

**MINUTES
COUNCIL WORKSHOP
JUNE 27, 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 June 27, 2017.

COUNCIL MEMBERS PRESENT:

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

OTHERS PRESENT:

Heidi Jensen, CAO
Noel Eaton, City Planner

Public Input

Karl Dan Koch, 320 Colorado Avenue, again spoke about the handicapped parking lot by the stadium across the street from the high school. The parking lot has 16 spaces, is on public property, and the school made an agreement with the city for the lot. Dan wants to have a combination parking lot there simply because it is set up for football and track, which takes a maximum of 30 days out of the year. He stated that the public cannot use the lot for a combination lot for eleven months of the year. When he presented this issue last year, he put together a drawing for angle parking, which would save eight spots for the public and eight spots for the handicapped. Dan would like somebody to help him put a committee together to look at this and other parking issues and do it right. Mr. Olson signed the agreement for the parking lot with the high school on April 20, 2010. Dan spoke about his frustration with getting signage in the parking lot. He then spoke regarding the lack of handicapped parking by the shelter in Thomson Park, the location next to the shelter that used to be flooded for an ice skating area, and the slab of concrete at the tennis court that could be used for a parking lot. He wants to put together a committee of people to help him get the taxpayers access to more parking.

Executive Review

- Resolutions - LURA Large Grant Program

Noel Eaton stated that this is the third year of the Large Grant Program through the TIF District. Before the application process opened, the council voted to increase the grant from \$75,000 to \$100,000. The subcommittee met on May 5th and recommended the associated amounts to the Laurel Urban Renewal Agency board, which met on May 8th.

Eight applications were received, with two of them being ineligible. One application was outside of the TIF District altogether and the other one applied last year and had not used the funds yet. The \$100,000 was allocated to the remaining six applicants. None of the recommendations exceed a 1:1 match but most of them are a 1:1 match.



The first applicant is the Hair on Main building. Terry Steinmasel is redoing the windows and doing some façade improvements on the building. The LURA board recommended \$11,000 for this project.

The second applicant, Laurel Ford, repaved and resurfaced the parking lot. LURA recommended that Laurel Ford receive \$18,980.

Friendship Vet is doing some improvements to the curb, gutter and alley, as they have a lot of drainage problems. Noel and Kurt Markegard have talked with the owner of Friendship Vet and Great West Engineering to remedy the ongoing drainage issues there. LURA recommended \$11,872, with an additional \$5,000 for floating funds. The \$11,872 is a 1:1 match; however, LURA thinks that the improvements will most likely exceed the \$23,744.

Emelie asked if Friendship Vet is located on the edge of the TIF District.

Noel explained that 8th Avenue is the boundary of the District, and Friendship Vet is one block east on 7th Avenue.

Noel stated that Friendship Vet has an additional \$5,000. There might be different avenues for this applicant, due to the fact that it would be improving a significant amount of public storm water infrastructure within that entire block in the future. For now, he has been awarded \$11,872 with \$5,000 floating.

The fourth applicant is Building 1938, LLC, which is the Himalayan Salt Lamp Shop. This applicant was awarded over \$11,000 last year for façade improvements. She has since done more improvements inside the building and needs a new roof. The LURA Board recommended \$2,936 for the applicant.

The fifth applicant is Homestake Homes. Darrell is purchasing the properties just west of the FAP building where the two houses are located and there are some empty lots to the west. He is going to propose some new residential facilities along with some commercial buildings. He will be required to replace the sewer line within the alley, which is public infrastructure. LURA recommended a total of \$25,212 for this application. Noel explained that the same contingency was used last year when two applicants were purchasing property. To save the city time, the Board set the award amount contingent upon the actual purchase of the property within 90 days of July 1st. If the property is not purchased, the money goes back to the pot and gets redistributed to the applicants.

The sixth applicant is the Conomart C-Store, Verizon, City Brew and Subway strip mall for improvements on South Montana Avenue. There will be further discussion under another agenda item tonight. These two applicants would like to remedy and improve the situation on South Montana. LURA recommended \$25,000 to the two applicants, who have also been advised to request money from LURA outside of the Large Grant Program because it is within the TIF District. The TIF District has also dealt with the recent complaints on South Montana Avenue.

Noel stated that the staff recommends these six large grants as they comply with MCA and the requirements of a Large Grant Program.

- Resolutions - Section 5311 TransADE Operating Contract and Memorandum Agreement with MDT FY 18



Heidi explained that the city applies for this grant every year to keep the Laurel Transit bus running. It has become a standard contract for the city to renew to keep the Laurel bus moving. The total is \$27,561 for the bus this year.

There was a brief discussion regarding how much of the grant is the cost of running the transit, the operating, administrative and preventative costs, the local share, the city's in-kind contribution, and the ridership of the bus.

- Resolution - Agreement for road improvements on South Montana Avenue

Heidi spoke regarding the fence problem on South Montana Avenue. The money to put up the fence was requested from the TIF District and granted. As the fence was going in, the property owners to the west became very unhappy about the process. City staff met with all of the interested parties, including Rimrock Chevrolet, Conomart C-Store and the strip mall. Heidi gave them a May 1st deadline to come up with a solution, but that did not happen. In mid-May, Noel, Kurt and Heidi met with Rimrock Chevrolet. They had some concept plans that were not feasible for that property. This was the same discussion that staff had already had with Rimrock Chevrolet several times.

In June, the other two property owners told city staff that they had not had successful negotiations with Rimrock Chevrolet. However, they had a proposal they would like to provide to the city. Noel, Kurt, Sam and Heidi met with the Conomart C-Store and the strip mall last week and asked for an encroachment agreement. The city attorney is drafting an actual agreement that will be attached to the resolution next week. The resolution states that the city will give the property owners an encroachment onto South Montana Avenue. On the back of both buildings, the lots are gravel at this time, which was the problem that created the dust and the rocks that fly onto Rimrock Chevrolet's property. The two property owners would like to pave the lots and then continue the pavement out onto South Montana Avenue to the edge of the property. The encroachment permit would allow them to do this without putting in curb, gutter and sidewalk. It would essentially be a large parking lot with striping. It will need to be built to a thickness that can withstand the weight of the trucks that will come in and out of the C-Store. Nothing can be built on top of the main sewer line for the city in this road and it dead ends to the interstate.

Heidi stated that city staff was on board with the solution. The agreement will be that the two property owners can use the property with an encroachment from the city for ten years and then ask to renew the agreement to continue the use for the next ten years. A drawing of the proposal was available for the council. There would not be curbing, but there would be striping on the back side of the buildings where the employees and public could park. Drainage will be dealt with from both directions. Some water will go to Southeast 4th Street and some water will go south to the Italian Ditch, into which the city has permission to drain city storm water. Heidi stated that staff thinks it is a great solution because it will never be developed into anything else. The lots are too small to develop useable businesses on and to provide access and parking. This is a significant improvement to what it is now and the property owners are willing to participate and pay for that, with some help from the TIF District.

There was further discussion regarding the encroachment, the continuation of the asphalt to the end of the city's right-of-way on South Montana Avenue, the fence across the parcel of property behind the old Burger King building, the required striping, no parking on top of South Montana so the city always has access to the sewer line, and the property owner that does not wish to participate at this time. In case the property owner wishes to have access to the improvements on South Montana Avenue in the



future, the agreement will require the property owner to get permission from these two property owners and to pay their fair share of the cost of the improvements.

There was further discussion regarding access to the property, the fence that will be installed, and the gate on the city's right-of-way that will be locked with a city lock to provide access for any cleaning needed on the ditch. The current owner of the old Burger King will only be able to access the property off South First Avenue.

- Council Issues:

- Update on 2011 Yellowstone River flooding event

Heidi stated that the contractor is working on a few punch list items, making sure that the farmers in the area are happy, that the ditches are flowing properly, and that everything is being irrigated in accordance to what it was prior to any disruption on that property. As soon as that is completed, the project will be done.

- Review of Riverside Park tour

Bruce commented that he thought for a long time that the park is a crown jewel that this community could benefit from if it could find a viable solution, which is why he volunteered to work on the development of the master plan. For too many years, the city has not done what needed to be done with that park. Funding is the biggest inhibitor of doing what needs to be done. He is hopeful that people will desire to solve the problems and make things the best for everyone. If he were in charge, he could take care of a lot of it real quickly. He stated that some buildings need to go, and the decision should not be made lightly, but it is long past due. Some buildings are salvageable, but what they are salvageable for will be another determination. The buildings have been used for so long under such a low market evaluation, which is one of the reasons the city does not have money to do the needed things for the buildings. For too long, the city has allowed people to use the buildings at a ridiculously low price. If they had paid a portion of fair market value for the houses and buildings they used, the city could have some funding for the repairs that are needed. He would like to see the attitude changed towards that and to help the park generate the money needed to pay for itself.

Emelie asked regarding cost estimates for demolition or remediation of the buildings.

Heidi stated that she is still working on it and it will be an item for discussion on future agendas.

Richard asked what the city is doing to get money. He got an email from the Helena people for the \$12 million Exxon fund and the reports have to be submitted by the end of August.

Heidi stated that the master plan group will meet on July 10th at 5:30 p.m. in the council chambers. Jerry Grebenc, Great West Engineering, who is leading the project will be in attendance and has asked anyone who would like to attend to show up.

Curt Lord, 418 West 12th Street, represented the Laurel Rod and Gun Club. He pointed out the fact that the club has been trying to work with the city for about five years on the use of the building. When they leased the trap grounds for five years, which ends in May 2018, they discussed the building and use then and thought the city would possibly lease it to them if and when the buildings were fixed. The club has always wanted the building and is still interested in the building. They delivered a proposal to Heidi on June 15th stating that the club is interested in the park buildings, whether it is the Rod and Gun building or the Rifle Club building, or all of it. They would like to discuss the issues



with the city. Curt stated that he understood that Sam recently said that the city would be out of the liability if it de-annexed the property and gave it to the clubs. Now it sounds like that changed. He sold some property that was next to the park, and he does not believe the buyers can come back to him for any mold issues they find on the property. Curt wanted to make it clear that the club is definitely interested in it. The Rod and Gun Club has funding available to take care of the Rod and Gun building easily, as there is not that much that needs to be done down there according to the reports they got from their people. Curt mentioned that the newspaper recently stated that the Laurel Rod and Gun Club was continuing to use the buildings down there. He stated that it is not the Laurel Rod and Gun Club, but the Rifle Club building was being used. Curt stated that the clubs need longer term leases so they can go after grants to fix the problems. Grants are available through the NRA, Friends of the NRA, and the Tri-County Sportsmen's Group. They want the club's to have property that they own or have use of for a long period of time before they will give the club the money to fix the lead, the mold and the roof.

Other items

Chuck asked regarding his request for a discussion about garage sale signs, which was not on tonight's agenda.

Heidi explained that she is researching the issue for her response when Chuck brought up the same issue in 2012 or 2013. She will email Chuck with the information.

Heidi stated that Council Member Eaton had an item for the agenda, too.

Emelie stated that it was whether or not LURA could participate in monitoring the weed and tall grass problem along Southeast 4th Street.

Heidi stated that the new code enforcement officer recently sent out letters about weeds. The property in question is the property that is next to O'Reilly's on Southeast 4th Street. She will have the code enforcement officer work on it.

Review of draft council agenda for July 5, 2017

There was no discussion.

Attendance at the July 5, 2017 council meeting

All seven council members will attend.

Announcements

Chuck thanked Heidi for the tour of Riverside Park tonight to give the council a chance to see what is down there and what needs to be done to resolve and address the issues.

The council workshop adjourned at 7:15 p.m.

Respectfully submitted,

Cindy Allen
Council Secretary

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

