provides an opportunity for discussion.

Alderman Poehls stated that he supports this because constituents say that the streets are horrible with ½ cent per square foot, as discussed at the council workshop last Tuesday. At ½ cent per square foot, we are not even able to fill all of the potholes. When we do one chip seal project, it basically cleans our coffers out for the year for maintenance purposes. That is why he feels that this is a good recommendation. By doubling the assessment to a penny a square foot, based on an 8,400 square foot lot, the public works department would have dollars to use for maintenance that people could see. An additional \$30 a year on the taxes is not too bad if you can see some effective maintenance on the streets.

Alderman Mace stated that he also supports the increase in the street maintenance assessment. He emphasized that it is for maintenance, and stated that a lot of the streets are past the maintenance stage and need to be rebuilt. Streets cannot be rebuilt with those kinds of cost. It will probably take as long to get the streets rebuilt as it took to get them to the present condition. We need to get more money in order to rebuild the streets. So even though it is called maintenance, the ability to maintain the streets is not there. The streets need to be rebuilt and then maintained, and this is a positive step to get that done and he supports the increase.

Alderman Oakes stated that very few miles of streets are worthy of being maintained. Most of them have deteriorated to such a point that they should be rebuilt. No matter how much the street maintenance fee is increased, the money will be used to patch potholes and will barely keep up the streets that are eligible for maintenance. He said that it is a beautification project, as he sees it, and a large project is needed to take care of the streets. It is going to take more than just a raise in our street maintenance fees to make any real progress on our streets.

Alderman Dart stated that everybody understands where we need to be, but it is all in how it is accomplished, and you have to learn to crawl before you can run. He has had several conversations with constituents that are concerned about the streets. The hot weather has probably gotten people excited because the detrimental freezing and thawing that happened to our streets this year is really looking bad. Alderman Dart agreed with Alderman Oakes that a large project is needed to get this project started. However, in terms of taxation, he thinks it has to be done a step at a time. Taxpayers are willing to absorb a tax rate increase if they know it will improve the streets. Residents want to see some action, and Alderman Dart thinks this is a good first step in doing that.

Laurel residents have told Alderman Olson that they are more than willing to put money into the city if the money goes to a dedicated area. Taxpayers do not like to donate to the general fund and have the city decide where the money is used. Alderman Olson stated that citizens would have confidence that the additional street maintenance assessment will be used for street maintenance. He agreed that this is a street maintenance program, and the city and council will have to consider a long-term program or process to rebuild the streets in the future. Alderman Olson stated his support for the increase in street maintenance assessment.

Mayor Johnson stated that the resolution was a resolution of discussion and the council can go forward from here. Some additional information is available regarding the streets.

A vote was taken on the motion. Motion carried 7-0.

- **Resolution No. R03-76: A resolution declaring it to be the intention of the City Council of the City of Laurel, Montana, to create Park Maintenance District Number 1 in the City of Laurel, Montana, for the purpose of maintaining the park areas dedicated in the city limits of the City of Laurel.**

Motion by Alderman Dart to approve Resolution No. R03-76, seconded by Alderman Poehls.

Alderman Olson asked whether the swimming pool was included in the resolution.

Mayor Johnson stated that he believed that the pool was included. The proposed Parks Plan would bring about the possibilities for both the swimming pool and the skate park, if that would be the choice of the public. The swimming pool and the skate park would be included in section one of the

resolution where it refers to recreation facility operations and equipment maintenance. The idea was to put both items under the umbrella of the Parks Plan. The Pool Task Force has worked quite diligently, but the next step is to provide some form as to the needs of the community and to start to put dollar amounts to it.

Alderman Oakes is not in favor of the park maintenance district. Larry McCann recently showed him the new water plant, which is an impressive operation. He questioned if the new facilities would have been installed down there if the city had not been threatened with a \$10,000 per day fine. He stated that the sewer system presents another threatening situation for the City of Laurel. We are talking about these two things now, when we should be looking at the big project that is really going to bite us. Every day that goes by, the infrastructure is deteriorating more and more and it is going to be a huge problem. These two resolutions are just beautification. As it is, we can maintain our streets as they are, keep the potholes fixed and maintain the streets that are up to being maintained. As far as the parks, he said that no thought has been put into parks. Alderman Oakes said that a lot of parks are nothing but bare ground and some of them are located next to irrigation ditches. A lot of things need to be considered with parks, and he was disappointed that the planning department was not present to talk about the park situation. Alderman Oakes stated that he is not in favor of the park maintenance district.

Mayor Johnson stated that the park maintenance is currently part of the general fund, and wastewater is an enterprise fund. The city has a Wastewater Facilities Plan and an approach for funding.

Alderman Poehls stated that the council is working on the whole package for Laurel. The City of Laurel has a lot of infrastructure needs that need to be addressed, and we are addressing them. The water plant has been addressed. The grant process has begun on the wastewater facilities plan. Those are extremely important issues that are in process. He stated that we want an economic development person here. In order to attract other businesses to this community, we have to be able to sell our community. Streets and parks are needed to sell the community for more economic development, and we cannot just concentrate on one area and neglect something else. We may have great infrastructure, but we may not have any business even looking at Laurel because you cannot drive down the street to get to your job. The plan is to take the pressure off the general fund and put it into a specific fund. Alderman Poehls hopes that a parks plan would be available next year so citizens can see what the dollars will be used to accomplish. It is important to accomplish both infrastructure and cosmetic needs.

Alderman Olson stated that consideration for the park maintenance district was prompted by its impact on the general fund. The council went through the budget process this year, and he thanked the mayor for that opportunity. As of tonight, appropriations are \$138,000 higher than revenues in the general fund. We are using \$138,000 of reserves to balance our budget, and we cannot do that. We have \$534,000 left of our reserves. The park maintenance district has two tangible ideas that prompt it to be considered. One, it takes off the leverage for the general fund, and the other is that it takes the taxpayers' dollar and puts it into a designated fund. Alderman Olson supports this and thinks it is something that the town needs. The time is now to go ahead, step forward, and bring some positive things. People are looking at this town, and we have an opportunity to increase our economic development, so we should put our best face forward. The park maintenance district would address the budget and address the parks without any interference with the general fund.

Alderman Mace stated that he has been looking at the big picture, because he thinks that the general fund has taken care of everything in previous years. When the monies ran out, there was no money left for other needs. If the sewer plant and the water plants are enterprise funds, then the council can tell our constituents that we have money in those funds to fix those plants and those transmission systems. It is important to be able to show taxpayers that we have money in accounts to fix things. We do not have money to fix a park, and we do not have enough money to fix the streets. We are trying to increase available monies by creating a park maintenance district that would be an enterprise fund for parks. He said that if we have purse strings for each individual thing that people want, we can satisfy the overall population in town by doing a little bit of everything. A lot of people in town would not want money spent on the sewer transmission lines because they will never see them. They do not care and think the lines should last forever. Alderman Mace thinks it benefits the city to plan and put the needs in these funds. The cemetery is generating monies. If a fund does not have money, work cannot be done that year. But if it does have money, it needs to go to fund and not to something in the general fund.

Mayor Johnson asked if there were any other comments from the council. There were none.

A vote was taken on the motion. Motion carried 6-1, with Alderman Oakes voting nay.

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

**AUDIENCE PARTICIPATION (THREE-MINUTE LIMIT):**

Mayor Johnson asked Jean Kerr if she would like to attend the council workshop on July 29<sup>th</sup>.

Jean Kerr explained that she wanted to take this opportunity because a change in office hours would probably become effective on August 1<sup>st</sup>. The Laurel City Court is considering having phone hours from 9:00 to 12:00 and from 1:00 to 4:00. Doors would open at 8:30 a.m. to allow a half hour for people to check in before court. The court would close at noon, re-open at 1:00 p.m., and close at 4:00 p.m. This would provide a full hour without phone interruptions to complete paperwork. Knowing that the budget will not allow for extra hours, they tried to figure out how to stay within the budget and still perform their duties, knowing that they might cut down on some public open time.

Mayor Johnson stated that Jean's presentation would suffice to announce new hours for the Laurel City Court.

Jean stated that the court would try the new hours. If they do not work, they will revamp again. The court is trying to do the best they can with what they have to work with and offer.

Mayor Johnson extended the three-minute time limit to anyone else who wished to speak. There was no one.

**COUNCIL DISCUSSION:**

Mayor Johnson mentioned that the underpass lights are completed. The project was done through a partnership primarily between the City of Laurel and Montana Rail Link. The State was going to participate, but that did not happen. Mayor Johnson encouraged the council to thank MRL for their partnership in the project.

An open house will be scheduled at the water intake. Over the last few years, a new water treatment system was completed and the water intake will be done soon. Mayor Johnson stated that it is time to have an open house with a ribbon cutting to commemorate the path that has been taken to this point. The functioning intake system and treatment system will start to allow the city to move forward, and we will get over some of those tribulations of yearly berms in the river that have taken away from other duties. The open house may be scheduled around the first of October.

Alderman Van Roekel spoke regarding Jean Kerr's comments about changing the court hours. He appreciated hearing from someone who, due to money limitations, was doing what was possible to stay within the means and continue to provide better service to the public. He said thank you for the thinking and willingness to try to make it work.

Alderman Easton commented regarding his trip back east. He viewed some approaches to the larger cities, and the sign setback in Illinois and Iowa. All the signs are set back about a quarter of a mile from the highway. When looking down the highway, the signs are way back and are protected from the other elements. The entryways are all protected the same way and he could see some of the advantages. The concern for beautification is there, and he was impressed with it.

Alderman Mace asked when the traffic light would be activated at the interstate.

- Review of Committee Minutes: None.
- Budget changes

Mayor Johnson asked the council to review the proposed budget changes and to contact him regarding any questions.

**UNSCHEDULED MATTERS:** None.

There being no further business to come before the council at this time, the meeting was adjourned at 7:29 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 4<sup>th</sup> day of August, 2003.

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John E. Johnson, Jr., Mayor

Attest:

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Mary K. Embleton, Clerk-Treasurer