

**MINUTES - REVISED  
CITY OF LAUREL  
CITY COUNCIL WORKSHOP  
TUESDAY, JANUARY 21, 2025**

A Council Workshop was held in Council Chambers and called to order by Mayor Dave Waggoner at 6:30 p.m. on January 21, 2025.

**COUNCIL MEMBERS PRESENT:**

<input checked="" type="checkbox"/> Tom Canape	<input checked="" type="checkbox"/> Heidi Sparks
<input checked="" type="checkbox"/> Michelle Mize	<input checked="" type="checkbox"/> Jessica Banks
<input checked="" type="checkbox"/> Casey Wheeler	<input checked="" type="checkbox"/> Irv Wilke
<input checked="" type="checkbox"/> Richard Klose	<input checked="" type="checkbox"/> Jodi Mackay

**OTHERS PRESENT:**

Brittney Harakal, Council Administrative Assistant  
Kurt Markegard, Planning Director/Interim CAO  
Kelly Strecker, Clerk/Treasurer  
JW Hopper, Fire Chief

**Public Input:**

There were none.

**General Items**

**Executive Review**

- 1. Fire:** Resolution - A Resolution Of The City Council Authorizing The Mayor To Execute An Agreement For Provision Of Fire Services For The Laurel Urban Fire Service Area ("LUFSA").

The only change made to this contract is the verbiage of fire district to urban fire service area. Without making this change, the City would have lost the grass contract. That contract is worth approximately 20k.

- 2. Public Works:** Resolution - A Resolution Of The City Council Authorizing The Mayor To Execute An Independent Contractor Service Contract With Ace Electric, Inc.

The work on this has already been done. This is part of the In Controls project for the Sewer Plant.

- 3. Public Works:** Resolution - A Resolution Of The City Council Authorizing The Mayor To Execute An Independent Contractor Service Contract With Interstate Power Systems.

This small service contract is done every three years. Interstate Power Systems maintains all the generators throughout the City, which includes maintenance and power load testing.

It was questioned if this was budgeted for. It was clarified that it is budgeted.

4. **Mayor:** Resolution - A Resolution Of The City Council Authorizing The Mayor To Execute An Employment Agreement For The Position Of Chief Administrative Officer.

The Interim CAO read the attached letter into the record.

Mayor Waggoner gave a brief overview of the interview process. Three candidates were interviewed. There were no city personnel on the interview panel. Each candidate was given the same amount of time. The interview panel and the Mayor both recommended Kurt Markegard to fill the position of CAO.

Council asked for clarification on the length of the contract. It was clarified that this is a five-year contract that can be extended. Council requested more more straightforward language be included.

Council noted that in the Charter section 3.1 states that the CAO shall have a two-year contract unless agreed upon by the majority of the Council. Council questioned if it could be a separate resolution to approve the three years in addition to the two years. It was clarified that the Council can approve a contract longer than two years. It would not be a separate resolution.

Council questioned if Mr. Markegard would stay as the Planner as well. It was clarified that, at this time the plan is to have Mr. Markegard continue in the role as Planner.

Council asked for more information on how SB 382 will affect Planning and the time Mr. Markegard will need to devote to the Land Use Plan. It was clarified that there is a bill to fix the funding issues with the Land Use Plan this legislative session. The goal of this Land Use Plan is that Cities would utilize consultants for various parts of the plan, not to do the entire plan in-house. The State just received a 7 million dollar grant to help fund this project. Eventually, the City will need a planner; however, right now, the plan is to have Mr. Markegard fill both roles.

Council noted that the Mayor's position received a 240% wage increase; see the attached Laurel Outlook article. It was further questioned if the CAO would be taking on Mayoral duties. It was further questioned if the Mayor intended to keep his current wage. It was clarified that the Mayor puts in 20 hours each week, the same as the Judge, and he makes considerably less than that role. He is making the wage as was listed when he ran for Mayor. The CAO will be taking on working with the State and County. In response to the issues raised regarding the Judge's compensation, Council clarified that they were not seeking information or feedback about the Judge's compensation in comparison to the Mayor's compensation.

The Clerk/Treasurer stated that the CAO wages are paid out of various funds, not just the General Fund. This year that is a change of approximately 19k. The Water/Sewer funds have had

cost savings by not filling a few positions. The fire truck will be funded out of the General Fund only. The CAO wage is only a small percentage funded from the General Fund.

It was questioned if the enterprise funds could cover all of the CAO's wages. It was clarified that all funds will be used. The CAO's budget is located in the General Fund. However, will use interdepartmental transfers to cover those wages. As for the fire truck, Staff are still working on understanding the MCA rules governing the loan. Council was reminded that every legislative session, new bills come out that can affect local government funding; see attached email.

Council noted that the City did not get the grant for the reservoir. How will that affect the Water Fund? It was clarified that the grant was just for the planning portion of the project. They funded shovel-ready projects. The City planned accordingly with the rate structure to be able to afford the project.

Council asked for clarification on the severance pay. Would one year of pay and benefits be paid if the contract is not renewed? It was clarified that as a contracted employee, they do not receive the same protections as a regular employee, such as wrongful termination. If the CAO chooses to retire or resign, the City will not pay a severance. Council asked for clarification on the non-renewal of the contract before next week.

Council noted that being on-call is not listed in the job description. A Council Member asked that on-call be added to the job description. It was clarified that the CAO needs to be available to Department Heads in the event of an urgent matter.

Council noted that the contract requires the City to provide a car. It was clarified that the City will provide a vehicle for him to use and if one is not available, then the City would pay mileage.

Council asked for clarification on what professional development would look like. It was clarified that professional development will be budgeted for future budgets. There is nothing planned for the remainder of this FY.

Council noted that the job description included all departments. Does this include the Library since it has a Board? It was clarified that the Library does have union employees and there is a relationship between the City and the Library.

Council noted that there will be a performance evaluation. It was questioned if that performance evaluation would be provided to the Council for renewal of this contract. It was clarified that the Council would receive that evaluation during the renewal process.

Council questioned how the CAO position will remain impartial when dealing with HR issues. Mr. Markegard clarified that he has always treated everyone fairly. He has seen more than 400 employees come and go during his time in the City. Many of them were employed in Public Works. He has had to make difficult recommendations for termination. Mayor Waggoner noted that when he was an employee under the Public Works Director he did deal with Kurt with a few grievances. He felt that he was always treated fairly, even when things got heated.

It was questioned how the presented compensation package compares with those around the State in similar roles. It was clarified that this compensation package is in the middle of the range.

**Council Issues**

Both members of the Tree Board and Park Board noted that they would like to merge the two.

**Other Items**

The next Emergency Services Committee meeting will be the following Monday at 6:00 p.m. in Council Chambers.

**Attendance at Upcoming Council Meeting**

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

**Announcements**

Next week the City should be getting its new bus. Staff have to meet someone from the State in Bozeman to pick up the bus.

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

Respectfully submitted,



Brittney Harakal  
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.**

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Administrative Assistant

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CITY HALL  
115 W. 1<sup>ST</sup> ST.  
PUB. WORKS: 628-4796  
WATER OFC.: 628-7431  
COURT: 628-1964  
FAX 628-2241

# City Of Laurel

P.O. Box 10  
Laurel, Montana 59044



January 21, 2025

Laurel City Council,

The role of a Chief Administrative Officer is to provide the necessary organizational guidance to the Mayor and City Council as well as to all the employees and the citizens of Laurel. Selecting a CAO who understands Laurel's history as well as an eye for what the future holds is paramount as this city continues to grow. Working for four Mayors, three CAOs, and one Administrative Assistant allowed me to gain the knowledge to understand local government regulations and a keen understanding about how to conduct myself as a public servant. All the mayors that I have worked with have always had the best intentions for this city. I have disagreed with mayors on the decisions they were contemplating or decisions they made, but I accepted their decisions once they were made. In the past 20 years of employment with the city, I have been involved with decision-making processes not only in my departments but in the other departments in the city government. I have worked closely with two civil city attorneys to make sure that city council ordinances and resolutions were prepared and ready for adoption over the last 20 years and I would like to keep helping the current city attorney to guide the legislative, judicial, and executive branches of this city.

When the city had no building inspectors, I volunteered to step in, studied, and I passed the commercial building inspector test within a few short weeks. When the city had no city planners, I stepped in and trained how to become a city planner and to recommend hiring permanent planners that applied for that position. I am a person that wants to understand and comprehend complex issues and then help apply the knowledge gained from my investigations so that others may have the necessary resources to formulate their own opinions.

I have been a certified playground inspector, a certified weed applicator, and I will continue to maintain my building inspector certificate. I have a commercial driver's license, and I will continue to keep that driver's license endorsement if the city needs me to drive a truck.

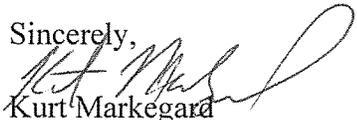
The time now has come that the current Mayor recognized that he wanted to have help in the administration of the executive branch of this city. I was appointed Interim CAO due to what I believed was the mayor's desire to have me help solve some of the issues this city is facing. After the Mayor made the decision to appoint me as an interim CAO, I asked for an explanation, and I was satisfied with his answer. I did not agree with the decision to appoint me, but I must recognize that he was asking for help at a time that he believed was important. I cannot change the mayor's decision, but I did apply for the full-time CAO position due to his confidence in my abilities.

I have never considered my employment with the city as a “job” and believe that being a public servant, taking care of the needs of others, is what I was meant to do with my life. On the weekends you may see me mowing the weeds and grass south of East Main Street, or on an atv with a plow clearing snow from the downtown sidewalks like I have done in the last few weeks. If I am not working on city issues, I am volunteering my time for my family, my neighbors, and close friends. I am a person that values being helpful.

If this city council approves of my appointment to CAO, I will take the job duties serious, I will work with my co-workers to find solutions to issues, be open and sincere with Laurel residents and continue to be humble, considerate, and only wanting the best for Laurel and the people that call this city their home.

I will share a few life lessons that I learned from my father and grandfather. Working on the farm when I was around 19 years old, my father told me “Do no harm”. About the same time my grandfather told me that the only thing certain that was going to happen was “Change.” I will always try to “Do no harm” and prepare for “Change.”

Sincerely,

  
Kurt Markegard

## Candidates fill slots for every city race

By KATHLEEN GILLULY

*Outlook editor*

With the final day to file to run for office in Laurel this past Monday, there is a full slate of candidates. Every city ward has one candidate, including three incumbent candidates and in Ward 2, a new face, Michelle Mize got her name on the ballot.

In Ward 1, Heidi Sparks is running for re-election; in Ward 3, Irv Wilke is running for re-election; and in Ward 4, Richard Klose is running for re-election. As long as no one decides to enter as a write-in candidate for any of those seats, all the candidates will be elected.

The competitive races are for Mayor and City Court Judge.

The competition for the mayor has heated up with another candidate filing since last week. The slate now includes incumbent Mayor Tom Nelson, City Councilors Bruce McGee and Scot Stokes, and former city employee and candidate for the mayoral seat, Dave Waggoner, who withdrew after winning the popular vote in 2017 and then being informed he would have to resign from his city position. Second-place winner in that race was Nelson, who did accept the position.

One reason Waggoner gave for withdrawing was that he couldn't afford to live on the mayor's salary alone. Renumeration for the position has changed. Mayor Nelson budgeted a raise for the position, raising the salary to \$27,846, about three times what it had been. The raise was made after the termination of City Administrative Officer Matt Lurker, when Nelson planned to take a more active role in the office.

The City Court Judge race is between two candidates, incumbent City Court Judge Jean Kerr, and Laurel City Prosecutor Juliane Lore. Because of the release of information in last week's Outlook regarding complaints brought against Lore by the union representative of Court Clerks Sheri Phillips and Monica Salo, which were subsequently dismissed as unfounded, this race has the potential to get ugly.

## Brittney Harakal

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**From:** The League <info@mtleague.org>  
**Sent:** Tuesday, January 21, 2025 4:46 PM  
**To:** Brittney Harakal  
**Subject:** 📣 Take Action Now!

[View this email in your browser](#)



## TAKE ACTION ON SB 117 NOW

**This bill would cut your property tax revenues.**

SB 117 will drastically reduce your general fund revenue. Some municipalities could experience over a 30% reduction in tax revenue as the caps in this bill compound over time.

**Please join us in Helena tomorrow morning or [sign up to testify remotely](#) for the 8:00 a.m. [Senate Taxation hearing in Room 405](#).**

If testifying remotely, be sure to [register to testify](#) no later than 2 hours before the hearing is scheduled to start.

Whether you can testify or not, please contact members of the [Senate Taxation Committee](#) to ask them to **VOTE NO on SB 117**.

**This bill will reduce your general fund revenue impacting how you provide public safety, infrastructure, and other services.** At a time when Montana's population is growing, **this bill would reduce funding for essential services** like police, fire, schools, roads, sewer and water, and others that local governments

need to provide. Our communities cannot afford to have a bill like this enacted.

Click on the names below for contact information:

<b>Name</b>	<b>Role</b>
<a href="#"><u>Becky Beard</u></a>	Vice Chair
<a href="#"><u>Mike Yakawich</u></a>	Member
<a href="#"><u>Greg Hertz</u></a>	Chair
<a href="#"><u>Dave Fern</u></a>	Vice Chair
<a href="#"><u>Wendy McKamey</u></a>	Member
<a href="#"><u>Wyllie Galt</u></a>	Member
<a href="#"><u>Mary Ann Dunwell</u></a>	Member
<a href="#"><u>Denise Hayman</u></a>	Member

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