

**MINUTES  
COUNCIL WORKSHOP  
JULY 25, 2017 6:30 P.M.  
COUNCIL CHAMBERS**

A Council Workshop was held in the Council Chambers and called to order by Mayor Mark Mace at 6:30 p.m. on July 25, 2017.

**COUNCIL MEMBERS PRESENT:**

<input checked="" type="checkbox"/> Emelie Eaton	<input checked="" type="checkbox"/> Doug Poehls
<input type="checkbox"/> Bruce McGee	<input checked="" type="checkbox"/> Richard Herr
<input checked="" type="checkbox"/> Chuck Dickerson	<input checked="" type="checkbox"/> Scot Stokes
<input checked="" type="checkbox"/> Tom Nelson	<input checked="" type="checkbox"/> Bill Mountsier

**OTHERS PRESENT:**

Heidi Jensen, CAO  
Bethany Keeler, Clerk/Treasurer  
Kurt Markegard, Public Works Director  
Tim Reiter, Utilities Superintendent  
Raymond Ezell, Chief Building Officer  
Karen Courtney, Code Enforcement Officer

**Public Input**

Judge Jean Kerr of 115 W. 1<sup>st</sup> St. Laurel requested to be placed on the agenda to address reevaluation of her current wage scale. The wage scale was implemented in 2013. The Mayor stated the appropriate venue for this discussion is the Budget and Finance Committee. Bethany stated the next meeting is scheduled for August 1, 2017 at 5:35 p.m.

Dave Waggoner of 419 Maple Ave. Laurel questioned why the fire hydrant directly in front of the high school has not been returned to service. The Mayor stated the City is in the process of getting this hydrant back in service and has an estimated completion date of tomorrow, July 26, 2017.

**General items**

- Introduction of Chief Building Official and Code Enforcement Officer

Heidi Jensen introduced our new Chief Building Official, Raymond Ezell and Code Enforcement Officer, Karen Courtney.

Ray has recently retired from the Air Force after 22 years of service. He is excited to settle down in Montana, as his wife is from the Bozeman area. He started approximately 3 weeks ago and has successfully passed the building certification class.

Karen spent the past 7 years working for Anaconda-Deer Lodge County. She is a current member of the American Association of Code Enforcement. Karen started back in May prior to the retirement of Keith Kolstad.

### Executive Review

- Resolutions - Laurel Middle School and Laurel High School SRO contracts

Heidi Jensen discussed progress on the contracts for the School Resource Officers (SRO's). The School District has agreed to partner with us again to keep the SRO's in the schools. Dollar amounts were worked on with the Payroll Clerk and Clerk/Treasurer. The amount settled on for the Middle and High School SRO's is \$58,136.00 and \$57,824.00 respectively. The contracts have been successfully approved by the School Board.

Emelie questioned the cost to the City for this program. Heidi stated the school covers 70% of the SRO wage, as three months out of the year they are solely employed by the City.

- Resolution - Change Order No. 1 with Cayton Construction for the First Avenue Water Main Replacement Project

Heidi Jensen introduced Kurt Markegard to speak regarding Change Order No. 1 with Cayton Construction for the First Avenue Water Main Replacement Project. The contract price for this project was \$147,450.00. The contractor did not use all of the allocated funds because they came in under estimate on exploratory digging, did not need to replace any sidewalks, and did not need to replace any curb boxes. This change order is to reconcile the account. This reduces the project by \$3,063.00. The final contract price is \$144,387.00

Doug commented that it was nice to see a change order that reduces a contract instead of increases.

- Resolution - Preliminary levy of special assessments for maintenance costs in SID No. 114 (Elena Subdivision)

Heidi Jensen introduced the preliminary levy of special assessments for maintenance costs in SID No. 114 (Elena Subdivision). This fiscal year we are assessing subdivision residents at \$5000.00. This amount is generated from the amount of work that is anticipated on the property for the upcoming fiscal year. This amount has not changed for the past three fiscal years.

- Resolution - Authorizing City officers to negotiate with banks regarding purchasing bonds

Heidi Jensen introduced authorizing City officers to negotiate with banks regarding purchasing bonds. This is in reference to the creation of SID No. 118, it will be for the mill and overlay of Washington Avenue off Southeast Fourth Street, sidewalks and approaches. This will give the Clerk/Treasurer, the CAO, and the Mayor authorization to negotiate with banks to obtain the best price.

- Discussion - Operation of the new water intake (Kurt Markegard and Tim Reiter)

Heidi Jensen introduced Kurt Markegard and Tim Reiter to discuss the operation of the new water intake. At a previous meeting Kurt made the statement that the new intake was online, however after talking with Tim he learned that it had been taken off line.

During the final walk through it was noticed that two risers were off there valves. The riser allows the valve to close, otherwise the handle will turn without actually closing the valve. During the process of repairing the risers the valves were turned off. Due to the high volume of turbidities in the water Tim made the decision to leave the valves closed. Since the river was so high there was no interruption in service. Once the water cleared up the new intake was turned back on. We are currently using the new intake and pulling more water than we need, the excess water is sent out through the old intake.

Tim and Kurt explained there are two ways to pull water into the plant. The first being to use our existing pumps to pump water into our SED basins. The second is to bypass the pumps and use

gravity to feed into SED basins. Currently in order to bypass the pumps it requires two employees. One to turn the valve, located in the parking lot, and the other to monitor flow rate. Once the new SED basins are online there will be an actuator valve at the basins themselves. This will allow for an automated bypass of the pumps.

Chuck questioned why the Public Works Director was not made aware of what was going on with the intake. Tim explained during the final walk through there were a list of items the contractor needed to address, including the risers not attached to the valves. When Kurt left the valve was on. It was Tim's decision to leave the valves turned off. Kurt and Tim have addressed the lapse in communication.

Emelie questioned if the intake valve was designed with the expectation that there would be new SED basins built to accommodate it and will the new intake be functional without those basins. Tim stated the expectation was that the intake would work with the new SED basins, however the intake is 100% functional now. The new SED basins will allow a bypass of the pumps via the actuator valve. The original plan was to connect into our existing pumps, however, there was a second option to have a gravity fed SED basin. Bypassing the pumps will allow the City to save on energy costs.

Richard questioned if the actuator valve could be installed outside of a basin. Tim stated yes this could be done, however it is not the most cost effective way to proceed.

Kurt and Tim need to schedule a tour with City Council to show how the new intake works.

- Discussion - Sedimentation basin bid and loan documents

Heidi Jensen and Bethany Keeler introduced the discussion on the Sedimentation Basin bid and loan documents. The bid for the SED basin project came in \$1.8 million over the original estimate. Currently the City's water fund has no reserves. The \$1.5 million we were going to contribute to the SED basin project is no longer available due to the lack of State match on the intake project. The loan to fund the SED basin project would be \$7.2 million, which is significantly over the original \$3.9 million. Bethany has been working with DNRC to find financing options. The City can qualify for the \$7.2 million loan, with three years no interest. The yearly payments would \$523,000.00.

If the \$7.2 million loan was taken, the City would have no reserves in the Water Fund and the Cities debt capacity has been max. This means that if something catastrophic occurred in the City's water system the City would not have the reserve to fund repairs nor the ability to obtain a loan. Pushing the project off one year could mean a 7% increase on construction costs. The State owes the City \$2 million of FEMA funds relating to the intake project, however we do not know when the funds will be released. There is a \$1.8 million donation CHS has made to the City for the SED basin project. The agreement regarding these funds is good until September 9, 2017, after that date CHS could choose to not extend the agreement and make the City return the funds.

Doug spoke on two topics. First, when the City used the reserves for the intake project, the City told the State this would put us between in a rock and a hard place. The City needs to follow up with the State regarding the 25% match, as it is evident the intake project was an emergency and not an infrastructure project. Second, how can an engineering firm estimate be off by \$1.6 million? It has been evident in the past that as a project continues there are change orders for additional funding. While it is apparent that the City needs new SED basins, he is not willing to move forward at this time.

Tom spoke on two topics. He stated the funding from CHS is a moot point because we do not have the funds to move forward on the project. Second, consistently on large projects there are change order requests for additional funding. The City needs to take the time to build a proper reserve in order to move forward with the SED basin project. Tom also agreed with Doug that the City needs to follow up with FEMA about the States 25% match.

Emelie agrees that the money the State owes the City would solve this problem, however we don't have it so what is our back up plan. Emelie agrees that the engineering firms under estimate could push the City into a tight financial situation.

All council persons who spoke agreed there is a need for new SED basins, however they were concerned about where that leaves the City financially.

- Council Issues:
  - Update on 2011 Yellowstone River flooding event

Heidi Jensen gave an update on the 2011 Yellowstone River flooding event. The punch list is almost complete. There are a few small items on this list. Once the punch list is complete, it can begin close out.

- Garage sale signs (Chuck Dickerson)

Chuck Dickerson spoke regarding garage sale signs. His intent was never to charge someone to host a garage sale. His intent is to address the signs that are up 24 to 72 hours after a garage sale has ended. He understands that City crews do not have the time to remove these signs. Those hosting a garage sale need to be held accountable for removing signs in a timely manner. If the signs are not removed timely then a fine should be imposed for littering. The suggested fine would be \$25.00.

Heidi thanked Chuck for clarifying his intent. Heidi suggested she talk to the Chief of Police and report back in two weeks. Chuck responded that the City Council is accountable to the residents to keep the City clean and neat. It is within the Councils rights to put forth a resolution implementing a fine, and he's not ask the Chief of Police to have his officers remove signs. Heidi stated that she was suggesting the Chief of Police as he and his staff would impose the fine. Heidi asked if Chuck was looking for a fine to be created and brought back with the agreement of the Council. Chuck stated he feels the Chief of Police can have input, but that the final decision should be up to the Council. Heidi responded back that the police would be issuing the fines and should be included in the discussion. Chuck responded back with we have a Code Enforcement Officer now who could be in charge of issuing this fine. Heidi asked Chuck for clarification on what steps he would like taken. Chuck would like the City to take action on littering. Heidi will obtain some information and bring it back to the Council in two weeks. Scot mentioned seeing a sign up two weeks after an event and agreed that it needed to come down some time before then. Tom suggested sending this issue to the Emergency Services Committee. They can look through what is already existing for this issue and bring a recommendation back to the Council. Chuck at one time heard that the items used to hang the signs do cause a hazard to utility workers. Chuck is fine with the Emergency Services Committee reviewing the issue.

- Weeds on Bernhardt Road (Emelie Eaton)

Emelie gave an update on the City's options to address the weeds in the ditch on Bernhardt Road. She handed out an email from the CAO and Code Enforcement Officer, Karen Courtney, quoting MCA

that stated those running the ditches are doing what they need to and the City has no authority to say otherwise.

Doug questioned a portion of the email that states the ditch will be covered at some point. If we do any work on a ditch that encloses said ditch is the City responsible for the flow of that ditch? Heidi responded yes the City would be responsible for the flow of that ditch.

Chuck stated that MCA does not have requirements for these ditches to be mowed and only allows municipalities to step in if said ditch causes a drowning hazard to children. Chuck stated these ditches very easily could become a drowning hazard.

Tom questioned what other municipalities have done to resolve this issue. He is unsure if covering the ditch is the best option. Other ditches with similar weed issues are located on Alder Ave and Railroad St.

Doug asked if the ditches we are talking about are in the City of Laurel's jurisdiction. Heidi responded these ditches are not within the City's jurisdiction. Doug asked if passing a City ordinance saying you must maintain your weeds to a certain height would resolve this issue. Heidi responded no, because MCA is not required to follow City ordinances.

Judge Jean Kerr questioned if there can be some communication between the ditch company and the city. Heidi responded that Karen did contact the ditch rider for said ditch and their response was they are not required to address the weeds. Jean also suggested to have Karen ask about their liability insurance. If an incident occurs they would be liable because they City had requested them to maintain the weed height.

- Cars parking on sidewalks (Scot Stokes)

Scot Stokes introduced the topic of vehicles parked for extended periods of time on roads and sidewalks. The City's current law states that a vehicle needs to be moved within 7 days. There are examples of vehicles being parked for over a year, with flat tires without noticeably being ticketed. Another example is a camper parked on the street for over a week without a license plate. He has witnessed officers take down a license plate only to see the vehicle moved forward 3 feet. Is there anything we can do to remedy this situation?

Chuck stated he has also seen residents park in their driveways with the rear of their vehicles covering the sidewalk, impeding the flow of foot traffic.

The Mayor will bring this up with the Chief of Police and bring information back to Council.

- Posting council minutes on the City's website (Tom Nelson)

Tom Nelson commented on getting the City Council minutes posted on the City's website. Since bought up a week ago 22 of the 27 sets of minutes have been uploaded to the City's website. He is still waiting on 5 sets to be posted.

Heidi clarified that we are in the process of revamping the website. This will make it easier to post minutes to the website. The Clerk/Treasurer is working with all department heads to revamp each department's page. This should make the overall site much more user friendly. The Library ran into an issue getting the minutes uploaded. Nancy will inform him when the last 5 are posted.

Chuck suggested we add the website to the bottom of the agenda. This would allow those not in attendance to easily find what was discussed during that meeting.

Tom questioned if we have an outside company who hosts and manages our website. Heidi clarified her earlier response by having Bethany elaborate.

Bethany elaborated on Heidi's earlier statements. Our new host will be SquareOne, which is a larger company than we currently have. She spoke with Nancy Schmidt about why minutes were not being posted on the website. Her staff have been uploading minutes but finding they are not present later on. She will work with Drew Schug to address this issue in the meantime. If you would like to see what has been done so far, please stop by the office. Keep in mind it does take time to insure each link is working properly.

Emelie questioned who is Drew and is he under contract. Heidi clarified that Drew owns Great Big Storm LLC and is our current host. Our current contract is under \$5000.00.

- Parking along South 5<sup>th</sup> (Emelie Eaton)

Emelie Eaton gave an update on the parking on South 5<sup>th</sup> Street. Dave Waggoner brought the issue of vehicles parking on South 5<sup>th</sup> Street to her attention previously. She watched for a few days and did not see any vehicles parking excessively. She also had Kurt keep an eye out during his daily travels. Emelie asked for Dave Waggoner to clarify as she may not have understood.

Dave Waggoner of 419 Maple Ave Laurel clarified he was talking about the road by Russell Park not South School. He has noticed vehicles from 6am to 5pm parked near the park. He has spoken with the drivers of these vehicles and was told they are contractors at the refinery and find it difficult to get out of the west refinery parking lot. Mr. Waggoner was told by the police that it is a public street, they are allowed to park there. They are however occupying the parking designated for the public park, and impending the pick-up of garbage. They then cut between the farmhouse and interstate to get to the refinery. Mr. Waggoner will take pictures for now on.

- Discussion regarding the Management Budget (Emelie Eaton)

Emelie Eaton addressed a rumor about the CAO's salary. Someone noticed that in the FY2018 Management Budget it looked like the CAO was getting a \$10,000.00 raise. The best person to explain what happened is our Clerk/Treasurer.

Bethany clarified that she used the same spreadsheet as Shirley used for last fiscal year. In the process she did not verify everyone's wages, Heidi's wage was one of those. The working theory is that Shirley had put a raise in for the CAO in the Fiscal Year 2017 Management Budget. However it was not approved for the Final Budget. The thought is that the CAO wage was not corrected in the Fiscal Year 2017 Management Budget spreadsheet. This error has been corrected and will be correct in the Fiscal Year 2018 Final Budget. It has been verified that Heidi is being paid her correct and approved salary. This is a reminder that the only way a wage can be changed is by a payroll authorization form.

Tom commented if there are any questions on the budget between now and when the Final Budget is presented to City Council please feel free to ask an individual on the Budget and Finance Committee.

Bethany commented that when Council members get a copy of the Final Budget they will see a note at the bottom of the spreadsheet that explains the changes made and on what date. She also requests that any questions you have be submitted prior to the Budget and Finance meeting. This will allow for her to provide answers to your questions at the Budget and Finance meeting.

Other items

No other items.

Review of draft council agenda for August 1, 2017

No comments.

Attendance at the August 1, 2017, council meeting

Doug Poehls will not be in attendance.

Announcements

Doug Poehls - None

Richard Herr - None

Scot Stokes - None

Bill Mountsier - None

Chuck Dickerson - None

Tom Nelson - None

Emelie Eaton - None

Jean Kerr - Shakespeare in the Park will be in town on Tuesday July 31 at 6 pm. The play this year is Macbeth. In case of inclement weather, the play will be moved into the auditorium.

The council workshop adjourned at 7:45 p.m.

Respectfully submitted,

Bethany Keeler  
Clerk/Treasurer

**NOTE: This meeting is open to the public. This meeting is for information and discussion of the Council for the listed workshop agenda items.**