

**MINUTES  
CITY OF LAUREL  
CITY COUNCIL WORKSHOP  
TUESDAY, FEBRUARY 18, 2020**

A Council Workshop was held in the Council Chambers and called to order by Mayor Tom Nelson at 6:30 p.m. on February 18, 2020.

**COUNCIL MEMBERS PRESENT:**

<input checked="" type="checkbox"/> Emelie Eaton	<input checked="" type="checkbox"/> Heidi Sparks
<input checked="" type="checkbox"/> Bruce McGee	<input checked="" type="checkbox"/> Richard Herr
<input checked="" type="checkbox"/> Scot Stokes	<input checked="" type="checkbox"/> Irv Wilke
<input checked="" type="checkbox"/> Richard Klose	<input type="checkbox"/> Don Nelson

**OTHERS PRESENT:**

Nick Altonaga, Planning Director  
Levi Vandersloot, Interim Ambulance Director  
Bethany Langve, Clerk/Treasurer

**Public Input:**

There were none.

**General Items**

1. Mayor's re-appointment of Linda Frickel to the LURA Advisory Board for a four-year term ending December 31, 2023.  
Council had no questions.
2. Appointment of Nicole Leverenz to the Laurel Ambulance Service.  
Levi Vandersloot, Interim Ambulance Director, introduced Nicole to Council. He stated that she is a paramedic and was a critical care medic in the military. She will be a good asset to the team. Council had no questions.

**Executive Review**

3. Resolution - A Resolution Of The City Council Authorizing The Submission Of An Application To The Montana Historic Preservation Grant Program.  
Nick Altonaga, Planning Director, stated he had known of this grant for a while. He had been hesitant to apply as he thought there would be some barriers. After sitting down with the Public Works Director to go over what these monies could be used for, he saw there were no barriers, as previously thought. These monies would be to help support improvements in Riverside Park. Applications are due next Friday. Grants can be awarded up to \$500k with no matching funds for municipalities. Eligible projects include brick and mortar projects to help improve infrastructure, building renovation, maintenance, building code issue updates, any improvements that enhance security, climate control, or fire protection. This is the perfect opportunity to help those

buildings. The Riverside Master Plan did most of the work needed to submit for this grant. It can be used to investigate asbestos in the buildings, lead remediation, and general building stabilization and rehabilitation, and site floodproofing. This grant will be available in the 2023 biennium. He stated he has also been in contact with Jon Rutt from the Laurel Community Foundation. He is also in contact with Yellowstone Historic Preservation Board.

It was questioned how many buildings need work. It was clarified that all the buildings need some work. The Rifle Club building, the Rod and Gun Club building, the American Legion building, Jaycee Hall, and the Caretakers building. The Caretakers building will be gone at some point. The Jaycee Hall building is in relatively good shape. Its floor has been patched for the time being but does need to be repaired or replaced. It was clarified that this grant also has a section on feasibility studies that the City can apply for as well.

It was questioned if these monies can only be used on the buildings. It was clarified that a lot is for the buildings but hoping to include other things from the master plan as well.

It was questioned if lead removal in the field could be done with these monies. The Planning Director clarified that he had left a message on what is fully allowable and would follow up. It was further clarified that the period for championing the buildings is over. No one came forward.

A Council Member commented on how completing the Riverside Park Master Plan has been a good move on the City's part. That has been apparent at various times.

It was questioned when the City would hear back if they had been awarded any of these monies. It was clarified that we should hear back within approximately six months.

It was asked if there is a question on the application if the project will move forward regardless of receiving grant funding. The Planning Director stated he was unsure if the application included that question, but that he would look into it. It was further clarified that the City is currently working on projects in the park. The fact that there are other projects being completed in the park will be mentioned in this application.

It was questioned if there were any reason we would not want to apply for this grant. It was clarified there are not too many strings attached to these funds.

It was questioned if they award their grants by giving a portion to all eligible projects or if they give the full ask to one community and tell another no. It was clarified that the applications would be weighted, but it is unclear how the monies will be disbursed.

#### **Council Issues**

##### **4. West Railroad Discussion.**

The Public Works Director has been requested to attend this meeting; however, he is attending to a break in a sewer line.

The Clerk/Treasurer was also requested to attend this meeting to discuss the financial aspects of West Railroad. It was requested the Clerk/Treasurer discuss all funding mechanisms to fund the gap on the West Railroad project. There were questions if the City can bond against Street Maintenance. It was clarified that MCA 7-12-44 governs what Street Maintenance is able to do. The Clerk/Treasurer spoke with Bond Counsel to see if Street Maintenance could bond. They wanted to see how our Street Maintenance was created. It should have been created via ordinance. In 1921 there was a poll tax, every able-bodied male between the ages of 18-85 paid \$2.00 into the poll tax, and that fund was used to fix streets in town. In 2004 Council adopted O04-02 to update the existing chapter 12.04, but how 12.04 came to exist, we cannot find. There are large sections of ordinances not in Laserfiche, need to go look through the very old paper copies of these ordinances. Without knowing that is was created from MCA, they cannot be certain that the City can bond. The City has to follow MCA rules regarding bonding.

It was questioned if this Council can pass that retroactively. The Clerk/Treasurer clarified that it has to exist. The City shouldn't be strolling down this street without this ordinance. Need to find it in those books to prove to Bond Counsel.

It was stated that recently the City increased the amount that people are assessed for Street Maintenance, does the City need to wait a year to find out how much is available to bond against that. It was clarified that Street Maintenance is not like the TIF or General Fund. The City should only assess what it needs to maintain the streets each year. There should be a zero balance at the end of the year. If the City takes out a bond, you need to prove how you are going to pay the bond and continue to provide the maintenance that residents deserve. If you need to raise the assessments again, it could burden taxpayers.

It was questioned with the annual raising of the Street Maintenance Assessment after a period of not raising it, will it look bad if the City raise the assessment again next year. There is a need for improvement in the streets. How does bonding against the Street Maintenance District affect the ability to raise the assessment each year and service the bond(s)? It was clarified that Bond Counsel would need to answer that. The City would have to have enough to take care of the debt service and take care of the citizen's needs. Whatever that amount is, and not burden our taxpayers.

It was questioned if the City knows how much it can ask for. It was clarified no; they do not.

It was questioned if 1<sup>st</sup> to 5<sup>th</sup> can use TIF District funds. It was clarified that yes, the City could use TIF District funds. The TIF can bond as long as it is paid off prior to the bond the City is getting ready to sell. The City can also use the cash reserves towards whatever the TIF can contribute to.

It was questioned how much is too much debt for the City to get into. It was clarified that it depends on the fund. There are formulas to figure out how much debt service a fund can have. Bond Counsel reviews all of that. They look at what other debt services the fund has. They look at the bond and what it was taken out, and how much is in reserves for the bond.

It was questioned how the City would finance the infrastructure underneath the road. It was clarified that 1<sup>st</sup> to 5<sup>th</sup> is in the TIF, and the TIF can pay for almost whatever it wants to, to a certain extent. The water and sewer funds would pay for 5<sup>th</sup>-8<sup>th</sup>.

It was questioned how both water and sewer funds are looking. It was clarified; they are both looking good.

It was questioned if there was still hope for this project. It was stated yes, especially after the bid opening the other day. The bids for the EDII project came in way under the engineer's estimates. Council does need to look at LMC 12.04.060 regarding cost assessments. MCA has many methods of determining the cost assessment; the current LMC restricts the Public Works Director significantly. He cannot currently use multiple assessment methods or use traffic flow to determine the cost assessment.

It was questioned what is the best way to address section 12.04.060 in LMC. Council can request that the Mayor sit down with the City Attorney and get this going. The Mayor stated he has already planned to address this and bring it forward to Council.

It was questioned that two weeks ago, there was a discussion on an arterial fee, is that not assessed via traffic flow. Billings model, yes. It was further questioned that during that discussion, they said we would need to update our traffic study to update traffic flow if traffic flow isn't allowed for this, then we can't do the arterial routes. It was clarified that the Mayor would need to speak with Sam and see if the Public Works Director can use MCA instead of LMC to do the assessments.

The Clerk/Treasurer stated that she looked into the arterial fee but didn't know much about it. It sounds like a tax on the City as a whole that goes towards only building those specified streets.

It was questioned with regard to funding how many years will it be to combine funding to cover the gap to build this project. It was clarified that was up to the Council as a whole. The Clerk/Treasurer can bring various options forward, but at the end of the day, the Council makes the final decision. It was further questioned if it would be economically feasible in the year 2020 to say that there were enough funds available through whatever to cover the gap and get the work on West Railroad done. The Clerk/Treasurer stated that the Council could request the Mayor to direct her to look into all the options. It would require some digging.

Mayor Nelson stated that within the next month, the City would be selling the bonds for the EDII project. At that point, the Clerk/Treasurer can figure out what the City can

bond against the TIF for the West Railroad project. This will be a more clear picture of where we are at on this project. Then find out where the Street Maintenance came from. Council can look at tweaking that after the Mayor speaks with the City Attorney. Then the Public Works Director can then use something similar to what Billings is using on their arterial assessment. It's not based on traffic, but zoning. We should know this spring what is available to cover that gap. The Mayor warned Council that if the gap is more than what we were lead to believe, the City will need to pay it.

Need to find the creation document for Street Maintenance. If those assessment restrictions are removed, it opens up a lot of ways for the Public Works Director to assess for Street Maintenance.

It was questioned if the Clerk/Treasurer can give an update on if she was able to find the creation document for Street Maintenance and give an update on the financials after the EDII project.

It was questioned if the City can also look into utilizing Beartooth RC&D's resources towards infrastructure projects.

It was stated that with the discussion from two weeks ago on the arterial fee, it sounds good. Have we done any further digging into this or had the City Attorney review. Is the City interested in moving forward? The Mayor clarified that Dave Mumford, Billings Public Works Director, was supposed to attend tonight, but due to the holiday needed to attend Billings City Council meeting. The Mayor also clarified that we need to look at the current income streams first and then look into other income streams.

The Clerk/Treasurer stated that the City needs to fix some streets before trying to add more taxes. Very little winter damage has occurred this year. This year's funding will go almost entirely toward projects such as crack and chip sealing. Hoping to get a good bid opening as we did for the EDII project. She would like a sign that states, "Paid for by your Street Maintenance taxes," so residents know their taxes are being used.

Council thanked the Clerk/Treasurer for the light at the end of the tunnel on this matter.

## **Other Items**

### **Review of Draft Council Agendas**

5. Draft Council Agenda for February 25, 2020.  
There were none.

### **Attendance at Upcoming Council Meeting**

All in attendance will be present at next week's meeting.

### **Announcements**

Public works Committee meets tomorrow, February 19, 2020, at 6:00 p.m. in Council Conference Room.

Council Member Stokes asked that he be put on the next agenda for being absent for more than ten days, he will be gone from April 11<sup>th</sup> to the 26<sup>th</sup>.

Emergency Services Committee meets next Monday, February 24, 2019, at 6:00 p.m. in Council Chambers.

Mayor Nelson stated that he wouldn't drop the West Railroad project. He hopes to manage to put in some mechanism that is not disparaging to allow the City to also take care of other challenging streets. Hopefully, Council is thinking of those projects too.

The council workshop adjourned at 7:27 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Brittney Moorman", with a long, sweeping horizontal line extending to the right.

Brittney Moorman  
Administrative Assistant

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