



A complete listing of the claims and their amounts is on file in the Clerk-Treasurer's Office.

- **Approval of Payroll Register for PPE 07/18/04 totaling \$127,640.61.**
- **Receiving the Committee Reports into the Record.**

--Budget/Finance Committee minutes of July 6, 2004 were presented.

--Council Workshop minutes of July 27, 2004 were presented.

- **Resolutions.**

Resolution No. R04-89: A resolution authorizing the Mayor to sign a change order for alterations to the 1<sup>st</sup> Avenue and 12<sup>th</sup> Street water line project.

Resolution No. R04-90 Resolution authorizing the Mayor to sign a change order for the surface reconstruction phase of Alder Avenue.

Resolution No. R04-91: Resolution authorizing the Mayor to sign a change order for alterations to the surface reconstruction phase of the Alder Avenue sewer line project.

The mayor asked if there was any separation of consent items.

Alderman Dart separated Resolution No. R04-89, Resolution No. R04-90, and Resolution No. R04-91 from the consent agenda.

Motion by Alderman Mace to approve the remaining consent items as presented, seconded by Alderman Oakes. Motion carried 8-0.

**CEREMONIAL CALENDAR:** None.

**REPORTS OF BOARDS AND COMMISSIONS:** Laurel Airport Authority Budget Presentation – John Smith

John Smith, Chairman of the Laurel Airport Authority, thanked the mayor and council for inviting him to the meeting.

The Laurel Airport Authority was formed in 1983, and it was the fourth one in the State of Montana. The value of the airport is approximately \$4 million, and it covers 255 acres of ground. About 100 airplanes are based there, with a value close to \$2 million for the aircraft. The longest runway is 5,200 feet long and 75 feet wide. The airport has about 37,000 operations per year. Seven businesses are located at the airport, with thirty-eight full-time and part-time employees and an approximate payroll of \$700,000. About \$450,000 worth of products are produced at the airport. There are two fuel systems and two flight programs. Rocky Mountain College's flight program will have 115 students next year, with 80 of those students in the flight program. Northern Skies Aviation has 51 students, and 17 of those are helicopter students. They have the only Part 141 Helicopter School in Montana. The 35 hangars at the airport include 25 large hangars, one 10-unit hangar, one 8-unit hangar, and eight single hangars. The hangars are valued at about \$1.5 million, with a taxable value of \$41,478.

The airport receives funding from two mills from the City of Laurel, \$26,000 from land leases, local gas tax monies of \$5,400, tie downs of \$900, and a farming operation of \$130.

The Airport Authority purchased a loader type snow plow last year at a cost of \$118,000. The FAA furnished \$106,200 and they paid \$11,000. This year's project is the Master Plan Update to figure out what to do with the north-south runway, as a new cross runway is needed. The current runway is too steep to meet Federal guidelines. They are in the process of trying to figure out some configuration that would work. A grant of \$93,000 was received from the FAA for this project. A \$14,000 grant was received to buy a broom for the snowplow. A new hangar, valued at about \$250,000, is being built at the airport.

John offered to give the council a tour of the airport facilities.

Alderman Poehls asked regarding the vision for the Laurel Airport. John stated that it is going to be a general aviation airport, hopefully with an industrial park next to it.

Alderman Oakes stated that general aviation would include some pretty heavy aircraft.

John explained that the current runway has a limitation of 12,500 pounds. An extra heavy base was laid under the runway, and an additional three inches of asphalt would make a huge difference.

Mayor Olson thanked John for his presentation.

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

**SCHEDULED MATTERS:**

- **Confirmation of Appointments:** None.
- **Ordinance No. O04-04: Amending Chapter 15.40 of the Laurel Municipal Code to adopt the NFPA 1 Uniform Fire Code, 2003 Edition.** Second reading.

Motion by Alderman Dart to amend Ordinance No. O04-04 to delete “recommended by the International Conference of Building Officials, and the Western Fire Chiefs Association” and to insert “obtained from the National Fire Protection Association”, seconded by Alderman Mace. Motion carried 8-0.

Motion by Alderman Dart to adopt Ordinance No. O04-04, as amended, seconded by Alderman Poehls. A roll call vote was taken on the motion. All eight aldermen/women present voted aye. Motion carried 8-0.

- **Ordinance No. O04-07: Ordinance amending Section 2.68.100 of the Laurel Municipal Code, amending the Judge’s salary.**

Mayor Olson removed Ordinance No. O04-07 from the council agenda at this time and stated that the ordinance would be discussed at the council workshop on August 10<sup>th</sup>.

- **Iron Horse Station Subdivision: Rescind motion to approve requested zone changes within the proposed Iron Horse Station Subdivision as approved at the council meeting on July 20, 2004.**

Motion by Alderman Easton to rescind the motion to approve the requested zone changes within the proposed Iron Horse Station Subdivision as approved at the council meeting on July 20, 2004, seconded by Alderman Dart. Motion carried 8-0.

(The description of the requested zone changes within the proposed Iron Horse Station Subdivision that was approved at the council meeting on July 20, 2004, was incorrect. The correct description of the requested zone changes has been advertised for another public hearing, which is set for the council meeting on August 17<sup>th</sup>. The council decision regarding the requested zone changes, with the corrected description, will be a scheduled matter on the August 17<sup>th</sup> council agenda.)

- **City of Laurel Mission Statement: “To provide economical delivery of quality services created and designed in response to its citizens’ collective basic needs.”**

Motion by Alderman Mace to adopt the City of Laurel Mission Statement, seconded by Alderwoman Stevenson.

Alderman Mace stated that several people had input in the Mission Statement, which is not written in stone and could be amended as the City of Laurel grows.

A vote was taken on the motion to adopt the Mission Statement. Motion carried 8-0.

**ITEMS REMOVED FROM THE CONSENT AGENDA:**

- **Resolution No. R04-89: A resolution authorizing the Mayor to sign a change order for alterations to the 1<sup>st</sup> Avenue and 12<sup>th</sup> Street water line project.**

Motion by Alderman Dart to approve Resolution No. R04-89, seconded by Alderman Poehls.

Alderman Oakes stated that he recently questioned the clerk-treasurer about this. She informed him that this hydrant was identified in the Water Facilities Plan, so he does not have a problem with it now.

A vote was taken on the motion to approve Resolution No. R04-89. Motion carried 8-0.

- **Resolution No. R04-90: Resolution authorizing the Mayor to sign a change order for the surface reconstruction phase of Alder Avenue.**

Motion by Alderman Dart to approve Resolution No. R04-90, seconded by Alderman Mace.

Alderman Dart stated that it is important, with the bigger projects, to understand the funding mechanisms. For clarity purposes, he asked the mayor to explain the funding mechanism for the additional inch of asphalt on Alder Avenue.

Mayor Olson stated that the funding for this additional asphalt will be borrowed from a fund within the city, and we will pay interest back to ourselves. If we used an Intercap loan, we would pay interest on the loan.

Alderman Oakes stated that we have to borrow money for the extra inch of paving on this street. He understands that the school district plans to build a new school in the area at the end of Alder Avenue. As this might be a bus route, he suggested borrowing enough money to lay two inches of asphalt which would be adequate to handle this type of traffic.

Alderman Dart thinks that the engineering for the project proposed four inches of asphalt. With the possibility of bus traffic, he thinks there is a lot of merit to that. He stated another importance on this resolution and the next one. He questioned the procedural flow, how money comes and goes, and how staff handles bids and has forethought into the projects. In every business in which he has been involved, there is only so much tolerance for error. He thinks we have to be sensitive to that, not only because we are dealing with taxpayer dollars, but also because a lot of infrastructure work needs to be done here. He hopes that we are learning and will be out in front of the curve next time. We are a little community, and he thinks we have to be really tight and frugal with our money, and our staff has to know accordingly how we can spend it and keep ourselves as safe as we can financially.

Alderwoman Johnson agreed with Alderman Dart. She stated that we are into the Alder Project and we need to finish it right. She thinks that some things can be curtailed in the budget, and she will voice her objections to some things as they are presented. Our big goal is to stay solvent, but our budget for a ten-year prediction is not sweet. There has to be some give and take, and the city has to be very careful.

Alderman Fritzler stated that Iron Horse Station Subdivision was not definitive when the original work order was issued. The school is still not definitive, because the August 10<sup>th</sup> election is only to buy the land. The school district has a long way to go. If the school develops, the overlay could be added on Alder Avenue.

Alderman Oakes went out before the project began and got a visual picture of the condition of that road and the ditches. Some of that concrete pipe that some people had put in was six inches above the blacktop. When he thinks about that, he holds fault with the engineering firm. Maybe they were not instructed to take this into account. We are going to have to do a more thorough study on our streets because they are absolutely worn out and the infrastructure is worn out, and unforeseen problems will have to be anticipated. We need to be more thorough on estimating the projects and what is entailed.

Alderman Easton stated that the two irrigation ditches were there before the town was developed. The elevation was in the study. In order to bring the road up to the standard of a highway, we would have to go down into the sub base. We are running into a time schedule on this project. Alderman Easton thinks that it is on track now because the decision has been made to put the base down and put a mat in between to keep the water from coming up, which is the same as adding another inch of asphalt. He thinks that the aspects have been figured pretty close on this to make it a fairly good highway. He wants to proceed and get the project done.

Alderman Poehls agrees that we should do the best job possible. He thinks the project should proceed with the three-inch overlay with the mat so the project is done before school starts.

Alderman Mace asked if millings would be used in this area.

Mayor Olson stated that a base of millings would be put underneath the membrane, with the asphalt on top of that.

Alderman Mace stated that the millings add quite a bit to the base, and there is more importance in the base than in the asphalt. He does not see any problem with buses driving on a three-inch asphalt, if the base is prepared correctly.

Mayor Olson stated that the millings would go down and there would be road mix on top because they felt they had a better tie in with that rather than the millings.

Alderman Dart stated that his original understanding was that engineering called for four inches of asphalt, with a minimum of three inches, on this street. The magnitude of the projects that will be undertaken in this city in the next twenty or thirty years will require vigilance in watching the projects. From the political side of it and in sitting on the council, you wonder how things are overlooked, especially when you have a tight budget.

Alderman Mace stated that it might benefit the council to have a discussion with the engineers regarding the differences and how to proceed with the street projects.

Mayor Olson stated that an engineering firm could give the council a synopsis of a street project to explain questions.

A vote was taken on the motion to approve Resolution No. R04-90. Motion carried 8-0.

- **Resolution No. R04-91: Resolution authorizing the Mayor to sign a change order for alterations to the surface reconstruction phase of the Alder Avenue sewer line project.**

Motion by Alderman Dart to approve Resolution No. R04-91, seconded by Alderman Poehls.

Alderman Dart stated that this resolution gave him more problems in thinking about it than the previous resolution. It seems to him like this is more of a last minute type of issue, and he does not think that we saw this issue coming. He thinks that there was not enough time to find out who owned the ditches, and if there was an opportunity for funding from that source to help defray this cost. He feels that this came on suddenly, and that does not make for the best decisions.

Alderman Poehls asked if there was an update since the dollar amounts were received last Friday. The estimated dollar amounts are the same.

Mayor Olson stated that, if the price is higher than the stated price, a special council meeting would be called to address the issue. The culverts will be funded through the Sewer Fund.

Alderwoman Johnson asked Sam Painter what would happen if the city told the ditch owners that we were going to seal off the end of the culvert unless they paid for the culvert.

Sam stated that the bottom line is water law. The general rule is that first in line has the right. Those ditches were there before the street, and the city is subject to the ditches. In order to rebuild the street, the city must deal with the ditches. The ditch owner's approval would be required in order to even change the flow or change the volume. The ditch company is responsible to maintain the ditch. However, the street and the culvert came in after the ditch, and the city owns the culvert.

Mayor Olson stated that the ditch owners may be willing to partner with the city to a degree, but there is not time to wait now. Future opportunities may be available. The culverts need to be replaced now. Whenever we attempt to change or modify an existing condition, the city has to get authorization from the owners. A couple of things to consider in this particular issue are the fact that our road level and the depth of the ditch is of concern. An elliptical ditch would allow us an elevation to advantage for our paving, compared to a concrete. But the concrete may not be the same size, so we are waiting to get the comparisons in order to present it to the ditch owner to see if

that would satisfy the conditions of the ditch. Once that is addressed, we need a window of opportunity to shut down the ditch so the work can be done.

Alderman Mace thinks that the council is saying that staff needs to be instructed to do a better job of engineering and preparing a timeline. If we are going to do these projects regularly, there should be advanced engineering studies and collaboration with the ditch owners to iron out questions before the bid is let. Council members are leery about doing change orders at every meeting.

There was a brief discussion regarding the funding for the culverts.

A vote was taken on the motion to approve Resolution No. R04-91. Motion carried 7-1, with Alderman Dart voting nay.

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

**COUNCIL DISCUSSION:**

The Cemetery Board met on July 29<sup>th</sup>, and another meeting will be scheduled in August to address some issues.

Alderwoman Johnson is trying to schedule a presentation to the council on the Shared Leadership for a Stronger Montana Economy.

Agendas need to be sent to the Emergency Services Committee members. A quorum was not present at the meeting on July 26<sup>th</sup>.

Alderman Poehls apologized for his absence from the Budget/Finance Committee meeting last night.

Cal Cumin will present the Growth Management Plan at the Council Workshop on August 10<sup>th</sup>. The meeting will begin at 6:00 p.m. instead of 6:30 p.m.

- Review of Committee Minutes: None.
- Review of Monthly Reports: Police, Fire, Ambulance, and Code Enforcement: None.

**UNSCHEDULED MATTERS:** None.

**ADJOURNMENT:**

Motion by Alderman Fritzier to adjourn the council meeting, seconded by Alderman Mace. Motion carried 8-0.

There being no further business to come before the council at this time, the meeting was adjourned at 7:26 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 17<sup>th</sup> day of August, 2004.

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Kenneth E. Olson, Jr., Mayor

Attest:

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Mary K. Embleton, Clerk-Treasurer