

**MINUTES
CITY OF LAUREL
CITY/COUNTY PLANNING BOARD
WEDNESDAY, APRIL 15, 2026**

A City/County Planning board meeting was held in Council Chambers and called to order by County chair Richard Klose at 6:00 pm on March 18, 2026.

Board Members Present:

<input checked="" type="checkbox"/> Tom Canape	<input type="checkbox"/> Richard Herr	<input checked="" type="checkbox"/> Paul Thomaе
<input checked="" type="checkbox"/> Ron Benner	<input checked="" type="checkbox"/> Richard Klose	<input checked="" type="checkbox"/> Mike Waters
<input type="checkbox"/> Judy Goldsby	<input checked="" type="checkbox"/> Jonathan Klasna	

Others Present:

Amber Hatton – Deputy Clerk Treasurer
Forrest Sanderson – Contract Planner
Kelly Gauslow – Accounts Payable
Brent Moore – Interstate Engineering

Public Input: *Citizens may address the committee regarding any item of business that is not on the agenda. The duration for an individual speaking under Public Input is limited to three minutes. While all comments are welcome, the committee will not take action on any item not on the agenda.*

Disclosure of Ex Parte Communication - None

Public Hearing

- 1. Love’s RV Park Conditional Use Permit –**
Postponed until May 20, 2026. Motion made by Jon Klasna to table the public hearing for Loves RV Park Conditional Use Permit until May 20, 2026, seconded by Ron Benner. There was no public comment. Motion passed 7-0.

General Items

- 2. Minutes from March 18, 2026**
Motion made by Mike Waters to approve minutes from March 18, 2026, seconded by Tom Canape. There was no public comment. Motion passed 7-0.

New Business

- 3. LOVE'S RV Park Conditional Use Permit – POSTPONED UNTIL May 20, 2026**
- 4. Recommendation of a Planning Consultant – Interstate Engineering for LUPA Compliance.**

Forrest Sanderson, Contract Planner, informed the planning board that in the very near future they will be the city's planning commission. So, for navigation of the LUPA compliance, who will be referred to as planning commission. When we're dealing with action items, you will still fill the role as the city county planning board for Laurel Yellowstone. With that, we advertised a planning consultant to assist the city in becoming compliant with the Montana Land Use Planning Act. We received proposals from Staley Engineering; Orion, partnered with WET; Interstate Engineering; Houseal-Lavigne; SCJ Alliance; and Design Workshop. All 6 firms were qualified. There was a review committee of four people, which included member Ron Benner, Council President Tom Canape, Planning President Richard Klose, and Contract Planner Forrest Sanderson. After all the proposals were individually reviewed and scored. The committee's recommendation to the planning board is that they would recommend the city council to confirm that Interstate Engineering is the entity that the city would enter into a contract negotiation to bring the City of Laurel into LUPA compliance.

Interstate Engineering has 3 AICP certified planners on their team. This firm has the most aggressive timeline out of all the groups and their timelines ends in August to early September, whereas the others were all December to January.

Brent Moore, with Interstate Engineering introduced himself. They plan to start the LUPA project in May.

A motion was made by Ron Benner, for the board president to transmit a letter recommending that we enter contract negotiations with Interstate Engineering. Seconded by Paul Thoma. There was no public comment. Motion passed 7-0.

Old Business - None

Other Items

- 5. Mike Waters offered an update from the Board of County Commissioners. See attached press release. After receiving the notice, the Board of County Commissioners sent a letter to the State of Montana requesting that the state show they owned the property in accordance with the law. If they don't, then a buy sell agreement or a title of ownership for that property. When they requested that, to go forward, the State of Montana or the executive director of the Montana Board of Investments responded they acknowledged our receipt of our letter for**

governmental property use. Below are the responses to their request for the project descriptions and justification. It would not necessarily be consistent with the zoning that is in the area. The buy-sell agreement that they provided only confirms public ownership interest in the property, but it has provided notice to the Commission of its intent to develop land contrary to local zoning regulations. The State didn't agree with some of the county commissions' interpretation of the law, but they did withdraw their request for the public hearing. The State did confirm that the land would be used contrary to zone to local zoning regulations, which they are, and they can do. Commissioner Waters recommends as the city county planning board to the city council that if it going to be contrary to local zoning, that we, as a board would have the ability to recommend not annexing the land to the city to help the state with any use that would be contrary to what the City of Laurel or this board would recommend. See attached letters.

Board asked Commissioner Waters, once they take ownership, can they request that hearing again. Commissioner Waters stated they are waiting for the States next move. When they do receive proof of ownership and would like to set up a public hearing, the county's intent is to allow the citizens of Laurel to have an actual chance to interact with the state official that would be there rather than on a Zoom call or some other call. They would set the public hearing up in the evening.

The board also asked, so if we must proceed with the public hearing because it's a requirement, does this board and council set the date to address the state? Commissioner Waters stated that the county would set the date because it's county land. We cannot restrict them because the State entered an agreement with a private individual or a private entity, but we can make sure the public has a chance to address the State.

Board member asked "What are their other plans, they came down here for 10 acres and now their going after 114 acres". Commissioner Water stated there was been no communication with the board of county commissioners so he couldn't answer that in any kind of knowledgeable manner.

Board member asked: "Would the hearing be for the county or would it be through the planning board?" Commissioner Water explained it would be through the county because they received the letter that confirmed their intent to develop land contrary to zoning regulations. If the Stated requested an annexation from the City, that would come before this organization. Forrest Sanderson, Contract Planned, clarified that under section 402 it's applicable in both Part 2 and Part 3 which the county and then municipal zoning. The requirement spelled out is that within 30 days, the governing body shall hold a public hearing. The planning board will have no role in that process. If they submit an annexation petition, that will go through standard City annexation process which would include a public hearing, recommendation of the question of annexation, initial zoning, and intended use.

Chair Klose asked if there was public comment.

Ellie Marshall, 1518 W 9th St made the following statement: “Apologies for being late and apparently, I it's the one time I'm late and I missed really what I was been coming to all your meetings for the past three months four months. I didn't catch the first part but I've been studying this since mid-January 2008 Sanderson Stewart completed that's now Sanbell engineering firm out of Billings completed the in the fall of 2008 completed an engineering study for this same property I haven't gotten Kelly an email for a public records request for that I've spoken to the two engineers that worked on it one is now with Billings public public's works and the one that's still with Sanbell and that that property cannot stand alone on its own septic and wells it has to have city sewer and water and so I'm just trying to get or you know kind of a record it's to see if we can kind of come up with that old record I know that's what they're doing now just to give you an FYI if you did or didn't know I didn't plan on speaking but since it all came up, um, the other thing and I know it's contrary to the you know Or is that is that in public record?” Board asked if there was a report given to the council? Elie said the following “So, um, Sanbell no longer has the report, and again I've had lengthy discussions with all the engineers, and they no longer have a copy because it is from the fall of 2008, I followed up with a voicemail to Kelly. I just haven't followed up with a public records request, you know, to Laurel to see if we may still happen to have an old copy of it, but I live just north of there and the water table. I mean is super high and talking to the engineers that the Anything that goes out there has to have city sewer and water. That's a fact. Because you can't have 80 100, you know, private homes with septic and what have you. So that's that part of it. So thanks for that question. So I'll try to get it in writing to Kelly to see. I've been sick the last month and so I didn't want to come up here and I can come up and help and look for that if that's allowed. Another bit that's contrary I've been working on a couple laws even though it's contrary because it's the state but I have the rezoning opposition you know that and that's the law or everybody 150 landowners 150 feet of the property that a I have all that in writing and have that packet ready to go just to let you guys know as a planning committee and then you know once we go to council you know just to let you know what the landowners say in writing as per law even though it's contrary to what the state can do just because you can do something doesn't mean you should do something and we all know that and I know you guys have you know spent hours listening to repeated Comments back and forth and the next part that I'm working on is the MCA to annexation and so I'll go that requires the 51% of and so that's where I you know, because it's the state, you know, I Don't know if they can just do anything anyway, but they have to have city sewer and water that's that's just a fact and so I'll be working on getting you know the fifth the majority signatures for you guys just so you can kind of hear it from the landowner in writing as per law again just because you can doesn't mean you should I attended the school board meeting Monday and gotten permission from the superintendent to work with their law firm I've been attending all the school board meetings as well as your planning meetings quietly and this past Monday the law firm called in it's on public record you can listen to it as you wish and they're going to be looking into it but I've gotten permission from

the superintendent and from the school board president to work with their law firm and if anybody knows of anything different other than April 22nd or at the Laurel Library, the 10 4 o'clock meetings. I have invited Hardin and Miles City. I've called the mayors and the sheriffs, everyone in the proposals that were 28 page for Miles City and 23 pages from Hardin, the formal proposals, that their public works, their mayors, their sheriffs, everybody from the city worked together to put the proposals together, a professional proposal. I've emailed, I've called a bunch of them, I've emailed all of them and I've copied the Yellowstone County Commissioners along with Representative Deming because I've also been working with them since January quietly but I've invited them all and I'll follow up because it's next Wednesday I'll follow up but if anybody has an agenda that I could provide them I've just heard that it's a MEPA meeting that's all I've heard but I anything in writing other than what's on the HB5 website with just Laurel Library, April 22nd, 10 and 4 o'clock. Any questions? Any comments?"

Chair Klose thanked Ellie for coming down and sharing her thoughts and issues.

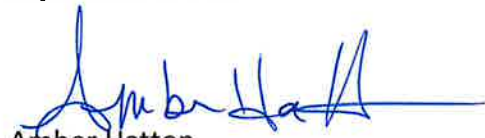
Announcements

6. Date for next meeting will be May 20, 2026 at 6:00 PM.

Adjournment:

Motion by Mike Waters to adjourn the meeting, seconded by Tom Canape. There was no public comment. Motion passed 7-0.

There being no further business to come before the Board at this time, the meeting was adjourned at 6:38 PM.



Amber Hatton

Deputy Clerk Treasurer

MONTANA

BOARD OF INVESTMENTS

March 24, 2026

Anna Vickers
Yellowstone County Planning Division Manager
316 N. 26th Street
Billings, MT 59101

RE: NOTICE TO Yellowstone County, Zoning Change

The State of Montana is actively conducting due diligence on a property in Yellowstone County. We are specifically interested in the County's existing land-use regulations and adopted long-range planning documents. The property is located outside the City of Laurel at 1425 US HWY 10 and is legally described as the Rossmoor Subdivision Block 1, Lots 1-3.

We are providing notice to Yellowstone County of the State's planned zoning for governmental use of property per MCA 76-2-402. Please provide us with notice of your desired hearing time, as required by law.

Thank you for your help, and please do not hesitate to contact me with any questions.

Sincerely,



DAN VILLA
Executive Director
Montana Board of Investments
2401 Colonial Dr
Helena, MT 59601

PRESS RELEASE

FOR IMMEDIATE RELEASE

On Wednesday, March 25, 2026, the Yellowstone County Board of County Commissioners received initial notice from the State of Montana regarding the State's intent to utilize property located outside the City of Laurel at 1425 US Hwy 10 for governmental purposes. The proposed use may be associated with a forensic mental health facility.

Pursuant to MCA § 76-2-402, when the State provides notice of a proposed development that may be inconsistent with local zoning regulations, the local governing body is required to hold a public hearing within 30 days. In accordance with this requirement, the Board of County Commissioners will first hold a discussion meeting to address the scheduling and procedural aspects of the required public hearing.

This discussion will be on Thursday, April 2, 2026, at 9:00 a.m. in the Board of County Commissioners Boardroom, located at 2825 3rd Ave N, Room 308. During this meeting, the Board will establish a date for a public hearing.

No decisions regarding the proposed land use will be made by the Board of County Commissioners at either the discussion meeting or the public hearing. Yellowstone County's zoning authority does not apply in the same manner to land owned by the State, and the County's role in this process is limited to holding a public hearing and providing comment pursuant to MCA § 76-2-402.

The public is welcome and encouraged to attend.

MONTANA

BOARD OF INVESTMENTS

April 2, 2026

Anna Vickers
Planning Division Manager
Yellowstone County Planning Division
316 N 26th Street
Billings, MT 59101

Dear Ms. Vickers,

The Montana Board of Investments (BOI) acknowledges receipt of your March 27, 2026, correspondence regarding the proposed governmental use of property located at 1425 U.S. Highway 10, outside the City of Laurel. Below are responses to the County's requests:

1. Project Description and Justification

Please see a detailed project description and justification, as well as other pertinent facts not related to the governmental use designation, at https://hb5.mt.gov/shared/PUBLIC_HEARING_doc.pdf.

2. Property Ownership Documentation

The Buy-Sell Agreement, available at the link above beginning on page 102, confirms public ownership interest in the property. The BOI has provided notice to the Commission of its intent to develop land contrary to local zoning regulations.

BOI did listen with interest to the April 2, 2026, Commission meeting. We do disagree with the interpretation of law wherein public comments should be delayed until after official action has taken place, in this case the purchase of land. However, we respect that it is the Commission who has ultimate decision authority over the hearing process and we have heard you. Therefore, in compliance with the Commission's wishes, we respectfully withdraw the Notice of March 24, 2026, and will provide a new one if the land is in public ownership after a decision to proceed is final.

Sincerely,



DAN VILLA
Executive Director
Montana Board of Investments

cc: Steve Williams, Yellowstone County Attorney
Mark Morse, Commissioner
Mike Waters, Commissioner
Chris White, Commissioner