

CEREMONIAL CALENDAR: None.

REPORTS OF BOARDS AND COMMISSIONS: None.

AUDIENCE PARTICIPATION (THREE-MINUTE LIMIT):

Curtis Lord, 418 West 12th Street, stated that, on May 5, 2015, the council members voted for the city to go ahead with proceedings to try to figure out how to give the Laurel Rod and Gun building to the Laurel Rod and Gun Club. Curtis met with the CAO and the city attorney a couple weeks later because they were supposed to see how to make that happen or if it was possible. Curtis stated that he has not heard anything since then. He sent Heidi an email on January 5th and copied Mayor Mace, asking what was going on with that. On January 7th, he got a response from Heidi saying she was out of town and she would check on it when she got back on Monday. He stated that he does not know if she is still out of town, but he still has not heard from her. He asked if anything is happening with this issue.

Mayor Mace stated that he will send the CAO an email and have her get back to him.

Karl Dan Koch, 320 Colorado Avenue stated his concern regarding the handicapped parking in the park by the stadium by the school, as it is very unusual to find a complete park area that does not have any public parking there. He has been to the school a lot with his grandkids, and that parking lot fills up and many times there are no tickets given and no signs hanging. One particular night there were two cars parked there while his grandkids were playing baseball. Officer Gregory came and gave two tickets, one of them to him as his handicapped permit was in another car. Mr. Koch stated that he pushed his daughter's wheelchair around for 46 years, and he knows what handicapped parking is. He had a stroke twenty years ago, and he knows what handicapped parking is. But this particular night two people got tickets for \$100. His ticket was dismissed because he had a permit. His point is that he has been up there many times when the parking lot has been full, but there was no Officer Gregory around and no tickets were written. A couple days later there were ten cars parked there and no officer wrote tickets. On Saturday, there were twenty vehicles parked without handicapped permits and no tickets were written. He stated that the system up there is wrong. When he asked Kurt Markegard about it, he was told that there is a special agreement with the school to use that city property for handicapped parking. Mr. Koch would like somebody to look at this. It is laid out with 18 or 20 handicapped signs and on the other side it says "No Parking between signs". The signs were put across there so people can back out. He suggested changing it to angled parking so people could back out and the public could park there. He stated the need to stop the people that are using that parking area for their kids' activities at the stadium, the school or the park, and have a decent system that works. Mr. Koch stated that Officer Gregory does not give tickets at Walmart, at the post office, at the high school, and at IGA, so if it is not going to be monitored 24/7, then it should stop.

SCHEDULED MATTERS:

• **Confirmation of Appointments.**

- **Cemetery Commission: Reappoint Scot Stokes, Wallace Hall and Chuck Rodgers to two-year terms ending June 30, 2018**

Motion by Council Member Mountsier to approve the Mayor's reappointments of Scot Stokes, Wallace Hall and Chuck Rodgers to the Cemetery Commission, seconded by Council Member McGee. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

- **Laurel Airport Authority: Reappoint John Smith to a five-year term ending June 30, 2021**

Motion by Council Member Stokes to approve the Mayor's reappointment of John Smith to the Laurel Airport Authority, seconded by Council Member Eaton. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

- **Library Board: Reappoint Bill Hanson to a five-year term ending June 30, 2021**

Motion by Council Member Herr to approve the Mayor's reappointment of Bill Hanson to the Library Board, seconded by Council Member Mountsier. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

○ **City-County Planning Board: Reappoint Dan Koch to a two-year term ending June 30, 2018**

Motion by Council Member Dickerson to approve the Mayor's reappointment of Dan Koch to the City-County Planning Board, seconded by Council Member Eaton. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

- **Resolution No. R16-43: A resolution of the City Council adopting a Management Budget to assist the city's department heads with projecting and managing their respective budgets for the fiscal year.**

Motion by Council Member Herr to approve Resolution No. R16-43, seconded by Council Member Eaton.

Mayor Mace asked for public comment.

Richard Klose, 511 Cottonwood Avenue, had some questions about the spending and how it has been budgeted lately. He asked regarding the money that was spent for the security system in this building, for the new bathroom in this building, and for the purchase of the gravel pit property. He questioned how the city justifies the money in the budget and the way the raises were given to the city employees this year. He stated that the swimming pool needs to be fixed, an addition needs to be added to the Laurel Middle School, and many streets and sidewalks in this town should be taken care of before the city buys gravel pits and spends money it probably does not have.

Mayor Mace explained that the property was needed for a space for the city's garbage trucks and the whole system. The city is currently leasing railroad land that does not belong to the city. This was recommended as the way to go.

Richard asked if the public will have to pay for water and sewer to go out there and where the money will come from to buy the property. He was told that part of the money would come out of the water plant budget. He questioned if that means the city will raise water rates again in a couple years to put that money back into the water plant budget.

Mayor Mace answered that the money came out of funds that would use that property. There are several pieces of machinery that will be using that property as storage and eventually a barn to work on the equipment.

Richard again asked if he had to come back later and protest when the city wants to raise water rates.

Mayor Mace answered that he certainly has that right.

Richard questioned what is wrong with where the garbage trucks are kept now.

Mayor Mace explained that the city does not own the property and has to pay whatever MRL charges.

Richard asked how many years of that rent it would take to offset what the city will pay for the gravel pit.

Mayor Mace answered that he had no idea but would ask the CAO get the figures for him.

Jean Kerr, 1128 9th Avenue, spoke as a citizen as far as reading the *Laurel Outlook* reporting that part of this resolution includes the Management Budget and a \$10,000 raise for the CAO. She is not in support of that. As a department head, they were told that there were no budget increases at all and it was last year's budget for the amount. Jean stated that the matrix she is in basically gives her a \$.10/hour raise. She stated that, when the matrix was passed, Council Member Stokes stated the need to revisit it. Everybody else is at \$.60 increase. When she sees a \$10,000 increase after the department heads were told that there are no increases within a department, she thinks that is wrong.

She agrees that everybody needs raises to be able to pay bills and deal with the cost of living, but she does not see where such a difference can be justified. Jean stated that she knows that she speaks for many, as there are many people around here that do not feel that they have the ability to speak for fear of retribution. Speaking for her department, she does not think that she should be expecting any dirty looks or not being spoken to because she stated her viewpoint, which happens around here. As far as a property owner, she thinks that wages should be given accordingly. The city must also look at projects, including the roads, painting the curbs for parking, getting something going at the school, fixing light poles in the park, and repairing a police car. She stated that \$10,000 may not fix it, but it could put a dent in it. Jean said to give an appropriate wage increase, but not to make it a slap in the face to everybody else, especially when department heads are working with budgets that have no increases at all.

Marie Besel, 115 6th Avenue, agreed with what this lady said. She had a question on the \$10,000 raise. She did some research for "salary by geographic" and found that Chicago pays \$93,000 for city planning. Big lucrative states is where the money is at, but Laurel does not have that many folks. She questioned how the city can justify a \$10,000 raise, which is a 12 percent raise. She does not think it is fair either.

Curt Lord, 418 West 12th Street, stated that his feelings are the same as the other people. He has applied for five or six city jobs and has had three interview in the last two years. He was not hired but was told about 60 to 75 applicants apply for each job. He keeps applying because Laurel's wages are really good and he thinks employees are overpaid already. Most of the jobs in the City of Billings run more like the \$16.00/hour range. Laurel is probably getting a lot of applicants because it pays more than Billings, Joliet and the cities around here. Curt is concerned about the \$10,000 raise, especially if it is for somebody that he has not heard from in six months. He asked whether the city needs to give her more money or whether she needs an assistant. Curt stated that he just found out about this last night reading something on Facebook. He questioned if the pay increases were actually advertised, as he did not see anything in the *Outlook*. Curt stated that he is against it.

Roy Voss, 1024 13th Avenue, stated that he agreed with the ladies on everything they said about the \$10,000 increase.

Mayor Mace asked if there was any council discussion.

Council Member Eaton asked Mayor Mace to explain the process with regard to the Management Budget. She asked if there would be time for certain items to be negotiated and changed in the Final Budget.

Mayor Mace stated that the city clerk could answer those questions.

Shirley Ewan stated that this is strictly a Management Budget that will not go to the State. It can change several times between now and when it goes to the State. The Final Budget will be passed the first week in September. This is strictly a Management Budget so the department heads can get their projects started and do not have to wait for the budget to pass. There will be numerous changes in this budget prior to approval of the Final Budget.

Council Member McGee stated that the council workshop minutes stated that the CAO's salary increase is not included in the Management Budget. Whatever takes place for that will be part of the Final Budget. He can understand why citizens would feel like it seems extremely large. The council is not voting on that tonight. He stated that, when citizens have concerns, this is an opportunity for the council to educate how the city operates and how it works because he sees a lot of misunderstanding of how situations in the city take place. He wanted that clarified so the citizens understand that this particular request for a salary increase is not being approved tonight.

Council Member Nelson stated that he was aware that the article was on Facebook and that the actual story originated from the *Outlook*, but it was the *Outlook* online. It was not in the printed *Outlook* from last week and he does not know if the story that was on the website will be in the paper this week.

Council Member McGee pointed out that the council workshop and council meeting minutes are recorded, documented and available on the city's website at www.cityoflaurelmontana.com.

A vote was taken on the motion to approve Resolution No. R16-43. All seven council members present voted aye. Motion carried 7-0.

- **Resolution No. R16-44: A resolution authorizing the Mayor to sign Change Order No. 8 with Williams Brothers Construction for the Wastewater Treatment Plant Project constituting an increase of \$3,660.79 for additional work.**

Motion by Council Member Eaton to approve Resolution No. R16-44, seconded by Council Member Nelson. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

- **Resolution No. R16-45: A resolution accepting the bid from Wilson Bros. Construction Inc. and authorizing the Mayor to sign all related documents for the Water Treatment Plant Intake Project.**

Motion by Council Member McGee to approve Resolution No. R16-45, seconded by Council Member Nelson. There was no public comment.

Council Member McGee stated his concern with this resolution. He knows that the city is at a critical juncture in this project and does not need any hindrances to move it forward. Two different competing bids were looked at by the engineering people and by the Public Works Department. They made the choice, but there was an appeal from a local contractor. He is not sure what the differences were and he is concerned that the city council did not actually see the respective bids and have a choice. The council was just presented a resolution and information at a workshop, but he does not think there was enough time to decide and ask questions. He does not want to hold up the project, but he does want fairness in these bids and he wants the city council to have an opportunity to know what is in them without somebody else picking for the city council. He wanted it on record how he feels about it. While he thinks the water intake is important and he has no particular problem with awarding the bid, he wondered if the council would have been better served if the council had seen both of those bids.

Mayor Mace stated that he would bring that forward at a workshop.

Council Member Nelson stated that the council was approached by COP Construction at the workshop last week. COP brought up the fact that there is a section of law that allows for a certain discrepancy in bid price between an out-of-state contractor and an in-state contractor. Under normal circumstances, the city probably would have had to award the bid to COP Construction, but this was a FEMA project that does not have any bearing on the State's process for contractors in their bids. The city was not allowed to enter into that because it is a government contract from FEMA, which is different than the regular State requirement.

Council Member Stokes asked regarding the differences in the bid amounts.

Council Member Nelson stated that the bid from Wilson Bros. came in \$8,337,000 plus \$223,000. COP's bid came in at \$8,581,000 plus \$218,000. The difference was about \$200,000. If it had been a standard project within the State, he thinks the city could have made a choice, but that does not comply with requirements for funding a Federal project.

Council Member Stokes stated that he is glad the city is going with the other bid for the difference of a couple hundred thousand dollars.

A vote was taken on the motion to approve Resolution No. R16-45. All seven council members present voted aye. Motion carried 7-0.

- **Resolution No. R16-47: A resolution of the City Council authorizing the City's purchase of property located on Ridge Drive from Yellowstone County.**

Motion by Council Member Nelson to approve Resolution No. R16-47, seconded by Council Member McGee.

Mayor Mace asked for public comment.

Richard Klose, 511 Cottonwood Avenue, asked if the property would be annexed into the city, if other surrounding properties would be annexed into the city, and if water, sewer, and electricity would be put out there.

Mayor Mace asked the Public Works Director to address the questions.

Kurt Markegard stated that the city has been looking at this property for five or six years. The city has been renting ground from Montana Rail Link for years. Every year, the rental has gone up. The Budget/Finance Committee sees the claims for Montana Rail Link and the leases have continued to increase. The city used to rent the land for \$500/year, then it went to \$1,500/year, then to \$2,000/year and the last he knew it was \$5,600/year. Kurt explained that the city hauls the millings and dirt from water breaks, etc., to this location. The city does not put it in the parks anymore, as it is not a wise use of city property to dump the spoil piles in the parklands. The city is running out of room and is leasing land from MRL, but is not getting anything back from that. The County property was coming available and the Commissioners were going to sell it. Kurt has recommended to the council, to Heidi Jensen, to Mayor Mace and to Mayor Olson that the city look at growing and acquiring property well in advance of actually needing it. Kurt stated that eventually the property will be annexed into the city, eventually it will have water and sewer, and eventually it will have a shop on it. However, that is not what the council is considering tonight. The city is asking to secure 12 acres of land so the city can start transitioning its gravel and asphalt piles and the materials that are needed for a water break in the middle of the night. Public Works would like to have that all off MRL property and on city-owned property to be able to take care of the citizens, which is the goal of the Public Works Department. Kurt does not think it is right for citizens to pay \$5,600/year to one corporation. MRL keeps raising the fee because taxable values are going up and they are passing it on. He understands that, but a city government has non-taxable land. Right now, the city is paying taxes on property, so the citizens are paying taxes to a corporation who is then paying it over to the County. He would like to stop that revolving door, have the city own its own land, and have a place for the city to put materials instead of in parks or the cemetery. The intent for Public Works to get the land is to plan ahead for the future to have some land for a booster station, for another lift station, and for future needs. Kurt stated that he hopes he gets paid to think forward and to get the city prepared for the future.

Richard thanked him for his answer.

Mayor Mace asked for council discussion.

Council Member Eaton stated that this is 12.23 acres of land that the city is buying for \$175,000. If the city is currently paying \$5,000/month, it would take 35 months to make up the difference between what the city would be handing MRL for rent and what would be used to purchase this property.

A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

ITEMS REMOVED FROM THE CONSENT AGENDA: None.

COMMUNITY ANNOUNCEMENTS (ONE-MINUTE LIMIT): None.

COUNCIL DISCUSSION:

Council Member Nelson stated that the Cemetery Commission will meet on Tuesday, July 12th, at 5:00 p.m. Discussion items include signage at the cemetery and consolidation of the Cemetery Commission with the Park Board.

Council Member Dickerson thanked the citizens and the audience for coming to tonight's council meeting and showing their concerns and giving the council a chance to explain some of the issues and concerns. The council likes to see folks attending and wanting to know why things are being handled a certain way. He said that he appreciates their time and hopes they got their questions and concerns answered. Council Member Dickerson stated that they are always welcome.

UNSCHEDULED MATTERS: None.

ADJOURNMENT:

Motion by Council Member Mountsier to adjourn the council meeting, seconded by Council Member Eaton. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

There being no further business to come before the council at this time, the meeting was adjourned at 7:19 p.m.

Cindy Allen
Cindy Allen, Council Secretary

Approved by the Mayor and passed by the City Council of the City of Laurel, Montana, this 5th day of July, 2016.

Mark A. Mace
Mark A. Mace, Mayor

Attest:

Shirley Ewan
Shirley Ewan, Clerk/Treasurer