



**AGENDA  
CITY OF LAUREL  
CITY COUNCIL MEETING  
TUESDAY, MARCH 24, 2026  
6:30 PM  
COUNCIL CHAMBERS**

**WELCOME . . .** By your presence in the City Council Chambers, you are participating in the process of representative government. To encourage that participation, the City Council has specified times for citizen comments on its agenda -- once following the Consent Agenda, at which time citizens may address the Council concerning any brief community announcement not to exceed one minute in duration for any speaker; and again following Items Removed from the Consent Agenda, at which time citizens may address the Council on any matter of City business that is not on tonight's agenda. Each speaker will be limited to three minutes, unless the time limit is extended by the Mayor with the consent of the Council. Citizens may also comment on any item removed from the consent agenda prior to council action, with each speaker limited to three minutes, unless the time limit is extended by the Mayor with the consent of the Council. If a citizen would like to comment on an agenda item, we ask that you wait until the agenda item is presented to the Council by the Mayor and the public is asked to comment by the Mayor.

Any person who has any question concerning any agenda item may call the City Clerk-Treasurer's office to make an inquiry concerning the nature of the item described on the agenda. Your City government welcomes your interest and hopes you will attend the Laurel City Council meetings often.

**Pledge of Allegiance**

**Roll Call of the Council**

**Approval of Minutes**

**Correspondence**

1. Beartooth RC&D Correspondence - March 2026.
2. Allies in Aging Correspondence
3. Letter of Representation - Laurel Public Schools
4. Public Comments Received

**Council Disclosure of Ex Parte Communications**

**Public Hearing**

**Consent Items**

**NOTICE TO THE PUBLIC**

*The Consent Calendar adopting the printed Recommended Council Action will be enacted with one vote. **The Mayor will first ask the Council members if any Council member wishes to remove any item from the Consent Calendar for discussion and consideration.** The matters removed from the Consent Calendar will be considered individually at the end of this Agenda under "Items Removed from the Consent Calendar." (See Section 12.) The entire Consent Calendar, with the exception of items removed to be discussed under "Items Removed from the Consent Calendar," is then voted upon by roll call under one motion.*

5. Claims entered through March 20, 2026.
6. Approval of Payroll Register for PPE 3/15/2026 totaling \$261,578.90.
7. Revised Council Workshop Minutes of January 6, 2026.
8. Revised Council Workshop Minutes of January 20, 2026.

**Ceremonial Calendar**

**Reports of Boards and Commissions**

9. Budget/Finance Committee Minutes of March 10, 2026.
10. Laurel Urban Renewal Agency Minutes of March 9, 2026.
11. Public Works Committee Minutes of March 16, 2026.

12. Tree/Park Board Minutes 3.5.2026.

**Audience Participation (Three-Minute Limit)**

*Citizens may address the Council regarding any item of City business that is not on tonight's agenda. Comments regarding tonight's agenda items will be accepted under Scheduled Matters. The duration for an individual speaking under Audience Participation is limited to three minutes. While all comments are welcome, the Council will not take action on any item not on the agenda.*

**Scheduled Matters**

**Items Removed From the Consent Agenda**

**Community Announcements (One-Minute Limit)**

*This portion of the meeting is to provide an opportunity for citizens to address the Council regarding community announcements. The duration for an individual speaking under Community Announcements is limited to one minute. While all comments are welcome, the Council will not take action on any item not on the agenda.*

**Council Discussion**

*Council members may give the City Council a brief report regarding committees or groups in which they are involved.*

**Mayor Updates**

**Unscheduled Matters**

**Adjournment**

*The City makes reasonable accommodations for any known disability that may interfere with a person's ability to participate in this meeting. Persons needing accommodation must notify the City Clerk's Office to make needed arrangements. To make your request known, please call 406-628-7431, Ext. 2, or write to City Clerk, PO Box 10, Laurel, MT 59044, or present your request at City Hall, 115 West First Street, Laurel, Montana.*

**File Attachments for Item:**

1. Beartooth RC&D Correspondence - March 2026.

**Beartooth RC&D**



BEARTOOTH RESOURCE, CONSERVATION AND DEVELOPMENT AREA, INC.

Beartooth RC&D  
BROWNFIELDS REVOLING LOAN FUND  
PROGRAM GUIDELINES

Document established 2/25/2026

# **Beartooth Resource Conservation & Development Area, Inc.**

## **Brownfields Revolving Loan Fund (RLF)**

### **Policies & Procedures Manual**

This Policies & Procedures Manual is a living document intended to guide the administration of Beartooth RC&D's Brownfields Revolving Loan Fund (RLF). It may be updated periodically to reflect changes in EPA guidance, Montana DEQ requirements, organizational structure, or Board-adopted program refinements. Any substantive changes will be documented, dated, and approved by the Beartooth RC&D Board of Directors.

#### **Section 1. Purpose, Authority & Program Overview**

##### **1.1 Purpose**

The purpose of the Beartooth RC&D Brownfields Revolving Loan Fund (RLF) is to facilitate the cleanup and redevelopment of brownfield sites by providing low-interest loans and limited subgrants to eligible entities for eligible environmental cleanup activities. The program is intended to reduce environmental risk, promote economic revitalization, and return underutilized or contaminated properties to productive use across Beartooth RC&D's five-county service area.

##### **1.2 Statutory Authority**

The RLF is authorized under Section 104(k) of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), as amended by the Small Business Liability Relief and Brownfields Revitalization Act of 2002 and the Brownfields Utilization, Investment, and Local Development (BUILD) Act of 2018. Funding for this RLF is provided by the U.S. Environmental Protection Agency (EPA), including funds made available through the Infrastructure Investment and Jobs Act (IIJA).

##### **1.3 Service Area**

The Beartooth RC&D Brownfields RLF serves communities within Big Horn, Carbon, Stillwater, Sweet Grass, and the rural areas of Yellowstone County, including eligible tribal lands within the Crow and Northern Cheyenne Reservations, subject to EPA approval.

## **Section 2. Governance & Program Administration**

### **2.1 Fiscal Agent**

Beartooth Resource Conservation & Development Area, Inc. (Beartooth RC&D) serves as the fiscal agent and primary administrator of the Brownfields RLF and is responsible for compliance with all cooperative agreement requirements.

### **2.2 Board of Directors**

The Beartooth RC&D Board of Directors retains ultimate fiduciary responsibility for the Brownfields Revolving Loan Fund (RLF). The Board formally delegates primary program review and oversight responsibilities to the Brownfields Committee, while reserving final authority for approvals, policy adoption, and material amendments as required by organizational bylaws, EPA cooperative agreement terms, and state or federal law.

Specifically, the Board of Directors:

1. Adopts and amends this Policies & Procedures Manual;
2. Approves Brownfields RLF loans, subgrants, and material policy deviations upon recommendation of the Brownfields Committee, unless authority is expressly delegated by Board resolution;
3. Ensures compliance with EPA cooperative agreement requirements and fiduciary standards.

### **2.3 Brownfields Committee**

The Brownfields Committee is delegated authority by the Beartooth RC&D Board of Directors to review, approve, and deny Brownfields RLF loan and subgrant applications in accordance with this Policies & Procedures Manual and the terms of the EPA cooperative agreement.

The Committee acts as the primary decision-making body for the Brownfields RLF and is responsible for ensuring that all funding decisions are environmentally eligible, financially sound, and consistent with community priorities and EPA requirements.

Specifically, the Brownfields Committee shall:

- Review complete loan and subgrant applications.
- Evaluate environmental eligibility, financial feasibility, and risk.
- Consider recommendations from staff and the Qualified Environmental Professional (QEP).
- Approve, conditionally approve, or deny applications.
- Document decisions and the rationale for those decisions in meeting minutes.

- Recommend policy updates or clarifications to the Board of Directors as needed.

All Committee decisions shall be reported to the Beartooth RC&D Board of Directors for information and oversight. The Board retains authority over adoption of policies, material amendments, and fiduciary oversight but does not re-adjudicate individual funding decisions unless required by law or cooperative agreement conditions.

#### 2.4 Program Staff Roles

##### Finance Director & Brownfields Coordinator

1. Serves as primary RLF Manager
2. Oversees financial management, underwriting, and compliance
3. Acts as EPA point of contact
4. Coordinates ACRES reporting and recordkeeping

##### Economic Development Director

1. Assists with project evaluation, outreach, and borrower support
2. Coordinates with local governments, tribes, and partners

##### Brownfields Program Assistant / Project Manager (if applicable)

1. Supports application intake, file management, and reporting

#### 2.5 Qualified Environmental Professional (QEP)

Beartooth RC&D shall retain or designate a Qualified Environmental Professional (QEP) to provide technical oversight of cleanup activities. Cleanups will typically be conducted under the oversight of the Montana Department of Environmental Quality (DEQ), including enrollment in the Montana Voluntary Cleanup Program (VCP), where applicable.

#### 2.6 EPA and State Oversight

EPA maintains substantial involvement in the RLF program, including site eligibility determinations, approval of subgrants, and review of reporting and cleanup documentation. Montana DEQ provides regulatory oversight and technical review of cleanup activities.

### **Section 3. Ethical Conduct, Conflicts of Interest & Confidentiality**

#### 3.1 Ethical Standards

All Board members, committee members, staff, and contractors involved in the RLF shall adhere to applicable federal, state, and organizational ethics standards.

### 3.2 Conflict of Interest

Any individual involved in reviewing or approving an RLF application who has a real or perceived conflict of interest shall disclose that conflict in writing and recuse themselves from discussion and decision-making related to the application.

### 3.3 Confidentiality

Loan and subgrant applications, financial records, and proprietary information shall be treated as confidential and accessed only by authorized personnel. Public reporting will be provided in aggregate or summary form as required by EPA.

## Section 4. Eligible Applicants & Site Eligibility

### Eligible Applicants

Eligible applicants may include:

- Local governments
- Tribal governments and entities
- Nonprofit organizations
- Eligible private entities, subject to EPA approval

Applicants must not be potentially responsible parties (PRPs) under CERCLA §107 and must not be suspended or debarred from federal programs.

### 4.2 Eligible Sites

Eligible sites must meet the definition of a brownfield site under CERCLA §101(39) and receive EPA site-specific approval prior to funding.

### 4.3 Ineligible Sites

RLF funds may not be used at:

- National Priorities List (NPL) sites
- Sites subject to CERCLA enforcement actions
- Sites deemed ineligible by EPA

## Section 5. Eligible Cleanup Activities

RLF funds may be used only for eligible cleanup activities at eligible brownfield sites as defined under CERCLA §101(39) and approved by EPA.

## 5.1 Allowable Activities

Allowable cleanup costs may include:

- Excavation, removal, consolidation, or treatment of contaminated soil.
- Removal of underground or aboveground storage tanks as part of cleanup.
- Abatement of hazardous building materials (e.g., asbestos, lead-based paint) when necessary to facilitate cleanup.
- Capping, containment, or engineering controls.
- Site monitoring and sampling necessary during cleanup.
- Development of cleanup plans, Analysis of Brownfield Cleanup Alternatives (ABCA), and Quality Assurance Project Plans (QAPPs).
- Environmental insurance, where appropriate.
- Demolition or site preparation only when directly tied to and necessary for environmental remediation.

## 5.2 Prohibited Uses

RLF funds may not be used for:

- Pre-cleanup site assessments unrelated to cleanup.
- Administrative penalties or fines.
- Costs inconsistent with EPA cooperative agreement requirements.
- Activities at sites deemed ineligible by EPA.

## **Section 6. Loans vs Subgrants**

### 6.1 Loans

Loans are the primary funding mechanism of Brownfields RLF. Loans shall be structured to promote repayment and long-term sustainability of the fund.

### 6.2 Subgrants

Subgrants may be awarded in limited circumstances and must comply with EPA statutory and cooperative agreement limitations. Subgrants:

- May only be awarded to eligible nonprofit organizations, tribal entities, or local governments.
- Must involve sites owned by the subgrant recipient at the time of award.
- Require EPA approval prior to award.
- Shall be used solely for eligible cleanup activities.

## Subgrant Cap

Total subgrant awards under this cooperative agreement shall not exceed the amount allocated for subgrants in the EPA-approved workplan and budget, currently \$258,450 (approximately 26% of total capitalization), unless amended in writing by EPA.

The Brownfields Committee intends to maintain subgrant utilization at or below 30% of total capitalization to preserve long-term revolving capacity and sustainability of the RLF.

The Brownfields Committee shall evaluate subgrant requests with heightened scrutiny due to the non-revolving nature of such awards.

## Section 7. Application Requirements

Applicants must submit a complete application package prior to Committee review. Required documentation may include:

- Completed RLF Application Form.
- Project narrative and redevelopment plan.
- Cleanup documentation (ABCA, draft Cleanup Plan, QAPP if available);
- Evidence of site control.
- Financial statements (3 years historical if available).
- Personal or corporate tax returns as applicable.
- Pro forma projections.
- Description of collateral.
- Authorization to obtain credit reports.
- Documentation demonstrating needs for RLF financing.

Incomplete applications will not be scheduled for Committee review.

## Section 8. Underwriting & Review Process

### 8.1 Staff Review

Program staff shall conduct financial and environmental due diligence, including:

- Credit analysis.
- Cash flow analysis.
- Debt service coverage assessment.
- Collateral valuation review.
- Environmental eligibility confirmation with QEP and EPA.

## Debt Service Coverage Standard

For loan applicants with operating history, a minimum Debt Service Coverage Ratio (DSCR) of 1.20:1 based on projected stabilized cash flow is required, unless the Committee determines that compensating factors justify an exception. Strong preference will be given to projects demonstrating a DSCR of 1.25:1 or greater.

For start-ups, nonprofits, or special-purpose redevelopment entities, alternative measures of financial capacity may be considered, including grant leverage, committed equity, municipal backing, or other demonstrated repayment support.

## 8.2 Committee Review

The Brownfields Committee shall review the full application package and staff analysis. Decisions shall be based on:

- Environmental eligibility.
- Financial feasibility.
- Risk mitigation.
- Alignment with community redevelopment priorities.
- Compliance with EPA requirements.

## **EPA Substantial Involvement**

Consistent with CERCLA §104(k) and the EPA cooperative agreement, EPA maintains substantial involvement in the Brownfields RLF. Prior to loan or subgrant award, the following may require EPA review or competition:

- Site eligibility determinations.
- Subgrant approvals.
- Analysis of Brownfield Cleanup Alternatives (ABCA);
- Cleanup plans and QAPP approvals.
- Any material deviations from approved workplans.

No loan or subgrant funds shall be disbursed until required EPA and regulatory approvals have been obtained.

Decisions shall be documented in official meeting minutes.

## Section 9. Loan Terms & Structure

Loan terms shall be tailored to project needs while protecting the integrity of the RLF.

Typical parameters may include:

- Interest rates generally between 1%–3%, subject to Committee determination.
- Terms typically 5-10 years.
- Deferred or interest-only options when appropriate.
- Collateral requirements are sufficient to protect fund assets.
- Personal guarantees when warranted.

### Flexible Loan Structure (Deferred or interest-only)

To support redevelopment of brownfield properties, the Brownfields Committee may structure loans with flexible repayment terms, including payment deferrals or interest-only periods, when necessary to advance projects that provide significant economic impact, environmental cleanup benefits, or community revitalization outcomes.

Loan-to-value and debt-to-equity standards shall be evaluated case by case.

### Collateral & Loan-to-Value (LTV) Guidance

Borrowers will be required to provide reasonable collateral or other forms of sufficient security to protect the financial integrity of the Brownfields Revolving Loan Fund (RLF). The form and amount of collateral will be determined on a case-by-case basis based on project risk, borrower capacity, participation by other lenders, and overall project benefit.

Acceptable security may include, but is not limited to:

- Real estate mortgages or deeds of trust
- Security interests in equipment, fixtures, or other business assets
- Assignments of leases, contracts, or revenues
- Personal or corporate guarantees
- Other security deemed appropriate by the Brownfields Committee

Collateral positions may be subordinated or structured in coordination with other participating lenders when necessary to facilitate project financing, **provided that such arrangements** remain consistent with EPA Brownfields Revolving Loan Fund requirements and protect the long-term sustainability of the RLF.

## **Section 10. Loan Closing & Disbursement**

Upon approval, staff shall prepare all necessary loan documentation, which may include:

- Promissory Note.
- Security Agreement.
- Mortgage or Deed of Trust (if applicable).
- UCC Financing Statement.
- Personal Guarantee(s);
- Loan Agreement outlining conditions and covenants.

Disbursements shall be made on a reimbursement or draw basis, consistent with cleanup progress and approved budgets.

## **Section 11. Loan Servicing & Monitoring**

Staff shall monitor all active loans and cleanup activities. Monitoring may include:

Review of periodic financial statements.

- Site visits.
- Verification of cleanup milestones.
- ACRES reporting.
- Maintenance of complete loan files.

Principal repayments shall be returned to the RLF capital pool.

## **Section 12. Delinquencies & Workouts**

In the event of delinquency:

- Staff shall initiate contact within 10 days of missed payment.
- Written notice shall be issued if delinquency exceeds 15 days.
- A formal Notice of Default may be issued if delinquency exceeds 30 days.
- The matter shall be presented to the Committee if delinquency exceeds 45 days.
- Legal remedies may be pursued upon declaration of default if delinquency exceeds 60 days, unless a written forbearance or restructuring agreement is approved.

Loan restructuring may be considered when consistent with fund protection and EPA requirements.

### Section 13. Policy Deviations & Amendments

The Brownfields Committee may approve minor policy deviations on a case-by-case basis when justified and documented. Material amendments to this Manual require approval by the Beartooth RC&D Board of Directors.

All amendments shall be dated and incorporated into the Document Control section.

### Section 9A. Relationship to Beartooth RC&D EDD Revolving Loan Fund.

The Brownfields Revolving Loan Fund (RLF) established under the EPA cooperative agreement operates as a separate and distinct program from the Beartooth RC&D Economic Development District (EDD) Revolving Loan Fund.

While certain administrative processes (e.g., underwriting analysis, loan servicing mechanics, accounting procedures, and portfolio monitoring practices) may follow similar internal standards for consistency and efficiency, Brownfields RLF is governed exclusively by:

- CERCLA §104(k);
- EPA Brownfields Revolving Loan Fund guidance and cooperative agreement terms;
- Applicable federal cross-cutting requirements; and
- Montana DEQ regulatory oversight for cleanup activities.

Where any conflict exists between the EDD RLF Plan and the Brownfields RLF Manual, the requirements applicable to the EPA Brownfields RLF shall control.

The Brownfields RLF shall maintain:

- Separate accounting and financial tracking;
- Separate reporting (including ACRES reporting);
- Separate eligibility determinations; and
- Separate policy governance under this manual.

Adopted by Board:

# Beartooth RC&D Area, Inc.

Board of Directors Meeting Agenda  
 1:00 pm on Thursday, March 19, 2026  
 Big Horn Center  
 200 N. Mitchell, Hardin, MT 59034



1:00 pm	<b><u>Meeting Called to Order</u></b> <b>Pledge of Allegiance, Introduction of Members &amp; Guests</b>	Chair, All	Information
	<b>Review January Board Minutes – pp. 3-10</b>	Chair, All	Action
	<b><u>Congressional Updates</u></b> <ul style="list-style-type: none"> <li>• John Durnal for Tory K. (Sen. Daines)</li> <li>• Zoey Stroop (Congressman Downing)</li> <li>• Celia Herbel (Sen. Sheehy)</li> </ul>		Information
	<b><u>Treasurer/Financial Reports</u></b> <ul style="list-style-type: none"> <li>• Treasurer Update</li> <li>• RLF Financials – p. 11</li> <li>• RC&amp;D Financials – p. 12</li> </ul>	Hauge / Knight	Action
	<b>Brownfields RLF Program Guidelines Approval</b>	Knight	Action
	<b>Fractional Executive Director and Economic Development Director Update</b>	Chair / Lastusky	Information
	<b>Executive Committee Alternate Nominations / Voting</b>	Chair / Lastusky	Action
	<b><u>Staff Reports – Program/Project Updates</u></b> <ol style="list-style-type: none"> <li>1. Food/Ag Program – Brad Eik – p. 13</li> <li>2. Project Mngmt – Myrna Lastusky – p. 13</li> <li>3. REAP (Rural Energy for America Program) – Sky Losleben – p. 14</li> </ol>	Eik Lastusky Losleben	Information
	<b><u>Regional Roundup</u> – p. 2</b> <i>News &amp; updates from regional members on projects &amp; activities in key CEDS categories (see topics on next page)</i>	Roe, et al.	Information
	<b><u>Next Beartooth RC&amp;D Board Meeting</u></b>  <b>May 21, 2026 – Sweet Grass County, MT</b>		Information
2:30 pm	<b>Adjourn / Optional Tour of Hardin Highlights</b>		



**Beartooth RC&D Board Meeting  
January 15, 2026 – 1:00 pm  
Rock31 Zoot Room**

**Present:**

Nan Knight, Finance Director/Brownfields Coordinator  
Sky Losleben, Rural Energy for America Program Manager  
Commissioner Melanie Roe, Sweet Grass County  
Commissioner Mike Waters, Yellowstone County  
Mark Nicholson, City of Billings Councilmember  
Jody Mackay, City of Laurel Councilmember  
Mike Boyett, City of Billings Councilmember (outgoing BRCD board member)  
Tina Toyne, City of Hardin Economic Development Director  
Bob VanOosten, Stillwater Conservation District  
Zoey Stroop, Congressman Downing's Office  
Tory Kolkhorst, Senator Daines' Office  
Asha Malcolm, Senator Sheehy's Office  
Lorene Hintz, Big Sky EDA / SBDC  
Kevin Mitchum, Sibanye-Stillwater Mine

**Via Zoom:**

Myrna Lastusky, BRCD  
Brad Caton, RLACF  
Danny Choriki, Billings Area Family Violence Task Force/Ubet Post  
Pam Schwend, Carbon Conservation District

**Guests:**

Brandon Berger, Big Sky Economic Development Interim Executive Director  
J.B. Farley, AgriOrganics

**Meeting Called to Order:** Vice-Chair Commissioner Roe called the meeting to order.

**Pledge of Allegiance, Introduction of Members and Guests**

**Review November Board Minutes:** Tina Toyne motioned to approve; Lorene Hintz seconded.  
**Motion carried.**

**CONGRESSIONAL UPDATES**

**Zoey Stroop (Congressman Downing)**

- In 2025, Congressman Downing's office sent 58,000 letters, answered 12,000 calls, had 45,000 Town Hall attendees,
- In D.C., he signed 1 bill into law, 3 bills passed the House, he co-sponsored 18 bills, has 22 remarks in Congressional record, and sponsored 17 bills.
- Had \$3M returned to MT constituents and secured \$2M for the Red Lodge Fire Department.

- So far in 2026, he has returned \$60K back to the State & stood with Republicans protecting women's sports 2 days ago. 5 more appropriations are supposed to pass the Senate and be signed into law.
  - \$500K for Yellowstone County short-term detention facility
  - \$100K for Cascade County crime scene laser
  - \$1.5M for Toole County Detention Center
  - \$500K to Lewis & Clark Sheriff's Dept
  - \$1M to Canyon Creek Flume Replacement
  - NOTE: These are all appropriations Zoey mentioned in the last meeting for us to be aware of as possible funding opportunities we can apply for through their office.
- On Jan. 31<sup>st</sup>, the House votes again to keep the government open – and hopefully pass.

### **Tory Kolkhorst (Senator Daines)**

- Senator was with Rilie Gaines regarding the issue of biological men in women's sports.
- Capture of Nicolas Maduro. Pres. Biden had put a \$25M bounty on his head, so this was about law & justice. Military supported this primarily law enforcement operation. Success!
- Southern border: over 10M folks came across southern border including many bad actors.
- Congrats to MSU on winning the FCS title – first time in 41 years!

### **Asha Malcolm (Senator Sheehy)**

- Sponsored 37 bills; 1 became law (Aerial Firefighting Enhancement Act)
- Co-led 14 and co-sponsored 150 bills.
- Opened 1,122 cases and closed 804 – resulting in over \$9M in savings for Montanans
- 2 meetings with White House – one on wildfire readiness and one on Argentinian beef issue.
- CDS processes are open – just contact their office.
- Senator is proud of MT service academy nominees from this year.

### **Executive Committee Nominations & Elections**

- Ryan has to step away from the board, so we need nominations to serve on the Executive Board.
- Commissioner Waters & Bob VanOosten both declined nominations.
- **Myrna suggested we start by confirming Vice Chair and Treasurer if the board wants to continue with Melanie Roe and Marissa Hauge, who are both willing.**
  - Nan discussed future possibility of having Marissa as a contracted Executive Director. That would take her away from Treasurer.
  - Someone fairly close to Joliet (Carbon, Stillwater, Yellowstone County is ideal)
- **Danny motioned to confirm Melanie as Vice Chair and Marissa as Treasurer. Mike Waters seconded. Motion carried.**
- **Chair Action:** Board was asked to continue considering possible Chairs and to send those to Myrna. After the meeting, Mike Boyett emailed Myrna to offer to continue being on the board as a representative of Billings Advisory Council for Allies in Aging. He is willing to be the Chair. Myrna confirmed with the Executive Committee and bylaws that an email vote was sufficient and on Jan. 20<sup>th</sup>, emailed the board asking for a Yes or No vote. 15 of 21 active voting members responded with a resounding YES and Thank you! The remaining 6 did not respond, making it a unanimous vote. On Jan. 22<sup>nd</sup> Myrna sent an email to the entire board confirming Mike as the new Chair.

## FINANCIAL REPORTS

### RLF Financials (p. 12)

- RLF Books ending 12/31/2025
  - Total loans = 25
  - Loan balance = \$1.6 million
- Working on a few loans right now to go to committee
- Delinquent loan: working with attorney in Yellowstone County. Our attorney suggested we do a 3-way cost share.
  - \$3,230 x 2 so far – but that cost will be split between Prospera and Beartooth. Hired private investigator to serve him the papers. Whole note is \$500,000; Beartooth's portion is \$80,000. We put a cap on what we will spend on lawyer fees.

### RC&D Financials (p. 13)

- 4-year comparison of books and budget of where we have ended each year.
- Nan wants to always show the actual numbers, not inflate anything to show a positive balance.
- Beartooth takes no interest from RLF loans; we put it all back into helping businesses with loans.
- Nan has also been putting money into savings whenever possible: \$77,000
- Melanie commented that it's a very conservative budget.
- Mike asked about a deficit & Nan explained that Joel and Gaurav both left and had to be paid out for vacation and sick leave. Plus, Sky began in November, but the REAP program is reimbursement, and we couldn't request her salary until January 2026.

**Revolving Loan Fund Books ending- December 31, 2025**

**Loan Client Review**

County	# of loans	\$ Loan Balances
Big Horn	2	\$ 180,799.49
Carbon	4	\$ 183,921.55
Stillwater	4	\$ 276,060.57
Sweet Grass	1	\$ 55,659.81
Yellowstone	14	\$ 987,696.89
<b>Total:</b>	<b>25</b>	<b>\$ 1,684,138.31</b>

\* One new loan was approved in Yellowstone County in the amount of \$210,000. waiting for closing

\* RLF activity is extremely active

\* One delinquent loan in Yellowstone County - now working with attorney

**Bank Balances as of December 31, 2025 Total available for lending**

Bank of Joliet- RMAP	\$ 169,225.37		\$ 164,167.87
\$250,000 (still waiting to be drawn down)			
Bank of Joliet – RMAP LOAN LOSS	\$ 8,035.14		\$ -
Bank of Joliet EDA	\$ 23,842.83		\$ 23,842.83
Bank of Joliet-CDBG	\$ 201,480.68		\$ 201,480.19
Bank of Joliet- IRP	\$ 729,871.20		\$ 689,871.20
Bank of Joliet-Fromberg	\$ 52,815.00		\$ 52,874.91
		Available:	\$ 1,132,237.00
	(RMAP waiting to be drawn down)		\$ 250,000.00
	(IRP and BSED waiting to be drawn down)	210k pending	\$ 511,250.00
			\$ 1,893,487.00
Restricted Accounts		Principal amounts paid back	
FIB – SSBCI 2.0	\$148,621.00	\$ 11,001.52	
BOJ- SSBCI 2.0	\$79,651.50	\$ 19,492.31	
Drawn down New funded:			
Loans amount:	\$750,000		
New IRP-	\$ 215,250.00	\$ 71,500.00	
New IRP-	\$ 67,500.00	\$ 22,500.00	
New IRP-	\$ 112,500.00	\$ 39,250.00	
New IRP-	\$ 157,500.00	\$ 52,500.00	

**Beartooth RC&D Budget Comparison**

2023 Income	2023		2024		2025 Income		2025		2026 Income		2026	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
AG-FOOD AND AG CENTER	45,000	48,706	60,000	61,636	AG-FOOD AND AG CENTER	60,000	69,123	AG-FOOD AND AG CENTER	60,000	69,123	AG-FOOD AND AG CENTER	66,000
Specialty Crop Block	35,000	31,266	58,166	56,006	Specialty Crop Block	58,166	4,197	REAP	58,166	4,197	REAP	85,000
BOARD - EDA SPONSOR DUES	56,979	55,711	1,200	3,750	FARM TO SCHOOL	1,200	3,335	REAP TA	1,200	3,335	REAP TA	5,000
BOARD-INTEREST INCOME	400	736	5,000	25,180	REAP	5,000	1,755	BOARD - EDA SPONSOR DUES	5,000	1,755	BOARD - EDA SPONSOR DUES	62,351
BOARD-FOUNDATION MONEY	3,300	3,641	56,023	56,023	BOARD - EDA SPONSOR DUES	56,023	56,979	BOARD-INTEREST INCOME	56,979	56,979	BOARD-INTEREST INCOME	700
RLF-STAFF REIMBURSE	15,000	5,066	750	450	BOARD-INTEREST INCOME	750	450	BOARD-FOUNDATION MONEY	450	700	BOARD-FOUNDATION MONEY	3,500
RLF-ORIG FEES	5,000	2,764	3,300	3,676	BOARD-FOUNDATION MONEY	3,300	3,300	RLF-ORIG FEES	3,300	3,260	RLF-ORIG FEES	5,000
CRDC	71,000	71,844	15,000	DEGEJ	DEGEJ	15,000	36,500	RLF-RMAP	36,500	4,280	RLF-RMAP	14,500
EDA - GRANT	70,000	70,000	5,787	RLF-ORIG FEES	RLF-ORIG FEES	5,787	5,000	BROWNFIELD	5,000	3,260	BROWNFIELD	19,500
BSTF ADMIN \$	4,000	2,444	12,500	11,526	BROWNFIELD	12,500	11,526	BROWNFIELD RLF	12,500	11,526	BROWNFIELD RLF	19,500
RCDI (Big Horn)	2,500	2,444	19,250	11,932	BROWNFIELD	19,250	26,001	EDA - GRANT	19,250	26,001	EDA - GRANT	70,000
RCDI (Red Lodge)	4,000	1,592	50,000	79,663	CRDC	50,000	82,269	CRDC	82,269	82,269	CRDC	25,000
Pass-Through		115,634	70,000	70,000	EDA - GRANT	70,000	70,000	RCAC	70,000	70,000	RCAC	25,000
other Admin		2,500	1,950	1,950	RCAC	1,950	25,000	RCAC	25,000	23,104	RCAC	25,000
Total Income	312,179	411,921	2,800	2,483	RCDI (Big Horn)	2,800	13,945	RCAC	2,800	13,945	RCAC	5,706
			2,800	1,749	RCDI (Red Lodge)	2,800	1,749	BEP	2,800	1,749	BEP	1,280
			86,881	Pass-Through	Pass-Through	86,881	232,182			232,182		
			60,420	Restricted SSBCI & Loan Interest	Restricted SSBCI & Loan Interest	60,420	101,822	Pass-Through		101,822	Pass-Through	
			389,695	550,623	Restricted SSBCI & Loan Interest	389,695	550,623	Restricted SSBCI & Loan Interest	441,214	714,724	Restricted SSBCI & Loan Interest	458,320
<b>Expenses for 2023</b>					<b>Expenses for 2024</b>			<b>Expenses for 2025</b>			<b>Expenses for 2026</b>	
TOTAL STAFF EXPENSE	244,441	241,301	245,441	263,548	TOTAL STAFF EXPENSE	245,441	263,548	TOTAL STAFF EXPENSE	275,000	284,225	TOTAL STAFF EXPENSE	332,504
COMMUNICATIONS	7,000	7,300	9,000	12,228	COMMUNICATIONS	9,000	12,228	COMMUNICATIONS	12,000	12,414	COMMUNICATIONS	15,000
EQUIPMENT & VEHICLE	6,000	5,370	7,000	7,403	EQUIPMENT & VEHICLE	7,000	7,403	EQUIPMENT & VEHICLE	9,000	7,446	EQUIPMENT & VEHICLE	10,000
CONTRACTUAL	25,000	126,784	30,000	118,057	CONTRACTUAL	30,000	118,057	CONTRACTUAL	15,000	265,063	CONTRACTUAL	25,000
SUPPLIES	7,000	14,853	8,000	19,484	SUPPLIES	8,000	19,484	SUPPLIES	10,000	18,035	SUPPLIES	15,000
TRAVEL	5,500	9,838	15,500	7,512	TRAVEL	15,500	7,512	TRAVEL	20,000	17,122	TRAVEL	20,000
OTHER	11,500	9,265	13,500	12,207	INSURANCES	13,500	12,207	INSURANCES	8,000	8,015	INSURANCES	9,000
					RENT/UTILITIES			RENT/UTILITIES	12,500	8,789	RENT/UTILITIES	9,000
					Interest			Interest	28,000	26,100	Interest	27,000
Total Expense for the year					Restricted SSBCI & Loan Interest	60,420	FY 24 Audit	Restricted SSBCI & Loan Interest	101,822	FY 25 Audit	Restricted SSBCI & Loan Interest	462,504
<b>EXPENSE TOTAL</b>	<b>306,441</b>	<b>414,711</b>	<b>328,441</b>	<b>500,859</b>	<b>EXPENSE TOTAL</b>	<b>328,441</b>	<b>500,859</b>	<b>EXPENSE TOTAL</b>	<b>389,500</b>	<b>729,031</b>	<b>EXPENSE TOTAL</b>	<b>462,504</b>
<b>Net Income</b>			<b>5,738</b>	<b>-2,789</b>		<b>61,254</b>	<b>49,764</b>		<b>51,714</b>	<b>-14,307</b>		<b>0</b>

The above income figures currently include both "net income" and "pass-through" funds. We are working on the ability to state these amounts independently to provide a more accurate picture of the budget.

Justification Of 2025 Short Fall

Jammin for Joliet (\$4,528.46)  
CGWG (\$7,238.97)  
(\$11,767.43)

Statement Ending: December 31, 2025  
Checking Account: \$ 79,150.32  
Savings Account: \$ 77,882.36  
Building Account: \$ 4,516.74

**2026 Potential Funding:**  
AG Training \$ 10,000.00 1 Year  
DEQ TA \$ 10,000.00 X 2yrs  
Armstrongproject \$ 7,800.00 X 2yrs  
RCDI \$ 5,000.00 X 3 yrs  
ORE - Tech upgrade \$ 60,000.00 one-time  
S Block Grant \$ 34,000.00 X 2 yrs  
BEP \$ 2,000.00 1 Year  
\$ 125,800.00

Action: Mike Waters motioned to approve RLF Financials. Mike Boyett seconded the motion. Motion carried.

Action: Mike Waters motioned to approve the RC&D Financials & Mike Boyett seconded the motion. Motion carried.

Approval of 2026 Budget: Mike Waters motioned to approve the 2026 budget as presented and Mike Boyett seconded the motion. Motion carried.

## **STAFF REPORTS**

**Brad Eik (absent due to family funeral – see report in board materials) Nan reported for him.**

- Nan commented that Brad is doing a fantastic job and has gotten a great deal done so far.
- 5 of 7 Agritourism applicants were awarded (of the 25 total in the state!).
- Pass on clients to Brad.

### **Project Management (Myrna Lastusky)**

#### **USDA Rural Community Development Initiative (RCDI) with Red Lodge Area Community Foundation (RLACF/Angela Getchell, Workforce Housing Manager)**

- Dec. 31<sup>st</sup> ended this grant. Q4 reporting and final closeout report have been submitted.
- CDBG Housing Study has kicked off for Red Lodge with WSW/EPS.
- Carbon County is working with HABCRO to select a site to build approximately 10 middle-income homes. Fromberg, Bridger, Belfry area is their priority.
- Roberts (Schuyler Commons) construction continues on the triplex for teacher housing.
- Roberts Birch Home: Repairs and reno are almost finished for school employee.
- Tory, Zoey and Celia visited with Brad and Angela last week to learn more about the Workforce Housing program

#### **RCAC (Rural Community Assistance Corporation) Grant in Columbus**

- Museum of the Beartooths historical mural – received \$12K from MT 250 Grant.
- RCAC & Beartooth are collaborating to submit a MT Development Tourism Grant application – due Jan. 22<sup>nd</sup>. Scenic Byway to the Beartooths & Beyond to focus on tourism through the Hwy 78 corridor.

### **REAP: Rural Energy for America Program (Sky Losleben)**

- Waiting on guidelines from USDA.
- Doing a REAP presentation for the Ranchers Stewardship Alliance in Malta.
- Planning summer outreach plan.
- Learning about all sorts of projects covered by REAP (get pole barn insulated, etc) and hoping to create a video to help clients understand all the possibilities. Looking into partnering with some college seniors on videography.
- Working with Jacob Cote of MT DOC – trying to develop a statewide project to understand energy development.

## **REGIONAL ROUNDUP**

### **Brad Caton, RLACF**

- Myrna already updated you on some of the housing projects.
- RLACF Carbon County Area Ride and Transit – 5-6 thousand rides per year, about 60% in the county and 40% go to Billings for medical appointments.
- Looking into what they can do with their Aging in Place program. Assisted Living facilities closed in the last few years.

## **Lorene Hintz, BSED**

- Dianne has the Brownfield RLF - a project going with Yellowstone Meat House.
- Webcam pointed at Skypoint to track and see what is going on.
- April 14<sup>th</sup> is Billings Cultural Summit.
- Space2Place Grant is open - \$5K per grant to beautify Yellowstone County.
- Yellowstone County Museum remodel is nearly complete
- Executive Director position is open and a position for an APEX counselor.
- APEX training on Jan. 28<sup>th</sup> and SBDC on Jan. 29<sup>th</sup> is Elevate Your Business (IRS speaker will be presenting)

## **Mike Boyett, Billings City Councilmember (outgoing)**

- 3 elevators in the new City Hall and hoping all 3 will work this week!
- County moved out of the 3<sup>rd</sup> floor, so if anyone needs to rent a floor . . .
- 6 new council members including the Mayor. All going to “school” for 2 hours each Monday (getting trained by Local Government Center in Bozeman).
- Threw out all the boards and commissions, and Mark wanted to be on this board.
- Had 1<sup>st</sup> budget meeting yesterday (\$1 million shortfall, better than last year’s \$2.3 million). Biggest issue is what to do for the future. All getting along & playing well together.

## **Commissioner Mike Waters, Yellowstone County**

- Will be going to YC voters for jail expansion. Not sure of size or cost yet. Will need to run an operational levy and also go out for bond. Want to get everyone unified. Must have both the levy and the bond (complicated due to State statutes) even though it is one measure.
  - Currently built for 434 inmates
  - Regularly hovering around 660 inmates, which is not safe or sustainable
  - Got 2 new judges with courts and are moving into new County building – The John Ostlund Building. Be patient during the transition, please!
  - Yellowstone County is willing to do hard things when it is the right thing – and this is the right thing.
- Tory asked about safety measures following tragic stabbing at Senior High.
- Kevin asked where marijuana money is going (there are so many shops!). Commissioner Waters said it gets spread out pretty thin and not as much as you might think.
  - It goes into the general fund, which is now about \$5 million short due to public safety budgets being supplemented out of the general fund – not sustainable long-term.
- Melanie asked about regional prisoners? Mike said it’s just a handful of prisoners from neighboring counties, and counties reimburse them.
- Danny mentioned the gas excise tax pays around 20% for operational and maintenance costs of our roads. The sin taxes are likely not covering the healthcare and safety costs.
- Their education campaign is extremely important, and the City is very supportive, too.
- Big 3 = Under construction moves, jail expansion, and budget

## **Jody Mackay, City of Laurel Councilmember**

- Jody is replacing Heidi Sparks, who ran for mayor and lost. Jody has worked with Beartooth and owns a small business in Laurel, also.
- 2 new council members and 2 who won re-election.

- Judge Kerr retired after 20 years and you need NO law experience to be a judge in Laurel. Judge Michelle Mize is a former council member, and Jody feels she will do a great job.
- Annexed for Love's Travel Stop and will also be putting in an RV park – are running city services down Hwy 10 for many million dollars. Good growth!
- Desperately need a new water tower (\$20 million). The one they have needs maintenance.
  - Zoey mentioned appropriations that will open up in March and will connect with Jody
- Community is rallying around EMS. Great job of education. Ambulance, Fire, Police all came together.

#### **Brandon Berger, BSED Interim Executive Director**

- Application portal just opened up for the Executive Director application for Big Sky – and APEX advisor, Community Development, Business Finance, Marketing . . . replacing a few positions they have lost to get back to core.
- Very busy upstairs, things going well – a lot happening with City and County and other partners.

#### **Tina Toyne, City of Hardin**

- New mayor (boss) and new councilman (her husband).
- Moving forward with plans on Visitor Information Center. Working with Cushing Terrell on architectural portion & next council meeting will decide on general contractor.
- Destination IQ is finishing up their brand.
- Attended *60 Minutes with MT Main Street* yesterday, and they will be announcing who will be awarded MMS grants (hoping they get money for wayfinding).
- Awarded \$20,000 MT 250 grant for *The Power of Place: Voices of Big Horn County Audio Tour*.
- Brad helped Flo Ramirez get a grant for 406 Greenhouse, and Flo is so excited to get a new sprinkler system in his greenhouse.
- 1 new business in December and 2 new businesses so far this year
  - Kenny Capital (grew up in Hardin & wants to work on blight in community)
  - Cleaning business (home-based)
  - The Ruff Life – making items for animals

#### **J.B. Farley, AgriOrganics**

- Business is growing & getting a lot of attention from farmers this past year
- Growing number of farmers want to switch from synthetics to organics and not go broke doing it

#### **Kevin Mitchum, Sibanye-Stillwater Mine**

- Metal prices are up by a lot in the last year (This time last year was \$950/oz and now Platinum is \$2300 and Palladium is \$1795). Working on being profitable at lower prices.
- Union negotiations happening this summer for both sites.
- Bridge project on Stillwater River to go from main mine site to working area.
- Hiring 2 new employees in the environmental department.

#### **Bob VanOosten, Stillwater Conservation District**

- Pretty quiet, no floods right now . . .
- Dry but the snowpack right now is about average. But the snowpack is not the only determination of how the summer will go.

**Mark Nicholson, Billings City Council**

- Eager to have more jail space – also need to look at underlying issue of why we have more crime.
- Water issue – Billings needs to understand how much water will be available

**Danny Choriki, Billings Area Family Violence Task Force/Ubet Post**

- New data center: location is probably near high-voltage lines near Broadview and there is not enough power in the area. NW Energy has a plan that is meeting with a lot of opposition.
  - No way to use water-cooled systems. 2 possible sources are ditch companies and City, neither very likely.
  - We do need data centers in the area.

**Update on Lawrence Killsback:** Myrna shared that Big Horn County board rep Lawrence Killsback is not doing well in his battle with cancer and asked the board members to keep him and his family in their thoughts and prayers.

**Meeting adjourned at 2:28 pm.**

**Next Meeting:** Thursday, March 19<sup>th</sup> at Big Horn County Courthouse conference room.

**STAFF REPORTS**

<b>Revolving Loan Fund Books ending - February 2026</b>			
<b><u>Loan Client Review</u></b>			
<u>County</u>	<u># of loans</u>	<u>\$ Loan Balances</u>	
Big Horn	2	\$ 179,915.63	
Carbon	4	\$ 429,387.16	
Stillwater	3	\$ 273,804.29	
Sweet Grass	1	\$ 55,257.41	
Yellowstone	15	\$ 979,102.54	
<u>Total:</u>	<u>25</u>	<u>\$ 1,917,467.03</u>	
*The RLF committee has recently approved two new loans totaling \$350,500, including \$285,500 in Big Horn County and \$65,000 in Yellowstone County. An additional \$210,000 loan has been approved and is currently awaiting disbursement.			
* RLF activity is extremely active			
*The borrower was located by a private investigator and was served on January 21, 2026. He has 21 days from January 22, 2026 to file an answer. If no response is filed within that timeframe, counsel will proceed with filing a motion for default judgment.			
<b>Bank Balances as of February 27, 2026 Total available for lending</b>			
Bank of Joliet- RMAP	\$ 166,434.94	\$	166,434.94
\$250,000 (still waiting to be drawn down)			
Bank of Joliet – RMAP LOAN LOSS	\$ 8,035.14	\$	-
Bank of Joliet EDA	\$ 24,324.69	\$	24,324.69
Bank of Joliet-CDBG	\$ 226,868.01	65k new loan	\$ 161,868.01
Bank of Joliet- IRP	\$ 747,428.42	40k for loan loss	\$ 707,428.42
Bank of Joliet-Fromberg	\$ 52,874.91		\$ 52,874.91
		Available:	\$ 1,112,930.97
(RMAP waiting to be drawn down)			\$ 250,000.00
(IRP and BSED waiting to be drawn down)		\$495,500 pending	\$ 511,250.00
			\$ 1,874,180.97
Restricted Accounts		Principal amounts paid back	
FIB – SSBCI 2.0	\$148,621.00	\$	11,763.94
BOJ- SSBCI 2.0	\$79,651.50	\$	21,036.74
Drawn down New funded:			
Loans amount:	\$750,000		
New IRP-	\$ 215,250.00	\$	71,500.00
New IRP-	\$ 67,500.00	\$	22,500.00
New IRP-	\$ 112,500.00	\$	39,250.00
New IRP-	\$ 157,500.00	\$	52,500.00

<b>Feb 2026 Beartooth Books</b>			
<i>2026 Income</i>	<b>2026</b>		<b>% of budgeted</b>
	<b>Budget</b>	<b>Actual</b>	
AG-FOOD AND AG CENTER	66,000	17,437	26.42%
BEP	4,000	1,280	32.00%
REAP	85,000	16,368	19.26%
REAP TA	5,000		0.00%
BOARD - EDA SPONSOR DUES	62,351	40,540	65.02%
BOARD-INTEREST INCOME	700	49	7.01%
BOARD-FOUNDATION MONEY	3,500		0.00%
RLF- ORIG FEES	5,000		0.00%
RLF- RMAP	14,500		0.00%
BROWNFIELD	19,500	2,283	11.71%
BROWNFIELD RLF	19,500	3,298	16.91%
EDA - GRANT	70,000	17,500	25.00%
CRDC	82,269	20,567	25.00%
RCAC	25,000	4,082	16.33%
RCDI	1,500	1,649	109.93%
Pass- Through			13,051
Restricted SSBCI & Loan Interest			13,721
	<b>463,820</b>	<b>125,054</b>	<b>151,826</b>
<b>Expenses for 2026</b>			
TOTAL STAFF EXPENSE	332,504	47,351	14.24%
COMMUNICATIONS	15,000	2,798	18.65%
EQUIPMENT & VEHICLE	10,000	488	4.88%
CONTRACTUAL	25,000	15,863	63.45%
SUPPLIES	15,000	559	3.73%
TRAVEL	20,000	240	1.20%
INSURANCES	9,000	823	9.14%
RENT/UTILITIES	9,000	115	1.28%
FY 24 Audit	27,000		0.00%
Restricted SSBCI & Loan Interest		13,721	
<b>EXPENSE TOTAL</b>	<b>462,504</b>	<b>81,956</b>	
	<b>1,316</b>	<b>43,097</b>	
<b>Statement Ending: 2/27/2026</b>			
Checking Account:	\$154,536.70		unrestricted cash
Restricted cash in checking for CGWG	\$5,085.01		\$149,451.69
Savings Account:	\$77,882.36		
Building Account:	\$4,511.06		

## **Food and Ag Development Director Report (Brad Eik)**

### **BEP – Business Enhancement Program**

- Approved plans for two GMP (Good Manufacturing Practices) group training courses for Billings and Columbus on April 30<sup>th</sup> and May 1<sup>st</sup>
- Approved plans for two group business and financial training courses for Billings and Columbus on May 14<sup>th</sup> and 15<sup>th</sup> and the second part for May 28<sup>th</sup> and 29<sup>th</sup>

### **Composting –**

- I have been working with JB Farley at Agri Organics to put on tour/field day of his facility and possibly a spreading demonstration on nearby field in April
- He showed me the operation a couple months ago and it was very interesting

### **SCBG – Specialty Crop Block Grant**

- Submitted a grant application that would help us offer some specific training opportunities to our specialty crop producers and manufacturers
- These grant funds would also help provide some available funds for wages
- Primary reason for grant funding would be to create a Made in Montana home show that could showcase all the amazing products Beartooth clients make locally
- Plan a large enough venue for this to turn into a statewide annual self-sustaining event
- Provides Eastern Montana with the same opportunity Western Montana currently puts on for its Made in Montana producers

### **Pre-Governor’s Summit –**

- Meeting to gather information about the Governor’s Summit in October, a big part of this is the 33 x 33 Montana Food Initiative will be March 11<sup>th</sup> at Rock 31

## **Project Manager Report (Myrna Lastusky)**

### **RCAC (Rural Community Assistance Corporation) Grant in Columbus**

- Beartooth submitted a MT Development Tourism Grant application in late January titled: *Scenic Byway to the Beartooths and Beyond*. If funded, work will focus on increasing tourism on the Hwy 78 corridor from Columbus to Absarokee, Fishtail, and over to Carbon County.
- Community/business outreach & assistance for an EDA Disaster Supplemental Grant application for Absarokee Wastewater System (almost \$4M request).
- Working on 3 upcoming murals, a Tourism Map for Stillwater County, and plans for a dog park & possible splash pad.
- May 13<sup>th</sup> 2:00-5:00 pm at Main Street Commons in Absarokee: USDA Workshop/Training open to all – business owners, ag producers, etc.

### **Miscellaneous:**

- Sweet Grass RCDI Application / Appeal: Judge returned a decision supporting USDA’s original denial. We will try again next round!

- Speaking at Red Lodge Area Community Foundation’s Annual Meeting March 18<sup>th</sup> to discuss partnerships and collaboration to increase capacity.
- Beartooth is coordinating the follow-up community report-out of the KSU TAB Visioning Activity last spring for Red Lodge’s URD (April 30, 2026). Will pair it with community input on the old Rocky Fork Inn site and hopefully some beginning outreach with the Crow Tribe.

### **REAP Project Manager Report (Sky Losleben)**

Still no update from the USDA (we were expecting new guidance from the National office the week of 1/19) but that hasn't happened). MDA had a meeting with USDA recently and still no update from the National office. So continuing as usual with outreach efforts.

- Submitted a grant application to the Big Sky Grant to produce a short, documentary-style film featuring real Montanans who have gone through the REAP program. The goal of the video is to highlight authentic voices sharing their personal experiences with the program, making the grant process feel more relatable and approachable for others considering applying.
  - Primary Project locations for the film if awarded the grant
    - **Circle:** Mahlstedt Ranch livestock watering system using solar pumps
    - **Havre:** Premium Processing Cooperative, Producer-owned cooperative effort - solar array project
    - **Polson:** Bickford Building, Small-town Main Street historic building with mixed-use office space that houses psychotherapy clinicians, a micro-winery and community spaces - able to install 3 new heat pumps and a 13.6 kw solar array.
      - Plan B Interview Options
        - Troy: Pink Bench Distilling
        - Red Lodge: Alehouse
        - Livingston: Black Dog Farm
- Currently working with 3 different clients that are interested in solar pump projects
- Exploring options with the digital marketing adds with Laurel Outlook/Adams Publishing Group Montana

## **Frequently Used Acronyms**

BIA – Bureau of Indian Affairs  
BLM – Bureau of Land Management  
BRCD – Beartooth RC&D  
BSEDA – Big Sky Economic Development Association  
BSTF – Big Sky Trust Fund  
CDBG – Community Development Block Grant  
CRDC – Certified Regional Development Corporation  
CEDS – Comprehensive Economic Development Strategy  
CTEP – Community Transportation Endowment Program  
EDA – Economic Development Administration  
EDD – Economic Development District  
FADC- Food and Ag Development Center  
GIS – Geographic Information Systems  
GPS – Global Positioning System  
GTA- Growth Through Ag Grant and Loan  
HOME – Montana Home Investment Partnerships Program  
HUD – US Department of Housing and Urban Development  
IRP – Intermediary Relending Program  
LESA – Land Evaluation Site Assessment  
MBOI – Montana Board of Investments  
MDOA- Montana Department of Agriculture  
MDOC – Montana Department of Commerce  
MDOL – Montana Dept. of Labor  
MDOT – Montana Dept. of Transportation  
MDFWP – Montana Dept. of Fish, Wildlife and Parks  
MEDA – Montana Economic Developers Association  
MMEC- Montana Manufacturing Extension Center  
NADO – National Association of Development Organizations  
NHS – Neighborhood Housing Services  
NRCS – Natural Resource Conservation Service  
RBDG – Rural Business Development Grant  
RC&D – Resource Conservation & Development  
RCDI – Rural Community Development Initiative  
RD – Rural Development (a division of USDA)  
RCPP- Regional Conservation Partnership Program  
REAP- Rural Energy for America Program  
RLF – Revolving Loan Fund  
RMAP- Rural Micro entrepreneur Assistance Program  
SBA – Small Business Administration  
SBDC – Small business Development Center  
SSBCI- State Small Business Credit Initiative  
TIFD – Tax Increment Finance District  
TSEP - Treasure State Endowment Program  
USDA – United States Department of Agriculture  
USFS – United States Forest Service  
LSL- Lead Service Lines

### Directions for Quick Tour after Board Meeting:

1. From the Big Horn center, get on Mitchell Ave and head south.
2. Turn left(east) on 1<sup>st</sup> Street West and travel a block and a half to SOUTH PARK.
  - a. Check out the new South Park Project and coming Splash Pad!
3. Return to your vehicle & travel east several blocks.
4. Turn right (south) on Crow Avenue.
5. Go a half-block and turn left (east) on W. Railway Street.
6. Cross over Center Avenue and the HARDIN DEPOT will be on the right.
  - a. Stop for a quick tour of the Depot.

To head to I-90 after the Depot stop, return to Center Avenue & head north.

## South Park Project 700 West Division Street

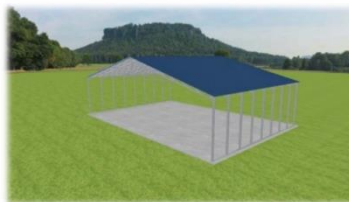
100% Funded — 100% Excited!  
South Park Project **Fully** Covered  
by Grants



Equipment recently installed at South Park



Splash Pad opening date to be announced!



Gazebo coming soon!

Horseshoe Pits,  
Volleyball Pit, and a  
large sitting area to  
be included!



Project funded by the Land Water Conservation Fund and ARPA Funding

**File Attachments for Item:**

2. Allies in Aging Correspondence



RE: Allies in Aging Laurel Senior Transportation Program

March 12, 2026

Dear City of Laurel Officials,

Allies in Aging is giving the required 180-day notice of discontinuation of the current Memorandum of Understanding for operating and cost sharing for public transportation services between the City of Laurel and Allies in Aging. The end date for the current agreement is **September 8, 2026.**

The long-standing partnership between Allies in Aging and the City of Laurel is valued. Allies in Aging is offering a revised approach to Laurel senior transportation that more appropriately aligns with the organizational mission as well as best aligns with the financial responsibility and service expectations, recognizing the public nature of the transportation program.

Our goal is to continue to partner with the City of Laurel to provide critical transportation for Yellowstone County seniors.

Following is a phased and fixed-dollar support model offer with the following considerations:

- The City of Laurel hires and employs all drivers for the city transportation program as of September 8, 2026.
- Allies in Aging provides phased down financial support to ease the transition, provide time for the City of Laurel to develop and execute their transportation plan, and continue to support senior transportation in Yellowstone County for 3 consecutive years, beginning September 8, 2026.

Proposed Structure:

- **Year 1:** Allies in Aging commits to **\$2,500/mo** (\$30k/yr) to subsidize Laurel transportation operations
- **Year 2:** Allies in Aging commits to **\$1,800/mo**, (\$21,600/yr) reflecting a planned reduction in subsidy
- **Year 3:** Allies in Aging commits up to **\$1,000/mo**, (\$12k/yr) limited to costs attributable to senior and disabled ridership only

Allies in Aging's total annual contribution would be capped at the stated dollar amount, regardless of increases in operational costs.

As discussed in the meeting, while Allies in Aging will not negotiate regarding no longer employing bus drivers for the City of Laurel Transit Program, we are willing to have further discussions about collaboration options.

This letter serves only as a notice of discontinuation of the current MOU and is not a representation of formal partnering in the future. Once the City of Laurel has a move forward plan, and if it involves Allies in Aging, a new MOU will be created and executed.

We look forward to working alongside the City of Laurel during this transition as our goal is to be certain that Allies in Aging continues to meet the needs of Yellowstone County Seniors.

Many thanks,

A handwritten signature in blue ink that reads "Erika Purington". The signature is written in a cursive, flowing style.

Erika Purington

CEO, Allies in Aging

**File Attachments for Item:**

3. Letter of Representation - Laurel Public Schools



# FELT MARTIN PC

Laurence R. Martin    Joseph A. Soueidi  
Jeffery A. Hunnes    Ryan A. Stewart  
Jeffrey A. Weldon    Nyles G. Greer  
Martin S. Smith

[lmartin@feltmartinlaw.com](mailto:lmartin@feltmartinlaw.com)

March 13, 2026

VIA Email & Certified U.S. Postal Service

Governor Greg Gianforte  
Room 204  
P.O. Box 200801  
Helena, MT 59620-0801  
[governor@mt.gov](mailto:governor@mt.gov)

Mayor Dave Waggoner  
City of Laurel  
115 West 1<sup>st</sup> Street  
Laurel, MT 59044  
[citymayor@laurel.mt.gov](mailto:citymayor@laurel.mt.gov)

Laurel City Council  
City Administrator  
c/o Kurt Markegard  
City of Laurel  
115 West 1<sup>st</sup> Street  
Laurel, MT 59044  
[kmarkegard@laurel.mt.gov](mailto:kmarkegard@laurel.mt.gov)

Dan Villa, Executive Director  
Montana Board of Investments  
2401 Colonial Drive  
PO Box 200126  
Helena, MT 59620  
[boi.ed@mt.gov](mailto:boi.ed@mt.gov)

Charlie Brereton, Director  
Montana DPHHS  
P.O. Box 4210  
Helena, MT 59604-4210  
[charles.brereton@mt.gov](mailto:charles.brereton@mt.gov)

This firm has been asked to represent the Board of Trustees of the Laurel School District in connection with its opposition to the State of Montana's decision to select the current site in Yellowstone County neighboring the City of Laurel for a new forensic mental health facility.

The Board issued a statement on January 27, 2026, publicly announcing its opposition, which sentiment we understand is shared by the residents of the District whom the Board Members represent. We understand that each of you to whom this letter is addressed has a role to play in the ultimate decision about the siting of the forensic mental health facility, now potentially subject to a buy/sell agreement for the purchase of approximately 114 acres situated outside the Laurel city limits.

The District has many concerns and is asking us to look into the legal issues to protect its interests.

The site is within approximately a quarter mile of an elementary school. While we understand that the facility will be secure, there is no assurance of safety which satisfies the Board of Trustees. Moreover, the Board believes the one mile buffer provided in the administrative rules should be respected, given its purposes which apply equally here.

Of major significance is the loss of revenue, which impedes the District's mission to provide the highest-quality educational services for its residents. This concern is based on our understanding that the proposed site has been designated as a residential growth area, which should involve the construction of significant number of homes, thereby potentially adding additional students to the District and increasing tax revenues that the siting of the forensic mental health facility would prevent.

The District also has been excluded from the planning for the growth of the City of Laurel and Yellowstone County to improve educational services and revenue security, allowing the District to fulfill the mission outlined above.

We will be investigating issues surrounding the acquisition of the property, the siting of the forensic mental health facility, and the potential annexation of the property into the City.

We hope that the matter can be resolved in a manner satisfactory to our client.

Thank you in advance for your cooperation.

FELT MARTIN PC

By:   
Laurence R. Martin

LRM/jadd

cc: Board of Trustees, Laural School District

cc: Michele L. Braukmann  
Laurel City Attorney

**File Attachments for Item:**

4. Public Comments Received

## **Brittney Harakal**

---

**From:** Ward 4A  
**Sent:** Friday, March 20, 2026 6:53 AM  
**To:** Brittney Harakal  
**Subject:** FW: Zero commitment

**From:** Matt <gilgm12@gmail.com>  
**Sent:** Thursday, March 19, 2026 8:56 PM  
**To:** Ward 1A <ward1a@laurel.mt.gov>; Ward 1B <ward1b@laurel.mt.gov>; Ward 2A <ward2a@laurel.mt.gov>; Ward 2B <ward2b@laurel.mt.gov>; Ward 3A <ward3a@laurel.mt.gov>; Ward 3B <ward3b@laurel.mt.gov>; Ward 4A <ward4a@laurel.mt.gov>; Ward 4B <ward4b@laurel.mt.gov>  
**Subject:** Zero commitment

Is what three of you decided to show tonight.

I will make sure your constituents are aware of that in future elections and engagements.

Thank you to those in council who actually care to improve the city, it's safety, and it's development. And shame on the three of you who decided to make this partisan, and decided that flapping in the wind for the sake of contractors is better than having a plan.

Laurel is in massive trouble because of its tendency and refusal to commit to effective planning - It is beyond unfortunate that this decision tonight happened the way that it did.

--

**Matt Gilg**

[mattgilg.dev](mailto:mattgilg.dev)

Cell: 860.771.3511

March 11,2026

Mr. Mayor, Members of the Laurel City Council, and other interested parties,

Although I regret it now, on Tuesday afternoon I sent an email to Ms. Hopper concerning the veracity of her public testimony to our Children and Families Interim committee. I was then very surprised to watch her repeat the same assertions to the Laurel City Council later that day. For the City Council, she referenced a January 19th KTVQ news story as evidence that Director Villa was not being upfront with all of you. Until that moment, I had been very critical of similar assertions by her and others with the same concern, but something in Ms. Hopper's sincerity and manner of delivery convinced me that I must be missing something. Her testimony moved me to watch the news report she made reference to. Last night I brought the KTVQ news story filed on the January 19th up on my computer and watched it. It was immediately clear to me why Ms. Hopper and perhaps many of you believed her assertions the Director had misled you.

First, the facts about the document cited on the 19th by KTVQ news staff are these: The five pages shown briefly on the broadcast that night was a part of a much longer power point document prepared for a December 16th and 17th Section B, Interim Budget Committee (IBC) held at the Capitol in Helena in 2025. The timing of this presentation is very important. December 16, 2025.

It is also very important that the full line that led to the speculative inferences by KTVQ news staff that night is this: "BOI exploring potential sites and nearing contingent buy-sell agreement following consultation with OBPP and DPHHS". If you stop the video in exactly the right place, you can clearly read the full statement quoted above. The news staff went on to creatively high light in yellow: "contingent buy sell agreement following consultation..." and further went on to assert: "DPHHS shared BOI is nearing a contingent buy-sell agreement, something the State promised to share with Laurel officials but allegedly didn't." **Therein lies the problem...**

Director Villa told you on December 9, 2025 that "When and if, the BOI enters into a contingent buy-sell agreement with a property owner, the City Council will hear about it first..."

So I'll recap for you, those few seconds of video and the voice-over by KTVQ staff. The document cited in the report was discussed at a public meeting a little over a month before this story ran. That PowerPoint line, in lay man's terms says: The BOI is still out looking at sites and could be close to an agreement on a contingent buy-sell agreement soon. "Nearing an agreement" is not the same as "having an agreement". Think about that in terms of this analogy... Let's say you promised your mother-in-law that you would call her as soon as her daughter gave birth to your baby. Let's say about a month before the blessed event, you messaged some of the rest of your family that your wife was nearing the birth of your child. By sending this message did you break the promise you made to your wife's mother? I don't think you would agree that it did. Why? Because, quite simply, the child hasn't been born yet... And when the birth happens, you can keep your promise to your mother-in-law, by calling with the particular characteristics of her new grandchild, including its name, its gender, weight, length, and time of birth...

Once again I'll note: Director Villa told you on December 9, 2025 that "When and if, the BOI enters into a contingent buy-sell agreement with a property owner, the City Council will hear about it first..."

I would assert to you that when the State did enter into a contingent buy-sell agreement with a property owner, it certainly was not in December when the cited document entered the public record. And as we now know, the final signature on the agreement was obtained just a couple of business days before Director Villa took his first

opportunity to report that fact to you at your January 20<sup>th</sup> public meeting. No press organization had any advance knowledge that there was a signed buy-sell agreement before you, the collective members of the Laurel City Council did. In fact, the press learned of it at your January 20<sup>th</sup> meeting and most outlets reported it the next day. The Director told you that you would hear about it first from him, and you did.

I'm sorry for the confusion around this issue. We all guard our integrity fiercely; although sometimes we have to dig through many layers of flotsam to sort the facts out from the myths. It is not always easy. There will be other facets of this facility that we will have honest debates about, but, I hope you agree, the issue of timely notification to the City Council of the executed agreement is no longer one of them.

John Esp

## Brittney Harakal

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**From:** Ward 2A  
**Sent:** Tuesday, March 17, 2026 5:53 PM  
**To:** City Mayor; Brittney Harakal  
**Cc:** Civil Attorney  
**Subject:** FW: Emergency Ordinance



### Jessica Banks

*Ward 2A City Council Member*  
Mobile: 406-690-7181  
Email: [ward2a@laurel.mt.gov](mailto:ward2a@laurel.mt.gov)  
P.O. Box 10  
Laurel, MT 59044  
[Home Page | Laurel MT \(cityoflaurelmontana.com\)](http://www.cityoflaurelmontana.com)



**From:** Laura Kirschenmann <laurakirschenmann@gmail.com>  
**Sent:** Tuesday, March 17, 2026 10:50 AM  
**To:** Ward 2A <ward2a@laurel.mt.gov>; Ward 2B <ward2b@laurel.mt.gov>  
**Subject:** Emergency Ordinance

Hello,

I am writing to you as my assigned elected ward officials to urge you to vote in favor of the emergency ordinance that will be discussed tonight and brought before you to vote on this week. I trust that as you, Brent and Jessica, along with the remaining council members review this ordinance, you will find it will serve you well to ensure this protects our city and provides ample time to review our city's current infrastructure state and demands along with all the other concerns that have arised recently. Passing this ordinance is imperative to ensure the state of Montana and BOI cannot attempt to move forward with annexation. It is extremely frustrating that we have gotten to this point without you all first having the chance to go through a thorough review process and public input. We now have a chance to at least put a layer of protection in so that proper procedure and investigations can take place.

I thank you both kindly for your time and commitment to this matter and for serving your constituents.

Sincerely,

Laura Kirschenmann  
939 W 4th St.  
Laurel, MT 59044

## Brittney Harakal

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**From:** Ward 1A  
**Sent:** Wednesday, March 11, 2026 7:42 AM  
**To:** Brittney Harakal  
**Subject:** FW: Hi John  
**Attachments:** Matt Gilg - Supplementary 3\_10\_26.pdf



### Sara B. Naylor

Council Member - City of Laurel - Ward 1

- + 406 598 9499
- + Ward1@laurel.mt.gov

**From:** Matt <gilgm12@gmail.com>  
**Sent:** Tuesday, March 10, 2026 7:06 PM  
**To:** John.Esp@legmt.gov; Ward 1A <ward1a@laurel.mt.gov>; Ward 1B <ward1b@laurel.mt.gov>; Ward 2A <ward2a@laurel.mt.gov>; Ward 2B <ward2b@laurel.mt.gov>; Ward 3A <ward3a@laurel.mt.gov>; Ward 3B <ward3b@laurel.mt.gov>; Ward 4A <ward4a@laurel.mt.gov>; Ward 4B <ward4b@laurel.mt.gov>; Civil Attorney <civilattorney@laurel.mt.gov>  
**Subject:** Re: Hi John

Senator Esp,  
(and the city of laurel)

Here is a summary of the information I touched on during public comment. It was not an attack of character against Mr Villa (as the senator characterized after my public comment), but an illumination of state misconduct which should be well within your purview (and of direct interest to you) on the corresponding oversight committee. Mr Villa controls his own conduct, not me.

My statement today to DPHHS:

My message today is regarding misconduct and mischaracterization surrounding the Laurel Forensic Mental Health facility, which I believe will impact the future of my daughters here in Montana. (Background: My youngest two little girls (age 4 and 5) attend the nearby underfunded elementary school located about 400 yards away)

I'll start by saying that the Laurel community has had no meaningful

opportunity for public input on the proposed forensic mental health facility. No environmental review was conducted. No community impact assessment was performed. No formal proposal was ever submitted by Laurel – the city was selected after months of private coordination between Villa and city officials, and we were somehow chosen over two counties that submitted comprehensive formal proposals with extensive documented community support. The letter DPHHS received from Laurel by the state was actually solicited by Villa, and we have documentary evidence of that fact. The proposed parcel could generate half a million dollars annually in tax revenue to the city if developed commercially, which would be critical funding for laurel public schools, and maintaining water treatment infrastructure. This facility will pay 0.

Additionally, characterizing a forensic facility using a favorable comparison such as a children's hospital – without disclosing that the facility is designed for 32 inmates with stated planned expansion to 64 – constitutes a material misrepresentation to the public and to this agency. This is not an isolated instance. My statement today is consistent with a broader pattern of misconduct by Villa regarding this project:

Dan Villa made explicit public transparency promises to Laurel City Council on December 9, 2025 (on video), then held a secret meeting at a private construction company (Dick Anderson Construction) 28 days later Dan Villa coordinated privately with Laurel officials for 7 months (July 2025 – January 2026) while two counties followed a formal proposal process – then selected the community that never formally applied Dan Villa solicited the letter used as the basis for Laurel's selection on November 10, 2025 – the same day the formal proposal deadline passed for the two competing counties – offering to "buy the beer" if the letter was sent that afternoon. Given that most of today's conversation has been about the impact of substance use, I'd suggest the committee consider the ethical implications of allowing its representatives to use a substance that kills 170,000 people annually as a bargaining chip in a manner that is solicited, unethical, and undermines standard procedure.

Dan's pattern continues with yesterday's facility comparison. Likening the forensic facility to a children's hospital comparison is consistent with his approach: characterize the project favorably, minimize concerns, avoid accountability. Notably, the state paid 3x market rate for the selected parcel – a fact that Mr Villa references only to pivot to a per-square-foot price argument – while simultaneously insisting the state will have no use for that property for any other purpose. The community in Laurel deserves answers to these questions, and communities who applied using correct and legal process deserve consideration.

Respectfully,

On Tue, Mar 10, 2026 at 12:07 PM Matt <[gilgm12@gmail.com](mailto:gilgm12@gmail.com)> wrote:

Matt Gilg here,

I'm new to this, and apologize if using the full name of appointed officials isn't standard practice; in my own business (technology) accountability and transparency are first-class.

The police found our 5 year old daughter several blocks away from the elementary this year; the school is overstaffed and underfunded. (CHS regularly protests its taxes, which is a direct hit to public schools) Its gotten so bad, that schools here have needed to cut \$600,000 from the budget and eliminate 14 teachers, as I'm sure you know.

If you have questions or require any corroboration of fact in my public statement, please let me know.

Can you tell me if you approve of the BOI's conduct in selecting Laurel as a site?

Respectfully,

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Matt Gilg

[mattgilg.dev](mailto:mattgilg.dev)

Cell: 860.771.3511

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Matt Gilg

[mattgilg.dev](mailto:mattgilg.dev)

Cell: 860.771.3511

# HB5 Forensic Mental Health Facility — Documented Misconduct

**Matt Gilg** | Laurel, MT | [gilgm12@gmail.com](mailto:gilgm12@gmail.com) | 860-771-3511 | [laurelcared.com/communications](http://laurelcared.com/communications)  
**March 10, 2026** | Submitted to Committee as written corroboration of public testimony

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**On naming public officials:** The BOI Executive Director is a public official exercising state authority over \$26.5 million in public funds. Every claim in this document is supported by public FOIA records, public meeting video, or published news. Montana Constitution Article II, Section 8 protects the right to petition the government regarding official conduct. Naming the official responsible is not only appropriate - it is necessary for accountability.

## Formal Complaints

	Filed With	Against	Status
<b>On file</b>	Yellowstone County Attorney (Scott Twito)	Mayor Waggoner, CAO Markegard	Filed Feb 13, 2026; supplemented Mar 9, 2026
<b>In preparation</b>	COPP (Gallus)	BOI Executive Director Dan Villa	Pending completion of evidentiary record; Laurel FOIA response outstanding

As a native montanan, born and raised in Yellowstone county, it upsets me to see the integrity of our public offices tarnished by conduct that can negatively impact the livelihoods of my neighbors and community members. Neighboring citizens have asked for answers to many questions, including questions regarding conduct of decisionmakers in this case, and left with no answers. As a father of 3, I feel an obligation to stand up and speak in favor of transparency in political avenues especially as they pertain to our youth. Following this page, are the documented evidentiary facts uncovered this far.

*Note: Both of Laurel's elected state legislators - Rep. Lee Deming (HD54) and Sen. Vince Ricci - submitted a joint letter into the legislative record on February 17, 2026 stating opposition to the facility location.*

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## Documented Facts

Each Supported by FOIA Record or Public Video

**1. Laurel was selected without a formal proposal.** Big Horn County and Custer County submitted comprehensive proposals by the November 14, 2025 deadline. Laurel did not. The "Letter from Laurel" on hb5.mt.gov was submitted three days late - and was solicited by the BOI Executive Director himself.

**2. The selection letter was obtained under inducement.** On November 10, 2025 — the day the deadline passed - the BOI Executive Director texted Laurel's CAO: *"I'll buy the beer if you send it this afternoon?"* That letter substituted for a formal proposal and became the stated basis for Laurel's selection. CAO sent it the following morning.

**3. Seven months of private coordination preceded the formal process.** BOI records show a "Boi/Laurel Intro Call" on July 14 and discussions of "potential Laurel options" on July 15 — nearly three months before the formal process opened October 6. No comparable coordination with Hardin or Miles City has been documented.

**4. Explicit public transparency promises were broken.** On December 9, 2025 (on video): *"You will not read about it in a press release before you have been informed directly by me."* On December 30 — 21 days later — a private meeting was requested at Dick Anderson Construction's offices in Billings. The Mayor told media January 19 he "hadn't heard from the state since December 9."

**5. The state buy/sell is 3x market rate for 114 acres for a 0.74-acre building.** The facility footprint is 0.74 acres. 114 acres were purchased (or seek to be purchased). This parcel, commercially developed, could generate \$500,000+ annually in tax revenue for Laurel's underfunded schools - which cut \$600,000, eliminated 14 positions, and had all four levies defeated. As a state facility, it pays \$0.

**6. The facility is 400 yards from an elementary school — the community was never consulted.** My daughters (ages 4 and 5) attend West Elementary. The school board formally opposed the facility January 27, 2026. No environmental review, no community impact assessment, and no public input process was conducted before selection.

**7. CAO made documented false statements to a County Commissioner.** On October 8, 2025, Laurel's CAO wrote to Commissioner Morse: *"This is the first response we have received from the state"* and *"the only thing I passed along was that there was land listed for sale."* FOIA records show six prior contacts with BOI dating to July 10 and a comprehensive August 22 site pitch with maps, zoning analysis, and infrastructure data sent "on behalf of the Mayor."

**8. Mayor submitted falsified FOIA response after ethics complaint was filed.** After the February 13 ethics complaint, the Mayor submitted phone photographs showing "No messages." The CAO's FOIA records contain the actual text content of those conversations - with specific dates, times, and message text - directly contradicting the Mayor's submission.

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*Full records, FOIA responses, and complaint documents: [laurelcareed.com/communications](http://laurelcareed.com/communications)*

## Brittney Harakal

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**From:** Ward 4A  
**Sent:** Wednesday, March 11, 2026 12:08 PM  
**To:** Brittney Harakal  
**Subject:** FW: Formal Objection and Demand for Transparency Regarding Proposed Forensic Psychiatric Facility in Laurel

**From:** Amber Zahn <blondie\_locks09@yahoo.com>  
**Sent:** Wednesday, March 11, 2026 11:47 AM  
**To:** dvilla@mt.gov; charles.brereton@mt.gov; governor@mt.gov; kristen.juras@mt.gov; mark.blasdel@mt.gov; anita.milanovich@mt.gov; nicolas.miller@mt.gov  
**Cc:** vince.ricci@legmt.gov; michele@meridianlawmt.com; Cheryl Front Porch Hill <Thefrontporchmt@gmail.com>; elizabeth@laurelcared.com; Ward 4A <ward4a@laurel.mt.gov>  
**Subject:** Formal Objection and Demand for Transparency Regarding Proposed Forensic Psychiatric Facility in Laurel

To Whom It May Concern,

I am writing as a resident, parent, and bordering property owner to formally object to the proposed forensic psychiatric facility planned in Laurel.

Over the past several months, many residents have attempted to obtain clear and complete information about this project. Instead of transparency, the community has barely been given broad assurances and limited details about the operational realities of the facility being proposed. And not through direct contact, but with the expectation that we are aware of and following every meeting held with ANY references to the proposed facility in our community. That lack of clarity has left many residents feeling that the public is being expected to accept a major state decision without ever being given the full picture. It has created massive amounts of frustration, anger, and loss of trust and confidence. To put it in a way most people would understand, the officials we are supposed to trust and believe are the narcissistic partner trying to make us feel like we are the crazy ones when in reality they are the abusive partner trying to remain in control and belittle us at every turn.

The Montana Constitution guarantees citizens the right to participate in government decisions that affect them and the right to know how those decisions are being made. Those protections exist specifically so communities are not presented with major projects after the most critical decisions have already been made. Yet that is exactly how this process has felt to many residents.

This proposal places a secure forensic psychiatric facility directly within a residential area of our community near homes, families, and a school. Regardless of how the project is described publicly, this facility will house individuals placed there through the criminal justice system under court authority. That reality alone requires a level of transparency and public engagement that has not occurred.

Officials have attempted to reassure residents by referencing statistical safety data. However, statistical risk does not equal zero risk. When a secure forensic facility is placed in the middle of a residential neighborhood, the possibility of incidents—however unlikely—becomes a permanent part of daily life for the families living nearby. Parents raising children in this neighborhood cannot reasonably be expected to ignore that reality.

Equally important are the long-term impacts on the surrounding properties and the broader character of the community. Homes bordering this site will experience the most direct and lasting consequences of this decision. Property values, development potential, neighborhood perception, and long-term community investment are all affected when a secure forensic psychiatric facility is placed directly within a residential area. Stigma and perception surrounding facilities of this nature are well documented across the country and do not simply disappear because officials assert that the statistical risk is low.

There is also a broader planning question that has never been clearly addressed. Facilities of this type are typically sited based on careful consideration of compatibility with surrounding land use, security needs, transportation logistics, and community impact. Across the country, secure forensic facilities are most often located in areas specifically designed to support institutional uses rather than directly within residential neighborhoods.

This raises a simple but critical question that residents have not yet received a clear answer to: what analysis determined that placing a secure forensic psychiatric facility in the middle of a residential community near a school was the most appropriate option?

At this point, many residents have lost confidence that this decision has been made through a fully transparent process. The public should not have to rely on speculation or incomplete information to understand a project that will permanently alter the character of their community.

If the State of Montana intends to proceed with this proposal despite the concerns raised by residents, the public deserves full transparency regarding the decision-making process and the operational scope of the facility.

For that reason, I am requesting that the following documents be made publicly available:

- The complete site selection analysis used to determine that this location was appropriate
- The facility's operational or program plan, including the intended patient population and security classification
- The projected staffing model and staff-to-patient ratios
- Any risk assessments or community impact studies conducted during planning
- Documentation explaining how this facility was determined to be compatible with surrounding residential land use

These are not extraordinary requests. They are the basic documents that allow citizens to understand how major public decisions are made.

If the State continues to move forward without providing the transparency and documentation the public has repeatedly requested, residents will have no choice but to pursue every available avenue to obtain that information. That includes formal public records requests, legislative inquiries, and broader public scrutiny of how this decision was made. The people of this community are paying close attention. We see what is happening, and we will continue asking for answers until the full facts surrounding this project are made public.

Bolder and stronger every day,

Amber R. Zahn

Laurel resident, Laurel and Montana tax payer, registered voter, bordering land owner, MOTHER

[Yahoo Mail: Search, Organize, Conquer](#)

**File Attachments for Item:**

7. Revised Council Workshop Minutes of January 6, 2026.

**REVISED - MINUTES  
CITY OF LAUREL  
CITY COUNCIL WORKSHOP  
TUESDAY, JANUARY 06, 2026**

A Council Workshop was held in Council Chambers and called to order by Mayor Dave Waggoner at 6:30 p.m. on January 6, 2026.

**COUNCIL MEMBERS PRESENT:**

<input checked="" type="checkbox"/> Tom Canape	<input checked="" type="checkbox"/> Sara Naylor
<input checked="" type="checkbox"/> Brent Edgmond	<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, Administrative Assistant  
Kurt Markegard, CAO  
Michele Braukmann, Civil City Attorney  
Kelly Strecker, Clerk/Treasurer  
Tony Contreraz, EMT

**Public Input:**

There were none.

**General Items**

1. Nominations and Vote for President and Vice President On January 13, 2026.

There was no discussion on this item.

2. Appointment of Tony Contreraz to the Yellowstone Historic Preservation Board for the remainder of a two-year term ending December 31, 2026.

Mr. Contreraz briefly introduced himself to the Council.

**Executive Review**

3. Ordinance O25-02: An Ordinance Amending Title 20, Chapter 02 Of The Laurel Municipal Code Related To The Laurel Urban Renewal Agency.

Due to a change in State statutes, a representative from the County and a representative from the School District must have the opportunity to serve on the Board. This ordinance adds two more members to the Board to accommodate the changes made by the State.

4. **Planning:** Resolution - A Resolution Of The City Council Approving Annexation Of Approximately 10.31 Acres Of Property Adjacent To The City Of Laurel With An

Initial Zoning Designation Of Laurel Highway Commercial (HC) For Concurrent Review.

There will be a public hearing for this item at next week's Council meeting.

Council noted that they thought they had already voted on an annexation for this applicant. It was clarified that part of the lot has already been annexed into the City. This is the second portion of that lot, across the street, that has not yet been annexed.

It was noted that the City/County Planning Board had no proponents or opponents for this item.

**Council Issues**

There were none.

**Other Items**

There were none.

**Attendance at Upcoming Council Meeting**

All Council Members present will attend next week's meeting.

**Announcements**

5. Employee Recognition January to June 2026.

Mayor Waggoner recognized the years of service for January to June 2026.

The Council Workshop adjourned at 6:43 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.**

**MINUTES  
CITY OF LAUREL  
CITY COUNCIL WORKSHOP  
TUESDAY, JANUARY 06, 2026**

A Council Workshop was held in Council Chambers and called to order by Mayor Dave Waggoner at 6:30 p.m. on January 6, 2026.

**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, Administrative Assistant  
Kurt Markegard, CAO  
Michele Braukmann, Civil City Attorney  
Kelly Strecker, Clerk/Treasurer  
Tony Conteraz, EMT

**Public Input:**

There were none.

**General Items**

1. Nominations and Vote for President and Vice President On January 13, 2026.

There was no discussion on this item.

2. Appointment of Tony Conteraz to the Yellowstone Historic Preservation Board for the remainder of a two-year term ending December 31, 2026.

Mr. Conteraz briefly introduced himself to the Council.

**Executive Review**

3. Ordinance O25-02: An Ordinance Amending Title 20, Chapter 02 Of The Laurel Municipal Code Related To The Laurel Urban Renewal Agency.

Due to a change in State statutes, a representative from the County and a representative from the School District must have the opportunity to serve on the Board. This ordinance adds two more members to the Board to accommodate the changes made by the State.

4. **Planning:** Resolution - A Resolution Of The City Council Approving Annexation Of Approximately 10.31 Acres Of Property Adjacent To The City Of Laurel With An

Initial Zoning Designation Of Laurel Highway Commercial (HC) For Concurrent Review.

There will be a public hearing for this item at next week's Council meeting.

Council noted that they thought they had already voted on an annexation for this applicant. It was clarified that part of the lot has already been annexed into the City. This is the second portion of that lot, across the street, that has not yet been annexed.

It was noted that the City/County Planning Board had no proponents or opponents for this item.

**Council Issues**

There were none.

**Other Items**

There were none.

**Attendance at Upcoming Council Meeting**

All Council Members present will attend next week's meeting.

**Announcements**

5. Employee Recognition January to June 2026.

Mayor Waggoner recognized the years of service for January to June 2026.

The Council Workshop adjourned at 6:43 p.m.

Respectfully submitted,



Brittney Haraka  
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.**

**File Attachments for Item:**

8. Revised Council Workshop Minutes of January 20, 2026.

**REVISED - MINUTES  
CITY OF LAUREL  
CITY COUNCIL WORKSHOP  
TUESDAY, JANUARY 20, 2026**

A Council Workshop was held in Council Chambers and called to order by Mayor Dave Waggoner at 6:29 p.m. on January 20, 2026.

**COUNCIL MEMBERS PRESENT:**

<input checked="" type="checkbox"/> Tom Canape	<input checked="" type="checkbox"/> Sara Naylor
<input checked="" type="checkbox"/> Brent Edgmond	<input checked="" type="checkbox"/> Jessica Banks
<input checked="" type="checkbox"/> Casey Wheeler (@ 6:31 p.m.)	<input checked="" type="checkbox"/> Irv Wilke
<input checked="" type="checkbox"/> Richard Klose	<input checked="" type="checkbox"/> Jodi Mackay

**OTHERS PRESENT:**

Brittney Harakal, Administrative Assistant  
Kurt Markegard, CAO  
Matt Wheeler, Public Works Director  
Dan Villa, Montana Board of Investments Director  
Vince Ricci, Senator  
Lee Deming, Representative

**Public Input:**

Clair Anderson, a student at Laurel Middle School, briefly shared about her Benjamin Project. She received \$100 in seed money and used it to purchase an iPad Air, a case, and a pencil for a fundraiser for the new ambulance. Tickets are \$5 each. She attends basketball games and has a booth set up at the middle school. If anyone comments on the post she shared on Facebook, they will reach out to them to get a ticket.

Dan Villa, Montana Board of Investments Director, read the attached announcement.

Kyle Farley, 1001 S. Douglas Hwy, Cheyenne, Wyoming, submitted a statement, which was read to Council; see attached.

**General Items**

1. Appointment of Joe Hozwarth to the Tree/Park Board for the remainder of a four-year term ending December 31, 2028.

The CAO briefly went over Mr. Holzwarth's credentials and why he would be an excellent member of this Board. Mr. Holzwarth currently works for DNRC and oversees forestry in the surrounding area. He brings a wealth of knowledge.

**Executive Review**

2. **Mayor:** Resolution - A Resolution Of The City Council Authorizing The Removal Of City Council Member Heidi Sparks From All City Accounts, Adding City Council President Thomas J. Canape, And Adding Chief Administrative Officer Kurt Markegard To All Such Accounts.

There was no discussion on the item.

2. **Planning:** Resolution - A Resolution Of The City Council Of The City Of Laurel, Montana Approving Agreement Between Peaks Planning And Consulting, LLC And The City Of Laurel Related To On-Call Planning Services.

This contract is for a few months until the City can put out an RFP for Planning Services. The City will go out to separate Planning and Engineering Services. This contract will provide services for subdivisions and annexation. There is a lot of work behind these types of requests.

It was questioned if this is budgeted for. It was clarified that planning services were budgeted.

### **Council Issues**

3. **Public Works:** Discussion - CHS Stormwater

Travis Jones, KLJ, briefly went over the attached documents.

The goal is that the City and CHS can apply for grant funding to build this project. The City and CHS will need to enter into an MOU to move forward with applying for grant funding. The grant is due in March.

Currently, during a storm event, water first fills the retention pond and then crosses under the interstate onto CHS's property via an undersized culvert. Stormwater leaving CHS's property needs to be monitored for petroleum products. This will not be on next week's meeting agenda, but it will eventually come down the pipeline.

It was questioned if there would be any issues with this proposed plan with DEQ. It was clarified that this outlet into the river is below the City's intake, so there should not be concerns.

5. **Public Works:** Discussion - Old Rod & Gun Club Building Feasibility.

The Tree/Park Board would like to see this building used if it is feasible to restore it. There is a proposal to clean up the building so the BB Gun and Archery Shooting kids can use it. The Laurel Rod and Gun Club also needs to remove some of its items from the building as well. It is known that there are issues with the sewage system; it has not been tested, so it is unknown what issues actually exist. The septic system can be repaired, not replaced, according to Riverstone Health.

The BB Gun Club used to use the Lions Club building; they have reported finding damage from BB guns; however, it is unknown whether that damage is new or occurred long ago. The BB Gun

Club does use proper drop clothes to protect against damage. However, it was noted that the Rod and Gun Club building has significantly more glass, and a broken window could occur.

Council asked whether Public Works could inspect the building and note anything that needs to be addressed. They also asked if Public Works could run water through the septic system to see what happens. It was noted that water and power can be restored to the building. Public Works could attempt to fill the septic tanks with water to see what occurs.

The City will need to obtain a cost estimate and an appraisal to further evaluate the feasibility of restoring this building. Then, during budget discussions this summer, the Council can decide whether they would like to embark on restoring the building. There may be grants available as the building is listed as a historic building.

### **Other Items**

Resolution - Sort the term contract for Engineering services.

It is important to have someone on Staff. A subdivision is currently being developed and will need to be signed off by the City's engineer. This contract is in effect until the end of April, after the City is able to go out for an RFP.

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

Council Member Naylor will not be in attendance at next week's meeting; all others will be present.

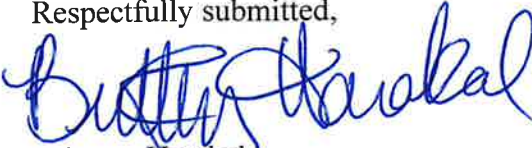
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Council Member Mackay offered to help anyone who needs to get in contact with Clair about raffle tickets; she can assist.

There will be a Local Government Center training in Billings on February 10<sup>th</sup>. This is a Council meeting. Council can choose to move its meeting, send only new members, or request Laurel-specific training. Council requested its own training so that all Council Members can attend.

The council workshop adjourned at 7:31 p.m.

Respectfully submitted,



Brittney Harakal  
Administrative Assistant

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CITY COUNCIL WORKSHOP  
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Respectfully submitted,

  
Brittney Harakal  
Administrative Assistant

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# MONTANA

## BOARD OF INVESTMENTS

### **Comments to Laurel City Council January 20, 2026**

#### **From Executive Director Villa:**

Mr. Mayor and Members of the Council, thank you for the opportunity to address you this evening.

As previously promised, I committed that the Laurel City Council would be the first to know of any actions regarding the development of the behavioral health facility authorized by the 2025 Legislature in House Bill 5, Section 17. I'm here tonight to fulfill that commitment.

The Montana Board of Investments has executed a buy/sell agreement to purchase approximately 114 acres located west of Laurel along Highway 10. With this agreement in place, BOI will now begin the formal process of requesting annexation and assignment of zoning from the City of Laurel.

A map indicating the specific location has been sent to Ms. Strecker for your records and information. I'm also including the plan submitted by Department of Public Health and Human Services Director Charles Brereton and myself that was approved by the State Budget Director on November 28, which does, in fact, include a draft floor plan.

I am concurrently informing local legislators to ensure they remain fully apprised as the project advances. BOI and all our partners look forward to working closely with city staff, elected officials, and community members throughout this process.

Thank you for your time this evening. I look forward to meeting you in person in the coming weeks.





DEPARTMENT OF  
**PUBLIC HEALTH &  
HUMAN SERVICES**

**MONTANA**  
BOARD OF INVESTMENTS

November 26, 2025

Ryan Osmundson  
State Budget Director  
Office of Budget and Program Planning  
PO Box 200802  
Helena, MT 59620-0802

Director Osmundson,

Pursuant to HB 5, please accept the following as the proposed plan for the construction of a new behavioral health facility for the Department of Public Health and Human Services (DPHHS). The statute reads as follows:

***Section 17. Transfer of funds – plan and reporting.** (1) By June 30, 2026, the state treasurer shall transfer \$26.5 million from the capital developments long-range building program account established in 17-7209 to the board of investments for the purposes of building a behavioral health facility.*

***(2) Prior to the transfer in subsection (1) taking place, the budget director shall adopt a plan from the board of investments and the department of public health and human services on the facility type and location.** The board of investments and the department of public health and human services shall report to the health and human services interim budget committee established in 5-12-501 on the progress of choosing the facility type and location. Once a plan is adopted by the budget director, the board of investments and the department of public health and human services shall provide a progress report at each subsequent meeting of the health and human services interim budget committee and each subsequent meeting of the long-range planning budget committee that are held prior to December 31, 2026.*

***(3) Any unspent funds must revert to the capital developments long-range building program account.***

### **Facility Type and Location**

As demonstrated in the enclosed analysis, DPHHS seeks to construct and operationalize a 32-bed forensic mental health facility. The facility would be designed with scalability in mind should the agency determine a need to leverage beds for the civil population in the future. From our perspective, it is most appropriate to "build up" to forensic facility

standards and be able to scale down as deemed necessary. As many Montanans know, DPHHS has experienced surging demand for forensic psychiatric services over the past several years, resulting in a problematic statewide waitlist that adversely impacts local communities. While DPHHS has taken a variety of steps to try to address this issue operationally, its bed capacity remains severely limited, and the agency believes that the funds granted to us by the Legislature must be prioritized for the forensic population.

The Board of Investments (BOI) will oversee construction of the facility using its established real estate development process, which has successfully delivered, owned, leased, and managed income distribution from directly held real estate securities for over 40 years. BOI and its contractors will obtain all required permits, annexations, zoning, and other local approvals in full compliance with applicable ordinances and resolutions. Upon completion of construction, DPHHS will enter into a lease agreement with BOI for a minimum term of 20 years.

DPHHS has selected Laurel, Montana as the location for the facility. Laurel provides access to a critical health care workforce and infrastructure necessary to ensure the facility's success. Laurel's geographic location is ideally situated for improving access and transportation logistics for patients and their families, staff, and law enforcement across central and eastern Montana.

As you know, the Legislature allocated \$26.5 million for this project to BOI, pending your approval. However, it is anticipated that these funds may be insufficient to construct a "hardened" facility designed to safely and securely serve a forensic population. Once BOI can more precisely determine the total project costs, DPHHS is prepared to allocate additional funding from the remaining Behavioral Health Systems for Future Generations (BHSFG) state special revenue capital account balance, which currently holds an available balance of \$41,970,000, to address any amount exceeding the HB 5 transfer. The Office of Budget and Program Planning (OBPP), as the statutory approving authority, will be consulted throughout this process.

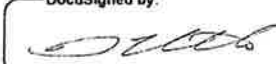
DPHHS and BOI have worked in strong partnership for several months. Specialized consultants have been engaged to support facility research and design, as well as the development of an effective program structure. With your approval, work can begin immediately to continue strengthening Montana's behavioral health system.

Thank you for your timely attention to this urgent matter.

Signed by:  
  
61408679875F473...  
Charles I. Brereton

Director

Department of Public Health and Human Services

DocuSigned by:  
  
21DF48F786AE4F4...  
Dani Villia

Executive Director

Montana Board of Investments

Attachments:

1. "Building a Foundation for Future Generations: Montana's New Behavioral Health Facility"
2. "Frequently Asked Questions: Montana's New Behavioral Health Facility"
3. "Securities Classification of the Construction of Behavioral Health Unit Pursuant to Section 17 of House Bill 5 from the 2025 Legislative Session"
4. Letter from the City of Laurel, MT
5. Draft Floor Plan



October 6, 2025

Dan Villa  
Executive Director  
Montana Board of Investments  
2401 Colonial Drive, 3<sup>rd</sup> Floor  
PO Box 200126  
Helena, MT 59620-0126

Executive Director Villa,

I write regarding the following language from House Bill 5, passed by the 2025 Montana Legislature and signed into law by Governor Gianforte on June 19, 2025:

***Section 17. Transfer of funds -- plan and reporting. (1) By June 30, 2026, the state treasurer shall transfer \$26.5 million from the capital developments long-range building program account established in 17-7209 to the board of investments for the purposes of building a behavioral health facility.***

***(2) Prior to the transfer in subsection (1) taking place, the budget director shall adopt a plan from the board of investments and the department of public health and human services on the facility type and location. The board of investments and the department of public health and human services shall report to the health and human services interim budget committee established in 5-12-501 on the progress of choosing the facility type and location. Once a plan is adopted by the budget director, the board of investments and the department of public health and human services shall provide a progress report at each subsequent meeting of the health and human services interim budget committee and each subsequent meeting of the long-range planning budget committee that are held prior to December 31, 2026.***

***(3) Any unspent funds must revert to the capital developments long-range building program account.***

Pursuant to these statutory requirements, the Department of Public Health and Human Services (DPHHS) looks forward to continuing our collaboration with the Board of Investments (BOI) to build a much-needed behavioral health facility for Montanans. As we enter the next phase of this critical project, I am providing you with the following guidance concerning DPHHS's preferred location for the facility, as well as the type and purpose of the facility that we believe should be built based on our observed demand for state psychiatric services.

#### *Site Location*

While DPHHS remains interested in site opportunities in Yellowstone County, it is important that all Eastern Montana communities equipped with adequate infrastructure and a potential workforce are afforded the opportunity to submit proposals for hosting our new facility. As

we've agreed, a Due Diligence Questionnaire process would help solicit input from all communities in Eastern Montana, and the Department authorizes BOI to proceed on our behalf with that process. In light of anticipated future demand for state psychiatric services, communities and stakeholders should be aware that any site selected must allow for potential expansion in future years. Working together, I am confident that both of our agencies will facilitate robust engagement with local stakeholders when appropriate and prior to final site selection.

*Facility Type and Purpose*

As demonstrated in the enclosed analysis, DPHHS seeks to construct and operationalize a 32-bed forensic mental health facility. The facility would be designed with scalability in mind should the agency determine a need to leverage beds for the civil population in the future. From our perspective, it is most appropriate to "build up" to forensic facility standards and be able to scale down as deemed necessary. As many Montanans know, DPHHS has experienced surging demand for forensic psychiatric services over the past several years, resulting in a problematic statewide waitlist that adversely impacts local communities. While we have taken a variety of steps to try to address this issue operationally, our bed capacity remains severely limited, and the agency believes that the funds granted to us by the Legislature must be prioritized for the forensic population.

I thank you and BOI for your partnership and support of our work on behalf of the Montanans we serve.

Sincerely,



Charles T. Brereton  
Director

Enclosure: Building a Foundation for Future Generations: Montana's New Behavioral Health Facility

# **BUILDING A FOUNDATION FOR FUTURE GENERATIONS: MONTANA'S NEW BEHAVIORAL HEALTH FACILITY**

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Prioritizing Forensic Capacity to Resolve a Systemic Bottleneck

October 2025



**DEPARTMENT OF  
PUBLIC HEALTH &  
HUMAN SERVICES**



## TABLE OF CONTENTS

<b>EXECUTIVE SUMMARY .....</b>	<b>3</b>
BACKGROUND .....	3
SYSTEMS OF CARE.....	4
<b>WHY PRIORITIZE THE FORENSIC POPULATION VS. THE CIVIL POPULATION? .....</b>	<b>6</b>
SYSTEM BOTTLENECK .....	6
RAPID GROWTH IN FORENSIC DEMAND AND WAITLIST .....	6
OPERATIONAL CONSTRAINTS AT THE FMHF IN GALEN .....	9
LEGAL RISKS OF FORENSIC BED SHORTAGES .....	10
ADDITIONAL RATIONALE .....	11
<b>PROJECTED IMPACT OF THE 32-BED EXPANSION .....</b>	<b>12</b>
<b>WHY THE INTEREST IN EASTERN MONTANA? .....</b>	<b>12</b>
<b>THE IMPORTANCE OF A FLEXIBLE DESIGN .....</b>	<b>13</b>
<b>CONCLUSION .....</b>	<b>13</b>

## EXECUTIVE SUMMARY

Montana's behavioral health system is facing an ongoing and critical challenge: a growing forensic psychiatric population is overwhelming the state's limited capacity, resulting in delayed treatment and adjudication, as well as admission waitlists that adversely impact local detention facilities. In response to this issue, the Montana Department of Public Health and Human Services (DPHHS) seeks to prioritize the construction of a 32-bed forensic psychiatric facility in Eastern Montana. This expansion will address urgent legal, clinical, and operational needs while improving geographic equity and system efficiency. Importantly, the facility will be strategically designed to allow DPHHS to convert wings or pods for civil commitment use if demand shifts in the future.

### BACKGROUND

DPHHS is responsible for providing inpatient psychiatric care to individuals who require involuntary treatment due to severe mental illness. These individuals fall into two primary categories: forensic and civil patients.

- **Forensic patients** are individuals who are involved in the criminal justice system. They may be:
  - Awaiting trial but in need of a mental health evaluation to determine if they are competent to stand trial.
  - Found Unfit to Proceed (UTP) and in need of inpatient restoration services.
  - Sentenced under Montana Code Annotated (MCA) 46-14-312, which mandates DPHHS to provide treatment for individuals found Guilty but Mentally Ill (GBMI) or Not Guilty by Reason of Mental Illness (NGMI).
- **Civil patients** are individuals who, due to a mental illness, pose a danger to themselves or others, and/or are unable to care for their basic needs. These individuals are typically admitted through civil commitment proceedings.

To meet the needs of both populations, the Gianforte administration has secured funding for renovations and expansions at Montana State Hospital (MSH), MSH Grasslands, and the Montana Mental Health Nursing Care Center (MMHNCC), which will increase total state psychiatric bed capacity to 307 beds, with a potential net increase of 40 beds.

In addition to funding provided to MSH during the 2025 Legislative Session, the Gianforte administration secured funding to reopen the D wing at MMHNCC. Reopening the D wing will add 24 civil beds to serve the geriatric psychiatric population, including some patients previously served on the Spratt Unit.



This ultimately maintains the existing number of civil beds in the civil care continuum.

Wing/Unit	Type	Current	Proposed	Difference
Alpha	Civil	31	41	10
Bravo	Civil	26	34	8
Echo	Civil	25	23	-2
Grasslands	Civil	0	20	20
Spratt	Civil	60	0	-60
MMHNCC-D-Wing	Civil	0	24	24
<b>TOTAL</b>		<b>142</b>	<b>142</b>	<b>0</b>
Delta	Forensic	31	41	10
Galen	Forensic	54	54	0
Group Homes	Forensic	40	40	0
Former Spratt	Forensic	0	30	30
<b>TOTAL</b>		<b>125</b>	<b>165</b>	<b>40</b>

## SYSTEMS OF CARE

### *Forensic*

At MSH, individuals involved in the criminal justice system may be admitted for forensic psychiatric evaluation or treatment. The typical process for a forensic patient includes the following steps:

#### 1. **Fitness Evaluation/Court-Ordered Evaluation (COE)**

A court may order a mental health evaluation, frequently referred to as a COE, to determine whether a defendant is fit to proceed to trial. This is an initial “fitness” evaluation and is restricted to a diagnosis of the mental condition of the defendant, including opinions as to: a) whether the defendant suffers from a mental disorder and may require commitment or is seriously developmentally disabled, and b) if the defendant suffers from a mental disease or disorder or developmental disability, whether the defendant has the capacity to: i) understand the proceedings against the defendant, and ii) assist in the defendant’s own defense.

- This evaluation can be conducted in the community through an investment made possible by the Behavioral Health System for Future Generations (BHSFG) Commission or may require inpatient admission to the Forensic Mental Health Facility (FMHF) in Galen.
- If the individual is found competent, they are returned to the county of origin to proceed with trial.

**2. Unfit to Proceed (UTP)**

If the initial fitness evaluation (COE) determines the individual is not fit to proceed to trial, they must be ordered to be admitted to the FMHF in Galen for inpatient restoration treatment.

- These individuals do not go to the Delta Unit at this stage.

**3. Non-Restorable Cases**

If the individual cannot be restored to fitness due to a persistent mental illness, their criminal case may be dismissed.

- They may then be ordered to be civilly involuntarily committed for ongoing treatment.

**4. Pre-Sentence Evaluation (PSE)**

In some cases, a PSE is ordered to determine whether the individual met the legal criteria for GBMI at the time of the offense as part of a sentencing proceeding.

**5. Sentenced Forensic Patients (GBMI)**

Individuals found "Guilty but Mentally Ill" are initially admitted to the FMHF in Galen and placed on a waitlist for transfer to the Delta Unit, which houses sentenced forensic patients.

- These patients progress through a Level 1–10 privilege system at MSH.
- Those reaching Level 6 or higher may be eligible for placement in on-campus group homes or, in the future, the converted Spratt Unit.

**Civil**

MSH also serves individuals who are civilly involuntarily committed. These are individuals who, due to a mental illness, are considered a danger to themselves or others, and/or are unable to meet their basic needs.

The typical process for a civil patient at MSH or MSH Grasslands is as follows:

**1. Admission through Civil Commitment**

A court orders the individual to receive inpatient psychiatric care based on clinical evidence of risk and/or inability to care for themselves.

**2. Evaluation and Stabilization**

Upon arrival, the patient is admitted to the admissions wing (Echo) at MSH, where they undergo evaluation and receive initial stabilization treatment.

**3. Discharge or Continued Treatment**

- If the patient stabilizes quickly, they may be discharged and returned to their home or community with appropriate supports.

- If further care is needed, the patient is transferred to a treatment wing (Alpha or Bravo) for continued therapy and rehabilitation, with the goal of eventual discharge.

*Note: This is a simplified overview intended to illustrate the general continuum of care. Individual treatment plans and legal processes may vary based on clinical needs and statutory requirements.*

## WHY PRIORITIZE THE FORENSIC POPULATION VS. THE CIVIL POPULATION?

### SYSTEM BOTTLENECK

The FMHF in Galen is currently the only facility in the state equipped to restore individuals who a court has determined are UTP. It also serves as the admission point for defendants sentenced as GBMI, and those committed to the custody of the director of DPHHS to be placed in an appropriate mental health facility for custody, care, and treatment after the court has determined they present a danger to themselves or others. This set of defendants, as distinguished from GBMI defendants, is referred to as NGMI patients.

Since 2022, the FMHF in Galen has consistently maintained a waitlist of over 70 patients, creating a significant bottleneck that affects:

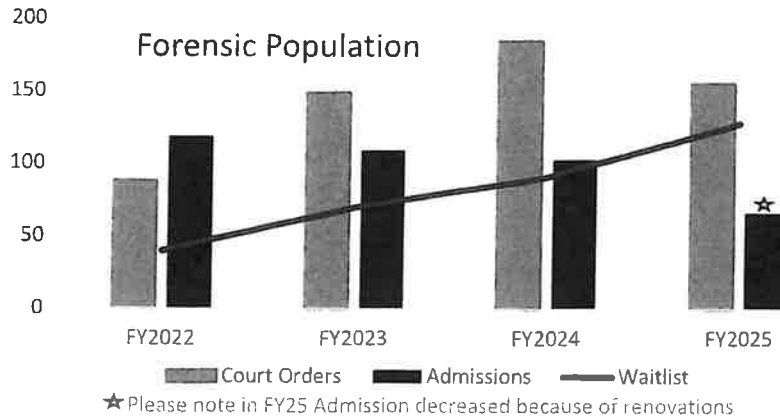
- County court proceedings
- Jail populations
- Local mental health systems

This backlog delays access to treatment, strains public safety systems, and increases the state's legal risk.

### RAPID GROWTH IN FORENSIC DEMAND AND WAITLIST

**Forensic court orders have surged 77% since FY 2022, with GBMI orders increasing 650%.** In contrast, civil admissions have remained relatively stable, aided by the MSH Grasslands facility and other community-based supports. The forensic system, however, has no such relief valve, making the sought expansion urgent.

As noted above, Montana has experienced a sharp increase in forensic court orders over the past four years, which has consequently increased DPHHS's forensic waitlist. As the state's population grows, the number of individuals requiring forensic evaluation and treatment is expected to rise proportionally in accordance with national trends.



The following table reflects the court orders, by type, issued in each fiscal year.

TYPE	FY 2022	FY 2023	FY 2024	FY 2025	% Change FY 2022 to FY 2025	AAGR FY 2022-FY 2025
COE	55	93	81	67	21.80%	13.00%
UTP	23	42	52	43	86.90%	29.70%
PSE	6	7	13	20	333%	52.10%
GBMI	4	7	39	26	650%	166%
NGMI	0	0	0	0	N/A	N/A
<b>TOTAL</b>	<b>88</b>	<b>149</b>	<b>185</b>	<b>156</b>	<b>77.20%</b>	<b>25.90%</b>

*Note: Not all COE orders result in admission to the FMHF in Galen. Some evaluations are being completed in the community through the aforementioned BHSFG initiative launched in 2024.*

**Forensic Waitlist Growth and Contributing Factors**

The forensic waitlist for the FMHF in Galen has grown significantly in recent years; however, this growth is not a straightforward function of court orders minus admissions. The waitlist is shaped by a variety of operational and legal factors, including court orders from multiple fiscal years.

**Why Waitlist Numbers Are Complex**

Several factors contribute to the growing waitlist:



- **Community-Based Evaluations:** Some COEs and PSEs are completed by DPHHS-approved providers in the community, without requiring admission to the FMHF in Galen.
- **Dismissed Cases:** A defendant's case may be dismissed by a court due to a determination that a defendant cannot be made fit within the reasonably foreseeable future and that alternatives to forensic commitment are inappropriate, due to speedy trial violations, or due to other Constitutional considerations. This may remove the defendant from the system before admission, which is an outcome that DPHHS seeks to avoid through expanding forensic bed capacity.
- **Non-Court-Ordered/Emergency Admissions:** Some admissions are for patients who are held up to 72 hours in connection with an "emergency detention." An emergency detention is coordinated with a county attorney, the state hospital, and other mental health facilities for individuals who are experiencing acute crises, have rapidly decompensated, or require higher security, even if they are not tied to a court order.

The following table reflects the waitlist at the end of the fiscal year and the fiscal year in which the court order was initially issued.

FY	Waitlist	Year the Court Order was Issued				
		FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
2022	40	4	36			
2023	70		4	66		
2024	91		1	5	85	
2025	128*			1	26	101

*\*Note: FY 2025 totals were impacted by renovations and pod reconfigurations that temporarily reduced forensic admissions capacity.*

The waitlist is not just a backlog. It is a dynamic, multi-year accumulation of unmet forensic service needs. This underscores the importance of expanding capacity and building flexible infrastructure that can absorb fluctuations in demand and operational disruptions.

Conversely, DPHHS has not observed a corresponding rapid increase in the waitlist for the civil population. When operating at full capacity, MSH typically admits around 650 civil patients per year. While admissions declined in FY 2025 due to limited bed space associated with renovations required for CMS certification, by the end of FY 2025, only five individuals were on the civil waitlist, and they were ultimately cleared for admission.



While infrastructure upgrades have temporarily impacted civil admissions, the system is functioning effectively and has adapted through initiatives such as opening MSH Grasslands. This reinforces the need to prioritize forensic expansion, where the misalignment between demand and capacity is more acute.

**OPERATIONAL CONSTRAINTS AT THE FMHF IN GALEN**

Renovations, pod closures, and gender-based housing needs have further reduced forensic capacity. Internal transfers (e.g., from Delta Unit to Galen) consume bed space without reducing the waitlist, furthering the need for dedicated additional capacity.

*The following table reflects the number of admissions and the fiscal year in which the known court order was issued.*

FY	Number of Admissions	Year the Court Order was Issued					
		Unknown	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
2022	119	76	4	39			
2023	109	26		14	69		
2024	103			1	43	59	
2025	66*					47	19

**Admissions Are Not Always Court-Driven**

- Annual admissions include individuals with court orders from multiple fiscal years, not just the current one.
- Some admissions are not tied to new court orders. For example, patients from the Delta Unit may be temporarily transferred back to Galen if they decompensate and require a higher-security setting.

**Gender-Based Pod Reconfiguration**

The growth of Montana’s forensic population is further complicated by the need to separate male and female patients, which is a requirement driven by both safety and clinical standards. Over the last five years, roughly 20% of forensic orders have been for female patients.

- The FMHF in Galen consists of two large pods and one small pod.
- This layout limits flexibility in managing gender-specific housing needs, especially when demand fluctuates.

To address a growing female waitlist, over the past four years, one pod has been converted from male to female housing twice. To safely complete the transition, overall male capacity is temporarily reduced, and new male admissions are paused, worsening one component of the statewide forensic waitlist.

## LEGAL RISKS OF FORENSIC BED SHORTAGES

A shortage of forensic psychiatric beds poses **serious legal and constitutional risks** for the State of Montana and its counties. These risks stem from the inability to provide timely mental health treatment to individuals who are legally entitled to it.

### ***Due Process Violations***

- Defendants found incompetent to stand trial must receive treatment to restore their competency.
- Delays in admission can result in individuals spending more time in jail than they would have if convicted, violating their constitutional right to due process.
- Prolonged incarceration without treatment can lead to worsening mental health and increased suicide risk, potentially protracting treatment at the FMHF in Galen upon admission and worsening the existing bottleneck.

### ***Risk of Federal Intervention and Litigation***

- Other states, such as Washington, have faced class-action lawsuits and federal court oversight due to delays in forensic mental health services.
- Courts have required states to:
  - Expand forensic capacity
  - Improve access to treatment
  - Pay damages for constitutional violations

### ***Montana's Current Exposure***

While Montana has not yet faced federal intervention, Department leadership believes the risk is growing. The number of **court orders dismissed due to speedy trial violations** – a direct result of forensic bed shortages – demonstrates this legal vulnerability. In FY 2024 and 2025, the number of court orders dismissed totaled 12.

### ***Why This Matters***

- Forensic patients are often held in jails while awaiting admission, where they may not receive adequate psychiatric care.
- Delays in restoration can lead to constitutional violations, including speedy trial and due process concerns.
- Civil patients, while also in need, have more diversified treatment pathways (e.g., Grasslands, community-based services), whereas forensic patients rely most exclusively on the FMHF in Galen.

- Each dismissal represents a missed opportunity for treatment, a potential public safety concern, and a legal liability for the state.

## ADDITIONAL RATIONALE

### ***National and Regional Benchmarking***

By early 2026, MSH is projected to operate with:

- 142 civil beds (including 24 at MMHNCC) – 13.10 civil beds per 100,000 residents
- 125 forensic beds (including those for sentenced patients) – 11.53 beds per 100,000 residents
- Total: 24.63 state psychiatric beds per 100,000 residents

National benchmarks recommend 20–40 state psychiatric beds per 100,000 population (TAC, KFF). Montana's current capacity places it at the lower end of the national benchmark for total civil and forensic beds. The Department's desired changes to system bed capacity, as described above, will ultimately increase state psychiatric beds to 339 in total, bringing Montana's per 100,000 rate to a midpoint of 31.27.

*Note: Increase in capacity is a combination of changes referenced in the chart on page 4 and the proposed new forensic facility.*

### ***National Trends in Forensic Psychiatric Populations***

Across the United States, states are experiencing a sustained surge in forensic psychiatric demand, particularly related to competency to stand trial evaluations and restorations.

### ***Growth in Competency Cases***

- From 1999 to 2014, there was a 76% increase in forensic patients in state hospitals.
- From 2017 to 2024, the number of individuals found incompetent to stand trial rose by 23%.
- National forensic waitlists have ballooned – from 883 in 2019 to approximately 2,400 by 2024 – leading to overcrowding in jails and emergency departments.

### ***Other State Responses: Expanding Forensic Capacity***

According to a July 2025 report by NRI, Inc., 11 states added over 1,300 forensic beds between 2022 and 2024, and an additional 317 beds were added in 2025 alone.



- Mississippi: Built an 83-bed maximum-security forensic unit, doubling capacity to 123 beds.
- Kansas: Constructed two new state psychiatric hospitals following a legal settlement.
- Pennsylvania: Built a 270-bed forensic facility at Norristown State Hospital.
- New York: Added 125 beds in four months, with 325 total added under the current governor's administration.

## PROJECTED IMPACT OF THE 32-BED EXPANSION

- **DPHHS projects that adding 32 forensic beds would increase annual capacity to serve approximately 170 patients.**
- This represents a 60% increase in the availability of care, significantly reducing wait times and improving access to timely evaluation and restoration services.
- Montana's forensic system is under-resourced relative to national benchmarks and uniquely strained by legal sentencing practices.
- Expanding forensic capacity is a strategic, data-driven response to both current deficiencies and future needs.

## WHY THE INTEREST IN EASTERN MONTANA?

### Geographic Balance and Access

Because Eastern and Central Montana currently lack essential forensic infrastructure, counties are forced to transport patients long distances to the FMHF in Galen, which delays care and increases costs. Establishing a new facility in Eastern Montana would improve geographic balance.

### Strategic Advantages

The proposed 32-bed forensic facility is being considered for Eastern Montana, a region with limited access to forensic psychiatric services and one that provides a growing share of the state's forensic admissions. This location is expected to:

- Improve geographic access for law enforcement, court systems, defendants, and families in Eastern and Central Montana.
- Reduce transportation burdens for counties that currently face long distances when transporting defendants to the FMHF in Galen.
- Support regional equity by expanding behavioral health infrastructure beyond the western corridor.

## THE IMPORTANCE OF A FLEXIBLE DESIGN

The facility will be designed for medium- to low-security forensic care, which allows for conversion to civil use if future demand shifts and DPHHS determines a need to repurpose pods/units. Designing the new forensic facility with scalability and adaptability in mind offers significant long-term cost savings.

A modular layout and medium- to low-security infrastructure will allow the facility to be scaled up or down based on changing demand, whether that means expanding forensic capacity, converting pods/units for civil use, or adjusting gender-specific housing.

This flexibility reduces the need for costly new construction or major retrofits in the future. By investing in a facility that can evolve with Montana's behavioral health landscape, the state can maximize the return on capital investment, avoid duplication of infrastructure, and ensure that taxpayer dollars are used efficiently and effectively over time.

With the new facility, DPHHS will be better positioned to provide state psychiatric services regardless of what type of capacity (forensic or civil) is most strained in future years.

## CONCLUSION

Montana's forensic psychiatric system is under significant and growing strain. Without immediate investment in expanded capacity, the state faces serious and far-reaching consequences not only for individuals with mental illness, but also for the legal system, public safety, and public finances.

County jails are increasingly housing individuals who require psychiatric care, not incarceration. These facilities are not equipped to provide appropriate treatment, leading to worsening symptoms, increased risk of self-harm, and potential violations of constitutional rights. Concurrently, the lack of available forensic beds has forced courts to dismiss charges or release individuals without treatment, contributing to a cycle of relapse, homelessness, and recidivism. These consequences often adversely impact the civil mental health system, which is not designed to manage forensic-level acuity.

The proposed 32-bed forensic facility in Eastern Montana offers a strategic, flexible, and future-ready solution. It will:

- Relieve pressure on local governments and jails, as well as reduce legal exposure
- Improve access to timely, appropriate treatment
- Expand geographic equity in behavioral health services



- Increase forensic evaluation capacity by 60%
- Boost annual forensic care delivery from 106 to 170 patients (estimated)
- Provide long-term adaptability for DPHHS to shift between forensic and civil use as needed

By designing the facility with scalability in mind, Montana can avoid costly retrofits or duplicative construction in the future. This investment not only addresses today's most pressing behavioral health challenge, but it also builds a more resilient, efficient, and balanced system for the future.

**Inaction carries a high cost. DPHHS's desired expansion of forensic beds is a fiscally responsible, legally sound, and clinically necessary way to continue building a stronger statewide behavioral health system for future generations.**



## Frequently Asked Questions (FAQs): Montana's New Behavioral Health Facility

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### **1. What funding is the State of Montana using to build a new behavioral health facility?**

House Bill 5, passed by the 2025 Montana Legislature and signed into law by Governor Gianforte on June 19, 2025, provides \$26.5 million to build a behavioral health facility. House Bill 5 requires the Department of Public Health and Human Services (DPHHS) and Board of Investments (BOI) to jointly develop a plan identifying the type and location of the facility.

### **2. What is the type and purpose of the facility?**

Based on a statewide needs assessment, this facility will provide secure, therapeutic care for individuals with serious mental illness who are in the criminal justice system. These individuals may include:

- A person awaiting trial who needs a mental health evaluation to determine if they are mentally fit to stand trial.
- A person found Unfit to Proceed (UTP) who requires inpatient treatment to restore their competency.
- A person found Guilty but Mentally Ill (GBMI) or Not Guilty by Reason of Mental Illness (NGMI) who is court-ordered to receive treatment in a secure psychiatric facility.

### **3. Who is responsible for this facility?**

The facility will be managed and operated by DPHHS.

Under Montana Code Annotated (MCA) Title 53, Chapter 21, DPHHS is legally responsible for providing inpatient psychiatric care to individuals who are either civilly committed or involved in the criminal justice system due to serious mental illness.

This new facility will be part of the state's broader behavioral health system and will be staffed, licensed, and overseen in accordance with state law and clinical best practices.

### **4. Why is the facility focused on mental health treatment for individuals who are involved in the criminal justice system?**

Montana is experiencing a growing crisis in forensic psychiatric care and lacks sufficient capacity to meet demand. At the end of Fiscal Year 2025, 128 individuals were on the waitlist for admission to the existing Forensic Mental Health Facility in Galen, which is managed and operated by DPHHS.



Currently, this facility is the only facility in Montana that can serve this population, and the bed space is inadequate for current and projected demand.

Without timely access to treatment, individuals may be held in local jails for extended periods, which can worsen psychiatric symptoms and delay recovery.

This new facility will:

- Provide faster access to treatment, allowing for earlier patient stabilization, reducing the risk of harm to self or others.
- Help individuals regain competency and move through the legal system appropriately, reducing risks of recidivism, homelessness, or untreated mental illness.
- Create capacity for local jail, ensuring critical public safety resources are used effectively.

#### **5. Why was Eastern Montana identified as the preferred location?**

Eastern Montana was selected to improve geographic access to behavioral health services and reduce pressure on the existing DPHHS facility in Galen (Western Montana). A facility in Eastern Montana will:

- Reduce transportation burdens for counties in Eastern and Central Montana.
- Improve regional access for law enforcement, courts, and families.
- Expand necessary behavioral health infrastructure in an underserved part of the state.

#### **6. Will the facility only serve forensic patients?**

While the immediate need is to serve individuals in the criminal justice system who require psychiatric evaluation or treatment, the facility is being designed with flexibility and scalability in mind for future needs.

Its primary purpose is to address Montana's urgent shortage of forensic psychiatric beds. However, if future demand shifts, the facility can be adapted to serve civil patients.

By building a facility that can evolve with Montana's behavioral health needs, the state is making a smart, future-ready investment that avoids the cost of building new infrastructure down the road.



### **7. Can patients voluntarily leave this facility?**

No. All individuals admitted to this type of facility are either court ordered or sentenced to DPHHS. The facility will operate under strict security and clinical protocols to ensure the safety of patients, staff, and the broader community.

### **8. What security measures are implemented at this type of facility?**

As a forensic facility, security is significantly tighter than in traditional locked psychiatric units.

Security features include:

- 'Sally port' doors, which ensure one door is closed before the other opens to prevent patient elopement
- Double-layer security fences around all outdoor areas
- A central command station that operates facility access control and manages patient and staff movements
- 24/7 interior and exterior live video monitoring

No firearms are on-site, and staff are trained in de-escalation and safe behavioral management techniques.

### **9. What is the anticipated length of stay for patients, and what criteria are used to determine their readiness for release?**

Based on the model of the existing Forensic Mental Health Facility in Galen, DPHHS anticipates that patients ordered by the court for evaluation and restoration will stay for approximately 3 to 6 months. Their release depends on their treatment progress and usually involves returning to a county jail or being transferred to the Montana State Hospital.

For patients placed in the care of DPHHS, the length of stay depends on their sentence and behavior. Patients who complete their sentence while at the facility will collaborate with DPHHS discharge planners to develop a plan for their return to the community with suitable follow-up care. Release is also coordinated with Probation and Parole.

### **10. Will individuals be released into communities after treatment?**

No one will be released from the facility, and from incarceration, without a structured discharge plan.

All individuals treated at this facility will be either court-ordered or sentenced to DPHHS. Discharge planning is coordinated with the courts and appropriate agencies to ensure



that individuals return to their home jurisdictions or are transferred to appropriate settings such as the Montana State Hospital, supervised housing, community-based treatment, or another secure facility. Most evaluation patients will transfer back to the county detention facility from where they were originally transferred to await sentencing.

No one will be released without:

- A formal discharge plan
- Oversight or monitoring as required
- Coordination with local law enforcement, Probation and Parole, or behavioral health providers, when appropriate

It is important to note that DPHHS, in coordination with the judicial system, typically works to return individuals to their county of origin.

### **11. Who is responsible for the discharge planning?**

DPHHS is ultimately responsible for the discharge planning of patients who have completed their sentence at the facility. Discharge planning is a dedicated function within the operations of the facility. It is carried out by trained staff who specialize in coordinating safe and appropriate transitions for individuals leaving care.

This process is done in close collaboration with:

- Medical and clinical professionals
- The court system
- Community-based providers
- Other relevant agencies (e.g., law enforcement, Probation and Parole, housing, or treatment programs)

Every discharge is guided by a structured plan that ensures individuals are placed in the right setting with the right supports whether that's returning to their home jurisdiction, entering a supervised program, or continuing care in another facility. Public safety and continuity of care are central to every decision.

### **12. What kind of staffing is required for a 32-bed forensic facility?**

It is anticipated that 90-100 staff will be required to safely operate the facility across multiple shifts 24/7/365. The staffing model is based on best practices at the existing Forensic Mental Health Facility in Galen and will be largely comprised of clinical staff (RNs, LPNs, Psychiatric Technicians) as well as support staff. The staffing model will evolve as the facility design and operational models are finalized.



### **13. How is Montana addressing workforce challenges for this facility?**

Montana is actively investing in workforce development strategies to ensure the facility is properly staffed. This includes training pipelines, recruitment incentives, and partnerships with educational institutions. Through the 406 Jobs Initiative, the Behavioral Health System for Future Generations Initiative, and the future Rural Health Transformation Program, the State is continuing to expand education, certification, and career advancement opportunities in critical behavioral health fields such as psychiatry, psychology, social work, and nursing.

### **14. How will the selected community be involved in the planning process for the facility?**

Once a site and location for the facility is formally selected, there will be a series of local meetings to explain the process for designing, building, and operating the facility and gather feedback from community members and leaders.

### **15. What are the legal risks of not building this facility?**

Montana and local jurisdictions are at risk of legal exposure if forensic capacity is not expanded. Delays in forensic psychiatric care can result in:

- Violations of constitutional rights, including due process and speedy trial protections
- Dismissed court cases due to prolonged detention without treatment
- Federal litigation or oversight, as seen in other states



To: Speaker Ler  
From: Julie Johnson, Staff Attorney  
Re: Securities Classification of the Construction of a Behavioral Health Unit Pursuant to Section 17 of House Bill 5 from the 2025 Legislative Session  
Date: October 1, 2025

## **I. Introduction and Issue**

At the September meeting of the Legislative Finance Committee, legal staff was asked to work with Chair Kassmier to request an Attorney General Opinion on the following question of law:

Whether the behavioral health unit that the Legislature directed the Board of Investments to have constructed in House Bill 5 is a security under state and federal securities laws?

This memo provides basic research and points of law bearing upon the request. The memo also reaches a preliminary conclusion that the building would most likely constitute a security.

## **II. Factual Background**

Article VIII, section 13, of the Montana Constitution mandates the creation of a “unified investment program for public funds.” This unified investment program is overseen and managed by the Board of Investments. The total market value of the Montana Board of Investments’ Unified Investment Program as of June 30, 2024, was \$29.6 billion.

Part of the board’s investment portfolio includes real estate and buildings. The Board of Investments owns several buildings that it rents to state agencies or third parties as a part of its real estate investment portfolio. This includes the workforce housing apartments that the Board of Investments had built pursuant to House Bill 819 from the 2023 legislative session. These assets are included in common investment pools and are commingled with other participants’ assets. These asset pools are managed by the staff at the Board of Investments with no individual participant control.

During the 2025 session, the Legislature passed House Bill 5, which provided for the construction of a behavioral health facility. See section 17 of HB 5. Specifically, the Legislature directed the transfer of \$26.5 million from the capital developments long-range building program account to the Board of Investments “for the purposes of building a behavioral health facility.”<sup>1</sup> According to section 17(2) of HB 5, prior to the transfer of funds to the Board of Investments, the budget director “shall adopt a plan from the board of investments and the department of public health and human services on the facility type and location.”

At its September 18, 2025, meeting, the Legislative Finance Committee discussed the

<sup>1</sup> Rent for the behavioral health facility may be eligible for federal reimbursement.

construction of the behavioral health facility and the committee members' understanding that the building constitutes a security under Montana law. Members want to make certain this understanding is correct. Therefore, given the importance of the facility's timely construction and the legislative directive to the Board of Investments to construct this facility instead of the Department of Administration Office of Architecture and Engineering, the Legislative Finance Committee has requested an Attorney General opinion on this question of law.

### **III. Applicable Law**

#### **A. Federal Law**

In S.E.C. v. W.J. Howey Co., 328 U.S. 293, 66 S.Ct. 1100, 90 L.Ed. (1946), the United States Supreme Court set out what is now commonly referred to as the Howey test to determine whether an investment contract exists. The Supreme Court stated that the test to determine whether an investment contract exists "is whether the scheme involves an investment of money in a common enterprise with profits to come solely from the efforts of others." Howey, 328 U.S. at 301.

The Ninth Circuit Court of Appeals distilled the Howey definition into a three-part test, which requires the following:

- (1) an investment of money
- (2) in a common enterprise
- (3) with an expectation of profits produced by the efforts of others.

Warfield v. Alaniz, 569 F.3d 1015, 1020 (9th Cir. 2009). The Montana Supreme Court has also noted that "[t]he leading case for determining the existence of an investment contract security is S.E.C. v. W.J. Howey Co." and has similarly reiterated that the "established three criteria to the determination of an investment contract security" under Howey is: "an investment, a common enterprise, and the expectation of profits *solely* from the efforts of others." State v. Duncan, 181 Mont. 382, 390-91, 593 P.2d 1026, 1031-32 (1979) (Emphasis in original).

#### **B. State Law**

As discussed above, the three-part Howey test determines whether an investment contract exists. Under Montana law, an investment contract is a security pursuant to § 30-10-103(24)(xiii), MCA.

#### **C. Law Governing the Board of Investments**

The Board of Investments is charged with the creation of a "unified investment program for public funds" under Article VIII, section 13, of the Montana Constitution. §17-6-201, MCA,

provides that the Board of Investments must administer public funds “in accordance with the prudent expert principle,” which requires the board to:

- (a) discharge the duties with the care, skill, prudence, and diligence, under the circumstances then prevailing, that a prudent person acting in a like capacity with the same resources and familiar with like matters exercises in the conduct of an enterprise of a like character with like aims;
- (b) diversify the holdings of each fund within the unified investment program to minimize the risk of loss and to maximize the rate of return unless, under the circumstances, it is clearly prudent not to do so; and
- (c) discharge the duties solely in the interest of and for the benefit of the funds forming the unified investment program.

§17-6-201(1), MCA (Emphasis added). The Board of Investments is charged with maximizing the rate of return on investments for the benefit of funds within the unified investment program. The board is also granted the power to execute conveyance deeds for real property and to direct the sale of securities. §17-6-201(6), MCA.

#### IV. Analysis

Because a security is defined as an investment contract under Montana law, the three-part Howey test applies.

1. Is there an investment of money? Yes, 26.5 million is to be invested in the construction of a behavioral health unit pursuant to section 17 of HB 5 (2025).
2. Is there a common enterprise? Most likely, yes. HB 5 does not explicitly provide that the building will be included in a common investment pool managed by the Board of Investments. However, it is reasonable to infer that the Legislature, by directing the board, instead of the Department of Administration Office of Architecture and Engineering, to construct the building, intended to have the building be included in the “unified investment program for public funds.”
3. Is there an expectation of profits produced by the efforts of others? Most likely, yes. The Board of Investments charges rent to state agencies and third parties on buildings in its real estate portfolio. HB 5 does not explicitly provide that the board will charge rent on the new behavioral health facility. However, given the board’s duty under §17-6-201, MCA, to maximize its rate of return and produce profits for its investors, it is reasonable to infer that the Legislature intended the board to charge whoever occupies the behavioral health facility a rent that yields a rate of return. It is possible that the building rent would be partially reimbursed with federal funds, which depends on the purpose of the facility. If the building rent is reimbursed with federal funds, it is not clear how the Board of Investments can maximize profits while adhering to strict policies for federal reimbursement.

V. **Preliminary Conclusion**

The three-part Howey test indicates that the behavioral health facility would most likely be considered a security under state and federal law. This conclusion is bolstered by the fact that the workforce housing project constructed by the Board of Investments pursuant to House Bill 219 in the 2023 session is included in the board's real estate portfolio that is in a common investment pool. Lastly, had the Legislature not intended the facility to be considered a security, it would have instead directed the Department of Administration Office of Architecture and Engineering to construct the facility, and not the Board of Investments.

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# City Of Laurel

P.O. Box 10  
Laurel, Montana 59044



Office of the CAO

November 17, 2025

Mr. Dan Villa  
Executive Director  
Board of Investments

I would like to explain why the City of Laurel did not nominate itself for the potential location for a new Forensic Mental Health Facility the State of Montana intends to build. Inside the city of Laurel limits there is no location that would be suitable for the facility and so therefore I cannot ask the Laurel City Council to consider applying.

Laurel's Mayor David Waggoner and I have described to you a location just outside Laurel's city limits that has most of the criteria that would make building the facility remarkably successful. The land has adjacent water and sewer lines that are currently being installed. The area also has natural gas, an electrical power line, cable tv, fire hydrants and I believe fiber optic lines. These necessary elements are crucial in providing all the needs a mental health facility development would need. This location would lower the initial cost to construct such a facility versus lands that do not have some or any of the infrastructure to build out such a facility.

As I stated, this location is just outside the city limits and therefore must go through the legal process to be considered for any city services. The City Council passed an annexation resolution in 2008 that set the criteria for receiving city services. To annex any property the City relies on Montana Code Annotated Title 7, Chapter 2, part 42 through 47. If the City of Laurel were to consider any type of annexation from parts 42 through 47, we would need to follow those Montana laws, and this includes the right for public participation and public hearing. Due to the requirements in City Council resolution R08-22, land outside city limits must be annexed to receive city services and this is why Laurel could not apply during the recent process for consideration for the state's facility.

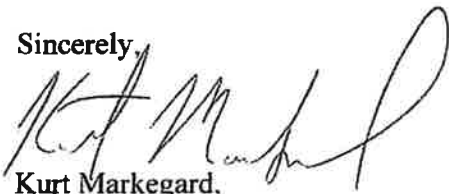
The process city staff has always followed with regards to annexation is a pre-application meeting with owners or potential owners of land to be considered for annexation. This meeting will discuss all the necessary steps Laurel will require and annexation requirements in Montana Code Annotated (MCA). MCA 7-2-44 is the process for annexation of contiguous government land if the state would like to consider the location just outside city limits. In the past, buy/sell agreements could be made until the public process has taken place and a favorable vote for annexation is complete by Laurel's City Council.

If the State is considering any City for the location of the Forensic Mental Health Facility, I would hope that those cities follow their ordinances and resolutions as I have advised our elected officials on following Laurel's ordinances and resolutions.

The right to have the public speak on the benefits or concerns they may have about any annexation or provision of local services is well documented in Laurel. I applaud the efforts to get community involvement in choosing the location for the facility, but I believe the process did not allow the location I pointed out to you during the summer tour to be nominated.

If anyone from the State would like to speak to Laurel's Mayor or city staff, I am sure that we could arrange a meeting to discuss this letter in more detail or what policies we have for the Laurel community.

Sincerely,

A handwritten signature in black ink, appearing to read "Kurt Markegard". The signature is fluid and cursive, with a large loop at the end.

Kurt Markegard,  
Chief Administrative Officer  
City of Laurel

Cc. Mayor David Waggoner



## **Brittney Harakal**

---

**From:** Laurel MT <laurel-mt@municodeweb.com>  
**Sent:** Tuesday, January 20, 2026 11:33 AM  
**To:** Brittney Harakal  
**Subject:** Kyle Farley

Submitted on Tuesday, January 20, 2026 - 11:32am

Submitted by anonymous user: 136.226.126.105

Submitted values are:

Name Kyle Farley

Address 1001 S. Douglas Hwy, Suite 201

Public Comment Visionary Communications respectfully states its intent to initiate and negotiate a telecommunications franchise agreement with the Town of Laurel, Montana, in order to lawfully provide and expand telecommunications services within the Town's public rights-of-way. Visionary Communications is requesting that the proposed franchise agreement be scheduled for consideration on a first reading as early as February, subject to the Town's procedural requirements. Visionary Communications is committed to working collaboratively with Town staff, legal counsel, or other designated representatives to support the Town's review process, respond to informational needs, and facilitate timely consideration of the franchise agreement in a manner that aligns with municipal objectives and applicable law.

Email kfarley@visionarybroadband.com

The results of this submission may be viewed at:

<https://cityoflaurelmontana.com/node/16092/submission/3245>

# Memorandum

**Date:** July 21, 2025  
**To:** City of Laurel Public Works Board  
**Copy to:** Justin Shovar / CHS  
**From:** Travis Jones, KLJ  
**RE:** City & CHS Stormwater Outfall / Conceptual Plan

## Remarks

The intent of this memorandum is to summarize the proposed stormwater concept presented by CHS and KLJ Engineering at the July 21, 2025 City of Laurel Public Works Board meeting; and to request City adoption of a resolution to support design of improvements to remedy flooding issues in Laurel's southside neighborhood. Laurel's southside neighborhood generally refers to the area bound by South 8th Avenue (west), BNSF rail spur (east), I-90 (south) and West Railroad Street (north).

- **Background**

- Stormwater runoff from the City's southside neighborhood is currently captured and conveyed through the CHS refinery in a 24-inch culvert that passes under I-90 at the south end of South 1<sup>st</sup> Avenue.
- An additional 24-inch culvert crosses I-90 near the south end of Yellowstone Avenue.
- Both culverts are undersized and at too high of an elevation to effectively drain the area.
- Overflow from the culverts runs east along I-90 to the BNSF underpass, but not without causing flooding.
- The culvert outfall route through CHS is a maintenance and operational problem for CHS due to CHS having to manage runoff from the City. It is also an operational problem for the City due to restricted access across the refinery.
- In 2021, the City of Laurel commissioned The Southside Master Stormwater Plan, which included recommendations for improvements as follows:
  - Develop a storm sewer system in the Southside Neighborhood
  - Develop a stormwater detention areas in Russel Park
  - Pursue development of a new stormwater discharge route and outfall to replace the two inadequate 24-inch culverts under I-90.
- To date, the City has adopted the Southside Master Stormwater Plan, developed the proposed stormwater detention area in Russel Park and completed an initial phase of developing a storm sewer system within the Southside Neighborhood.
- Flooding and drainage issues persist following the initial phases of these improvements, primarily as a result of the proposed stormwater outfall improvements not yet being complete.

- **Concept Overview**

- CHS and KLJ have developed a concept plan to improve the stormwater outfall under I-90 and bypass round around the CHS refinery, summarized as follows:
  - Proposed culvert from Russell Park to a new outfall location.
  - Culvert size anticipated as 36" to 48". Final sizing to be confirmed during the design phase, to be refined with final design.
  - Proposed detention pond at the southeast side of the conceptual alignment to be finalized during the design with the location, size, and orientation subject to change.
  - The existing culverts under I-90 will be abandoned, which will eliminate the comingling of City and CHS stormwater.

- **Benefits to the City and CHS**

- Eliminates dependence on one another for maintenance of the I-90 culvert and downstream CHS stormwater system.
- Improved City access and control over downstream drainage facilities.
- Increases the stormwater capacity relative to the current conditions.
- Eliminates mixing of stormwater and potential regulatory impacts.
- With the proposed route, the City will have the opportunity to improve drainage along the alley at the south ends of both Woodland Avenue and Yellowstone Avenue.
- An additional detention pond will help City comply with future MS4 stormwater discharge permit requirements.

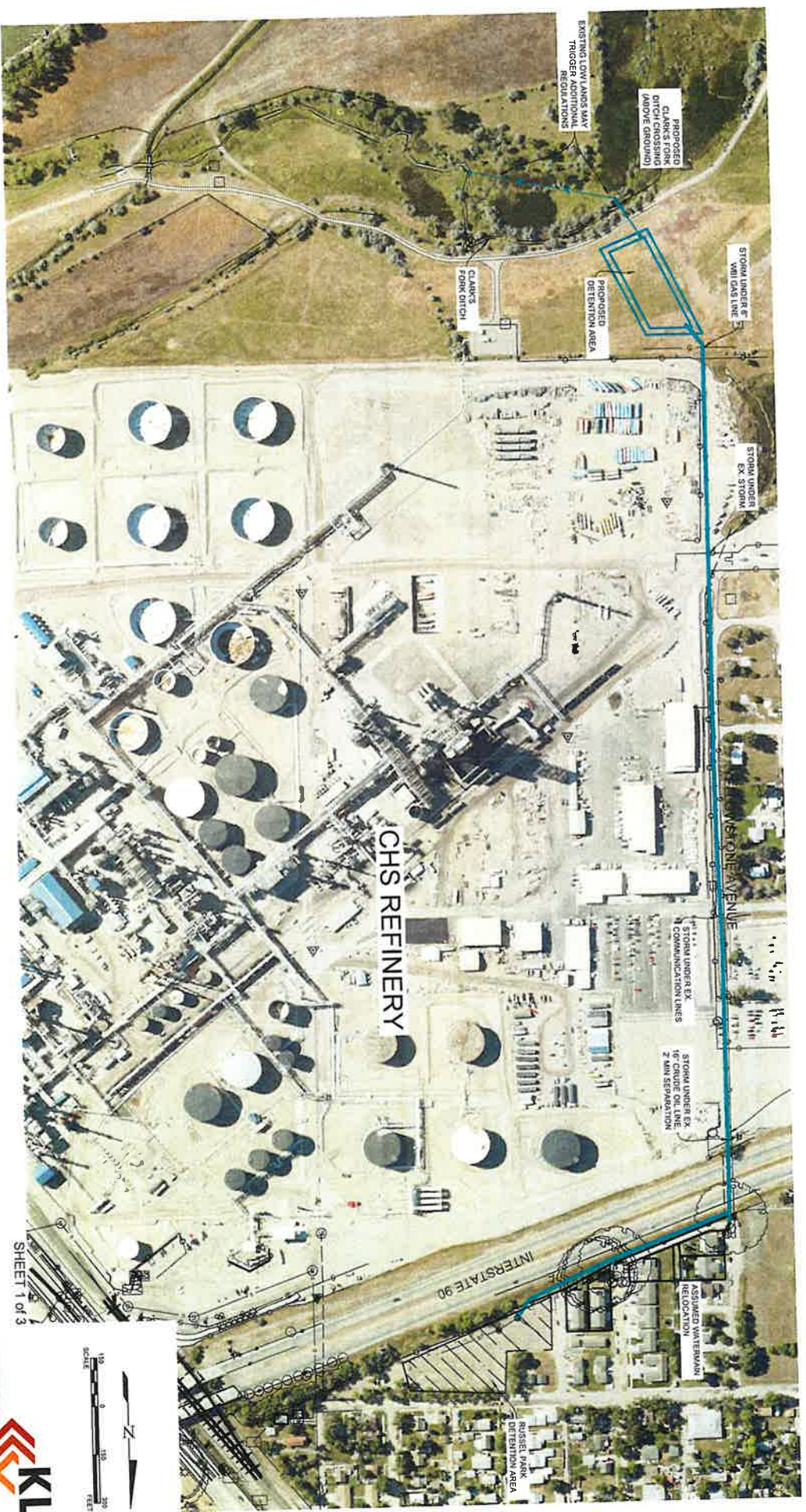
- **CHS Request**

- Concurrence on the proposed stormwater project with a recommendation to the City Council to support the project.
- Recommended Resolution: The Laurel Public Works Board recommends the City Council approve a resolution to support the commencement of the design phase of the proposed CHS/City stormwater project with the following conditions:
  - CHS will commission and pay for the engineering design efforts.
  - The design will consider and incorporate stormwater inlets at the south ends of Yellowstone Avenue and Woodland Avenue.
  - The City will coordinate with CHS to provide review and feedback of the engineering plans when requested by CHS.
  - The final design will include abandonment of the existing I-90 culverts.
  - Upon completion of the final design, the City and CHS will work together to develop a formal agreement addressing access, leading/responsible party, cost allocation/sharing, schedule, consultant/contractor procurement, and other relevant terms & conditions associated with the remaining the permitting, construction, ownership, and maintenance of the proposed facilities.

Please direct any outstanding questions to Justin Shovar, CHS Project Management Specialist at [Justin.Shovar@chsinc.com](mailto:Justin.Shovar@chsinc.com) and Travis Jones, KLJ Project Manager at [travis.jones@klijeng.com](mailto:travis.jones@klijeng.com) .

# I-90 EMBANKMENT FLOODING REMEDIATION

LAUREL, MT  
07-01-2025



PRELIMINARY - NOT FOR CONSTRUCTION



© KLJ ENGINEERING LLC 2025

July 1, 2025 2:38 PM - c:\projects\0624\0624101.dwg - Simulated Viewport\0624101.dwg - STORM.dwg (Current)

# I-90 EMBANKMENT FLOODING REMEDIATION

LAUREL, MT  
07-01-2025



PRELIMINARY - NOT FOR CONSTRUCTION

SHEET 2 of 3

**KLJ**  
KLEINFELDER ASSOCIATES, INC.

PLAN (2025-2-28 PM) - I:\Projects\0410125\21081\_I\mwd\0410125\21081\_1\STORM.dwg (6/24/25)

# I-90 EMBANKMENT FLOODING REMEDIATION

LAUREL, MT  
07-01-2025



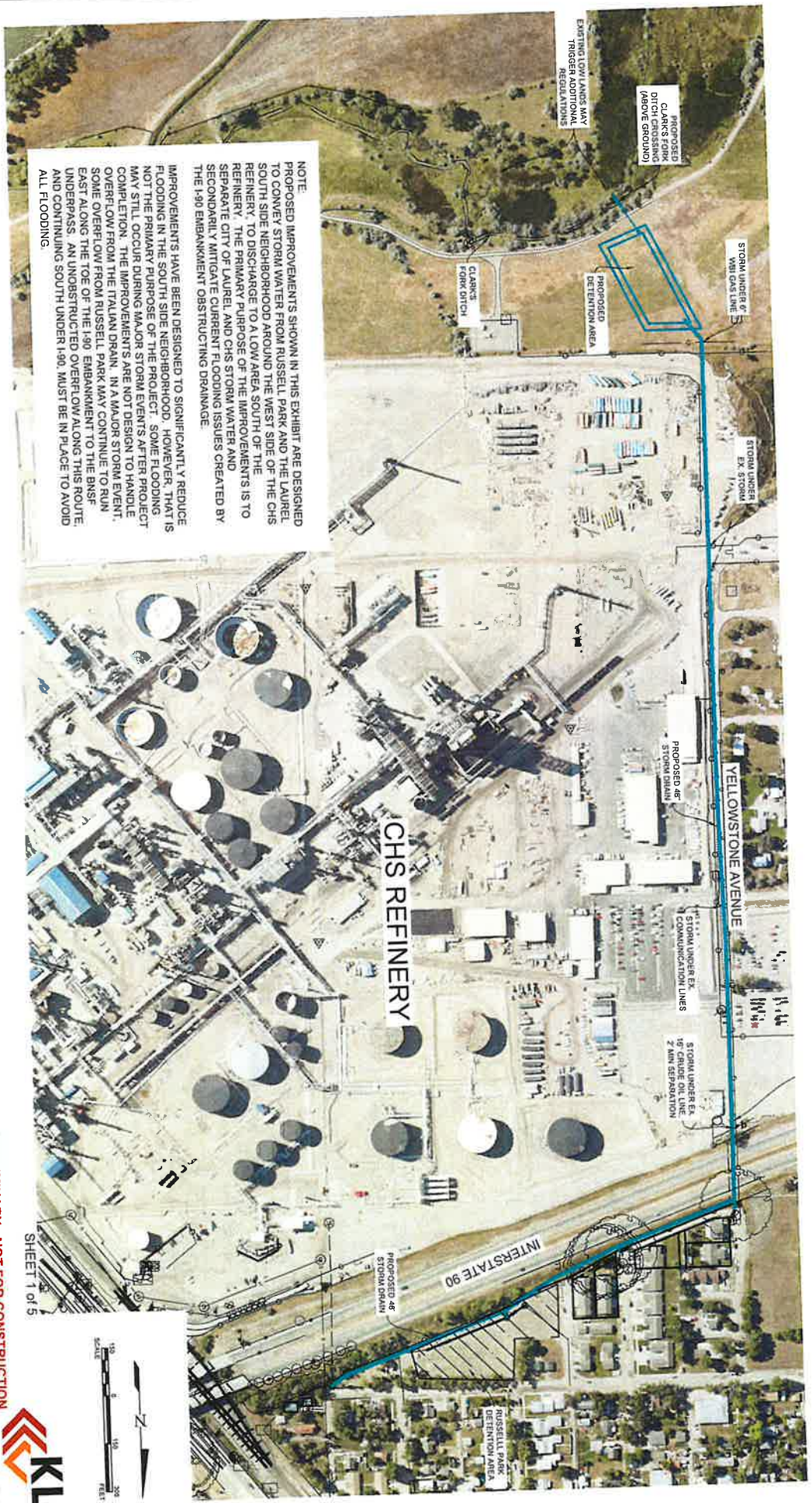
PRELIMINARY - NOT FOR CONSTRUCTION

SHEET 3 of 3

**KLJ**  
© KLEENGINEERS LLC 2025

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# I-90 EMBANKMENT FLOODING MITIGATION LAUREL, MT 12/30/25



**NOTE:**  
 PROPOSED IMPROVEMENTS SHOWN IN THIS EXHIBIT ARE DESIGNED TO CONVEY STORM WATER FROM RUSSELL PARK AND THE LAUREL SOUTH SIDE NEIGHBORHOOD AROUND THE WEST SIDE OF THE CHS REFINERY TO DISCHARGE TO A LOW AREA SOUTH OF THE REFINERY. THE PRIMARY PURPOSE OF THE IMPROVEMENTS IS TO SEPARATE CITY OF LAUREL AND CHS STORM WATER AND SECONDARILY MITIGATE CURRENT FLOODING ISSUES CREATED BY THE I-90 EMBANKMENT OBSTRUCTING DRAINAGE.

IMPROVEMENTS HAVE BEEN DESIGNED TO SIGNIFICANTLY REDUCE FLOODING IN THE SOUTH SIDE NEIGHBORHOOD. HOWEVER, THAT IS NOT THE PRIMARY PURPOSE OF THE PROJECT. SOME FLOODING MAY STILL OCCUR DURING MAJOR STORM EVENTS AFTER PROJECT COMPLETION. THE IMPROVEMENTS ARE NOT DESIGNED TO HANDLE OVERFLOW FROM THE ITALIAN DRAIN. IN A MAJOR STORM EVENT, SOME OVERFLOW FROM RUSSELL PARK MAY CONTINUE TO RUN EAST ALONG THE TOE OF THE I-90 EMBANKMENT TO THE BNSF UNDERPASS. AN UNOBSTRUCTED OVERFLOW ALONG THIS ROUTE AND CONTINUING SOUTH UNDER I-90, MUST BE IN PLACE TO AVOID ALL FLOODING.

PRELIMINARY - NOT FOR CONSTRUCTION



SHEET 1 of 5

Project 14\_2024\_08.mxd - I:\Engineering\LAUREL\Drawings\I-90\022418101\_Stormwater\022418101\_Stormwater\022418101\_Stormwater.dwg (Scale: 1)

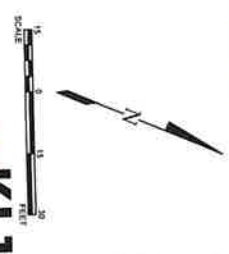
# I-90 EMBANKMENT FLOODING MITIGATION

LAUREL, MT  
12/30/25



PRELIMINARY - NOT FOR CONSTRUCTION

SHEET 2 of 5



© KLJ ENGINEERING LLC 2025

Project #: 2025-128-000 - I:\projects\2025\128-000\128-000-01\128-000-01.dwg, Summary: I:\projects\2025\128-000\128-000-01\128-000-01.dwg, 12/30/25, 12:00 PM, 12/30/25, 12:00 PM

# I-90 EMBANKMENT FLOODING MITIGATION

LAUREL, MT  
12/30/25



PRELIMINARY - NOT FOR CONSTRUCTION

SHEET 3 of 5



© KLL ENGINEERING, LLC 2025

Project: 14-2025-4-28 PM - Vermont Ave. I-90 Embankment Flood Mitigation, Station 10+00.35 to 10+00.35, 12/30/25, 12/30/25





**File Attachments for Item:**

9. Budget/Finance Committee Minutes of March 10, 2026.

**Minutes of City of Laurel  
Budget/Finance Committee  
Tuesday, March 10, 2026**

**Members' Present:** Jessica Banks, Tom Canape, Richard Klose, Casey Wheeler

**Others Present:** Kelly Strecker, Kelly Gauslow, David Waggoner

The meeting was called to order by the Committee Chair at 5:30 pm.

**Public Input:** There was no public comment.

**General Items –**

1. Review and approve February 24, 2026, Budget and Finance Committee meeting minutes. Jessica Banks moved to approve the minutes of February 24, 2026. Tom Canape seconded the motion. With no objection, the minutes of February 24, 2026, were approved. There was no public comment or committee discussion.
2. Review and approve purchase requisitions. Kelly presented a purchase requisition from One Digital. This quote is for the GASB 75 statement that is needed by our auditors. An actuarial valuation is required under GASB Statement No. 75 to estimate the city's long-term liability for other employment benefits (OPEB), such as retiree health insurance. The actuary estimates how much retiree benefits will cost over time, so the city can report the liability accurately in the audit. The cost is \$5,500.00 for fiscal year 2025/2026 and for the roll forward valuation for fiscal year 2026/2027, with the total being \$7700.00 for both valuations. Tom Canape moved to approve the purchase requisition for the GASB 75 valuation. Jessica Banks seconded the motion. With no objection, the purchase requisition was approved.
3. Review and recommend approval to Council; claims entered through March 6, 2026. Richard Klose moved to approve the claims and check register for claims entered through March 6, 2026. Tom Canape seconded the motion. With no objection, the claims and check register of March 6, 2026, were approved. There was no public comment.
4. Review and approve Payroll Register for the pay period ending March 1, 2026, totaling \$277,678.02. Casey Wheeler motioned to approve the payroll register for the pay period ending March 1, 2026, totaling \$277,678.02. Richard Klose seconded the motion. With no objection, the payroll register was approved. There was no public comment.
5. Review and approve February 2026 Utility Billing Adjustments. Jessica Banks moved to approve February 2026 Utility Billing Adjustments. Richard Klose seconded the motion. With no objection, the February Utility Billing Adjustments were approved. There was no public comment.

**New Business** -Tom Canape had a suggestion about creating a punch card for payment at the container site. He stated that sometimes people do not have cash to pay their dump fees and that if we had a punch card that they could purchase might help with this. Kelly stated that she would work on creating a punch card.

**Old Business – None**

**Other Items –**

1. Review Comp/OT reports for the pay period ending March 1, 2026.
2. Mayor Update – The mayor stated that a meeting letter has gone out to CHS to review the Raw & Settled water charges. He said that they were going to meet in the upcoming weeks. He stated that Love's is hoping to open their doors on March 20, 2026, and the project on Bernhardt Road is nearing completion.

3. Clerk/Treasurer Financial Update-Kelly stated that the audit for fiscal year 2024/2025 is complete. She said she was happy that everything went smoothly. She stated that last year there were twelve findings and this year there were only seven, so she was happy with the progress she and staff have made over the last year to eliminate findings.

**Announcements –**

1. The next Budget and Finance Committee meeting will be held on March 24, 2026, at 5:30 pm.
2. Tom Canape is scheduled to review the claims for the next meeting.

Meeting Adjourned at 6:15 p.m.

Respectfully submitted,



Kelly Strecker

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

**File Attachments for Item:**

10. Laurel Urban Renewal Agency Minutes of March 9, 2026.



**MINUTES**  
**CITY OF LAUREL**  
**LAUREL URBAN RENEWAL AGENCY**  
**MONDAY, MARCH 9TH, 2026**  
**11:00 AM**  
**CITY BOARDROOM**

A LAUREL URBAN RENEWAL AGENCY meeting was held in City Boardroom and called to order by Cami Story at 11:00 a.m. on March 9th, 2026

**COMMITTEE MEMBERS PRESENT**

x	Judy Goldsby	x	Dean Rankin
x	Cami Story	x	Daniel Klein
x	Cheryl Hill	x	Peggy Pollock

**OTHERS PRESENT**

	Diane Lehm		Gaurav Thakur
x	Forrest Sanderson		Triple Tree Brad, Doug & Bruce
	Doug Whitney		Steve Solberg
	Kurt Markegard	x	Tom Canape

KEY CODE: x-present  -absent L-late

**General Items:** Roll Call

Approval of Minutes – All minutes were approved July 1st and 2<sup>nd</sup> by Peggy– all in favor

**New Business:**

**Election of Officers:** Judy made a motion to continue with the current officers Peggy made a 2<sup>nd</sup> and all was in favor.

President – Cami Story Vice President – Judy Goldsby Secretary – Cheryl Hill

**Project Updates:**

**Ditch Covering Task #5** – Construction is almost complete and rock is going in this week.

We as a committee also decided that we want to purchase signs to put at the locations of our projects. Cheryl will bring prices and options for signs to next months meeting.

**Lighting on SE 4<sup>th</sup> St. Task Order #6** –

- Letters were sent out and we are having good returns in favor of electrical poles
- March 11<sup>th</sup> 4-6pm will be an open house for landowners
- Dean has had great conversations with landowners

**Project 1:** We are waiting for a permit from MDEQ to approve a change and it will then go back to MDT to do a final approval. Bids should be going out now in the Month of March. We are looking at starting construction after July 4<sup>th</sup> celebration.

**Landscaping project by underpass:** Tom Canape will talk with Matt Wheeler to get approval from the park board for us to pay and landscape the park area by the garden club flowers.

**Old Business:**

**Budget: Start preparing for upcoming fiscal year:** Forrest got the budget and we went over the numbers. It was suggested to move a few of the line items over to the project line. The committee also had concerns about the \$36,000 line item for City Assistance. It was suggested we reduce that and move the remaining to the project line.

**Other updates:**

**Big Sky EDA & Beartooth RC&D** –

BSED’s Board of Directors meeting is Thursday at 7:30 am at BSED’s office.

- BSED is still hiring for four positions-Community Development Project Manager, Marketing and Communications, APEX Advisor, and Credit Analyst. See website for details.
- I will attend the meeting on Wednesday night regarding the lighting district.

**Announcements:** Next meeting will be March 23rd, 2026

**Adjourn Meeting:** Judy made a motion to adjourn the meeting Dean 2<sup>nd</sup> at 12:00pm

Respectfully submitted,

Cheryl Hill - LURA Secretary

*The city makes reasonable accommodations for any known disability that may interfere with a person's ability to participate in this meeting. Persons needing accommodation must notify the City Clerk's Office to make needed arrangements. To make your request known, please call 406-628-7431, Ext. 2, or write to City Clerk, PO Box 10, Laurel, MT 59044, or present your request at City Hall, 115 West First Street, Laurel, Montana.*

**File Attachments for Item:**

11. Public Works Committee Minutes of March 16, 2026.



**MINUTES  
CITY OF LAUREL  
PUBLIC WORKS COMMITTEE  
MARCH 16, 2026**

The Public Works Committee meeting was called to order at 530 pm on Monday, 3/16/26, by Chair Jodi Mackay.

**Members Present:** Jodi Mackay – Chair, Irv Wilke – Vice Chair, Jessica Banks, Sara Naylor, Richard Herr and Shawn Mullaney

**Others Present:** Matt Wheeler - Public Works Director, Ryan Welsh – KLJ Engineering

**Public Input:** David Carlson from AE2S brought his company’s 2025 Annual Utility Rate Survey for Matt. He also gave a copy to Jodi.

**General Items:**

1. Approval of Minutes of 2/9/26. Motion made by Irv Wilke. Seconded by Shawn. Passed 6 – 0
2. Emergency Call Out Report- Report attached  
Minimal calls for the reporting period – 3 water shut off / turn on typically due to line breakage / leakage and 1 sanding call

**New Business:**

**Old Business:**

3. Engineering Services – The City’s temporary contract with KLJ ends in April. City is accepting bids for a contracted engineering firm and will begin interviewing in April. Forrest Sanderson will facilitate the process as a non voting participant. Committee will consist of 4 employees, Matt and a representative from the PW committee.
4. West Railroad Storm Water Discussion – Ryan Welsh from KLJ shared that he has submitted a contract and scope of services to address storm water on Woodland with an estimate of \$2.5 million. This project would also include curb, gutter and sidewalk on Woodland. The storm water would tie into the new line on S 4<sup>th</sup>. This would allow the project on West Railroad to move forward. Matt and Ryan are eying 2027 for this project and West Railroad in 2029. They would like to see the West Railroad project co-occur with the CHS stormwater project to introduce economy of scale. Matt and Ryan would like to see KLJ on both these projects regardless of the engineering company picked in April’s bid process due to Ryan’s history and knowledge with these issues.
  - i. The committee agreed a motion should be made to have Jodi email the Mayor to ask that this project / issue be added to a Workshop agenda in April. Irv made the motion. Seconded by Jessica. Passed 6 – 0.
5. Fire Hydrant by Middle School Update – no progress. We have a contract. Asphalt work tends to start in April. We will keep this on the agenda to ensure it stays on PW’s radar as we move into Spring.

**Other Items:**

6. Openings on Public Works Committee – We have 2 vacant seats. Interested parties should submit a letter of interest to the Mayor.

Cherry Hills 4<sup>th</sup> filing should be starting construction in 2 weeks. Casa Linda development working on getting things rolling.

Love’s Truck Stop has final construction walk through with the final city walk through happening soon.

Neighborhood north of Iron Horse moving ahead with home construction.

Jodi asked about how funds from recent water and sewer rate increases have affected the bottom line and how they are being saved to address the infrastructure needs of the community. Matt confirmed that rate increases were meant to cover future projects. Noted that increases have also leveled out income to expenses. Jodi will also ask this question at City Council Workshop on 3/17/26.

Richard Herr asked about what the City will do if the Yellowstone River water level gets below the intakes. Matt reported that the City has a pump that can push water into the plant.

**Announcements**

Next Meeting will be Monday, 4/20/26 at 6pm in Council Chambers.

Meeting adjourned at 6:05 pm

Response Code	X In Column Not accepting Overtime /NA = Not Available /Y = Responding /B=Phone Busy									
Employee Name	Telephone	2-18								
Kevin Budge		na1								
Dylan Ceaser		y12								
Jay Hatton		2								
Keith Guy		3								
Wade Spalinger		4								
Brandon Gonzales		5								
Aaron Fox		6								
Joel Barnhardt		7								
Bridger Fornier		8								
Krista Gauslow 406		9								
Anthony Woodard		10								
Shane Nauman		11								

Nick Leischner		1-21	1-22	1-24	2-11	2-27	3-3
Distribution							
Justin Baker		y3	2	1	na1	y3	2
Kevin Hoffman		1	y3		y3	2	Y3
Daniel Nauman		2	1	2	na2	1	NA1

Elm Lift Station 628-7773 Villa Station 628-5918 Dial 9 after tone to acknowledge alarm

**Wastewater Treatment Plant 628-6474 Autodailer- 628-4866**

Response Code	NO= In Column Not accepting Overtime / NA = Not Available / Y = Responding									
Employee	Telephone									
Thomas Henry										
Cindy Caswell										
Corey Nicholson										
Norman Stamper										

**Water Treatment Plant 628-7770**

Response Code	NO= In Column Not accepting Overtime / NA = Not Available / Y = Responding									
Employee	Telephone									
HP Nuernberger										
Josh Sawyer										
Sam Waggoner										
Joe Waggoner										
TJ Worbel										
daniel waggoner										
ron yost										

**Matt Wheeler Cell# 208-1885** | One Call Locate - 1-800-424-5555 (City Job # 25663)

**Kurt Markegard Cell# 860-5785 Hm 208-2358** | SCHESSLER 628-4221 HESTON 281-0811

**Mayor 406 633 3809** | Dwight Ace Electric 406 697 2037

Travis Ace Electric 406 850 0612

MDU 1-800-638-3278 / MDT 252-4138 | Pace Construction 252-5559 (sewer backups)

**SanitarySystemOverflows call DEQ withing 24 hours at406-444-3080**

**Call Out - Date and Incident Location**

1-21	h2o turn on 9th ave		
1-22	lift station issues		
1-24	water break actison		
2-11	h20 shutoff 401 cottonwood		
2-18	sanding		
2-27	h20 shutoff		
3-3	H20 TURN ON		

**File Attachments for Item:**

12. Tree/Park Board Minutes 3.5.2026.

## **Laurel Park-Tree Board Minutes for March 5, 2026**

The meeting was called to order at 5:31 by Tom Canape in Council Chambers.

In attendance were Irv Wilke, Brent Edgmond, Renee Studiner, Paul Kober, Tom Canape, Richard Klose, Joe Holzwarth, and Jon Rutt.

Guests – Shannon Curry, Shane Dunn, and Cara Blaylock from Leadership Laurel

**Public input – None**

### **General Items**

1. LPB Minutes for February 5, 2026 – Irv Wilke moved to approve and Renee Studiner 2<sup>nd</sup> the motion. Approved

### **New Business**

2. Other Parks – Sprinkler done at Nutting Park. Paved loose gravel at Splash Park. Lions Park is a possible location for a Floating Island. Tree removed at Library because of wind damage. Possibly replace it with a memorial bench for Elsie Johnson.
3. Leadership Laurel wants to improve the Billie Riddle Splash Park with shade and benches. See attached proposal. Some ideas for the cemetery were referred to the Cemetery Board.

### **Old Business**

4. Renting Riverside Park in August 2026 – Cancelled for this year.
5. Billie Riddle Splash Park Toilets –The Splash Park bathrooms are up in the air for now.
6. Park Board Budgets - \$50,000 Park Development. See attached sheet.
7. Riverside Park Campground/Other items – Not renewing Greg Lapp's job.
8. American Legion Building at Riverside Park – Nothing new
9. Riverside Hall/Lions Club – Drywall is up and the wiring is roughed in, paint done, and clean up next week. Payment discussed the city share and the Lion's share.
10. Laurel Rod and Gun Club Building – Nothing new
11. Tree Board Business – Joe reported that the grant department has been gutted and being rebuilt. October 6 is this year and the Foundation has \$2041.48.

### **Other Items**

Discussion on using Exxon money for improving camp sites with power and water. Camp host ideas were discussed.

Next month's meeting will be on April 2, 2026.

Adjourn 6:42

Submitted Jon Rutt

# Leadership Laurel Community Improvement Proposal

## Project Overview

Shannon Curry  
Shane Dunn  
Cara Blaylock

Leadership Laurel is seeking to partner with the City Parks Committee to enhance two important community spaces:

1. Splash Park Area – Shade Structures & Benches
2. East Side of Cemetery – Tree Planting Initiative

Our goal is to collaborate with the City to ensure any improvements align with existing standards, long-term planning, and maintenance capacity.

---

## 1. Splash Park: Shade Structures & Benches

### Identified Need

- High summer usage by families
- Limited shaded seating for caregivers
- Heat exposure concerns during peak temperatures
- Limited accessibility seating for elderly and mobility-limited visitors

### Community Benefits

- Increased comfort and safety
- Encourages longer park use
- Supports community events and gatherings
- Improves ADA accessibility and inclusivity

### Proposal Considerations

- Installation of permanent, commercial-grade shade structure(s)
- Addition of durable park benches
- Placement based on city standards and utility mapping
- Compliance with all safety and design requirements

## **Funding & Partnership**

- Leadership Laurel prepared to assist with fundraising efforts
  - Open to cost-sharing discussion
  - Seeking guidance on approved vendors, permitting, and installation requirements
  - Committed to aligning with city maintenance standards
- 

## **2. East Cemetery Tree Planting Initiative**

### **Purpose**

- Increase natural beauty and long-term landscape value
- Provide shade and wind protection for visitors
- Enhance the overall experience for families

### **Planning Considerations**

- Confirmation of irrigation lines and burial plot planning
- Approved or preferred tree species list
- Drought-resistant and native tree options
- Ongoing maintenance and watering plan

### **Potential Future Opportunity**

- Exploration of a memorial tree program for community involvement
- 

## **Our Request**

We respectfully seek:

- Guidance on feasibility
- City standards and requirements
- Recommended next steps
- Committee support to move forward in partnership

Leadership Laurel is committed to collaboration, responsible planning, and contributing positively to our community's public spaces.

1000 GENERAL  
370 PARKS

Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% (58) Comm.
460000	Culture and Recreation						
460430	Parks						
	110 Salaries and Wages	2,922.33	15,204.28	20,000.00	20,000.00	14,730.72	57%
	111 Overtime	0.00	742.15	200.00	200.00	-542.15	371%
	139 Vision Insurance	3.43	52.23	200.00	200.00	47.77	51%
	139 Dental Insurance	11.44	347.00	550.00	550.00	202.40	63%
	141 Unemployment Insurance	13.50	162.94	400.00	400.00	237.06	41%
	142 Workers' Compensation	77.75	1,910.53	4,300.00	4,300.00	2,389.47	41%
	143 Health Insurance	415.58	2,977.06	4,000.00	4,000.00	422.94	95%
	144 Life Insurance	3.55	42.34	150.00	150.00	107.66	23%
	145 FICA	223.22	3,500.36	3,800.00	3,800.00	1,249.64	61%
	149 ST/LT Disability	1.46	221.07	450.00	450.00	228.93	49%
	194 Flex Medical	170.00	1,237.17	2,000.00	1,100.00	62.83	24%
	211 Trees, Shrubs, etc.	0.00	1,500.00	3,000.00	3,000.00	1,500.00	30%
	220 Operating Supplies	0.00	11,307.00	13,000.00	13,000.00	1,693.00	87%
	226 Clothing and Uniforms	0.00	33.75	500.00	500.00	466.25	8%
	231 Gas, Oil, Diesel Fuel, Grease, etc.	0.00	2,421.11	3,000.00	3,000.00	578.89	21%
	233 Machinery & Equipment Parts	0.00	1,253.50	10,000.00	10,000.00	8,746.50	13%
	234 Tires/Tubes/Chains	0.00	21.70	2,000.00	2,000.00	1,978.30	1%
	210 Networking Fees	0.00	0.00	200.00	200.00	200.00	0%
	327 Advertising	0.00	31.00	100.00	100.00	68.99	31%
	330 Certification Renewal	0.00	0.00	100.00	100.00	100.00	0%
	341 Electric Utility Services	0.00	1,414.13	2,500.00	2,500.00	1,085.87	28%
	342 Cellular Telephone	0.33	0.00	20.00	20.00	20.67	1%
	344 Gas Utility Service	0.00	0.00	2,000.00	2,000.00	2,000.00	0%
	350 Professional Services	0.00	0.00	1,000.00	1,000.00	1,000.00	0%
	360 Repair & Maintenance Services	0.00	0.00	1,000.00	1,000.00	1,000.00	0%
	365 Tree Pruning/Grounds Maintenance	0.00	9,400.00	13,000.00	13,000.00	3,600.00	70%
	366 Building Maintenance	0.00	204.45	1,000.00	10,000.00	9,795.55	4%
	470 Travel	0.00	0.00	200.00	210.00	210.00	0%
	477 Contracted Services	0.00	3,264.22	2,500.00	2,500.00	1,214.22	60%
	482 Gravel and Sand	0.00	0.00	2,000.00	2,000.00	2,000.00	0%
	532 Accommodation Tax	0.00	3,910.44	5,500.00	5,500.00	1,589.56	31%
	936 Parks & Recreation Facilities	0.00	0.00	10,000.00	10,000.00	10,000.00	0%
	950 Park Development	0.00	0.00	10,000.00	50,000.00	50,000.00	0%
	<b>Account Total:</b>	<b>3,820.07</b>	<b>92,699.51</b>	<b>239,050.00</b>	<b>239,050.00</b>	<b>146,350.49</b>	<b>39%</b>
	<b>Account Group Total:</b>	<b>3,820.07</b>	<b>92,699.51</b>	<b>239,050.00</b>	<b>239,050.00</b>	<b>146,350.49</b>	<b>39%</b>
	<b>Organization Total:</b>	<b>3,820.07</b>	<b>92,699.51</b>	<b>239,050.00</b>	<b>239,050.00</b>	<b>146,350.49</b>	<b>39%</b>
	<b>Fund Total:</b>	<b>5,923.37</b>	<b>144,928.48</b>	<b>412,470.00</b>	<b>412,470.00</b>	<b>267,541.52</b>	<b>35%</b>

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