



**AGENDA  
CITY OF LAUREL  
CITY COUNCIL MEETING  
TUESDAY, JUNE 22, 2021  
6:30 PM  
COUNCIL CHAMBERS**

NEXT RES. NO.  
R21-48  
  
NEXT ORD. NO.  
O21-04

**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. Once again, each speaker is limited to three minutes.*

*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**

1. Approval of Minutes of May 25, 2021.

**Correspondence**

2. Fire Monthly Report - May 2021
3. Ambulance Monthly Report - May 2021
4. Police Monthly Report - May 2021
5. Building Department Monthly Report - May 2021
6. Re-appointment of Jonathan Klasna to the Laurel City/County Planning Board Letter.
7. Laurel Airport Authority Minutes of May 4, 2021.

**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.*

8. Claims entered through June 18, 2021.
9. Approval of Payroll Register for PPE 5/30/2021 totaling \$202,116.20.
10. Approval of Payroll Register for PPED 6/13/2021 totaling \$197,219.20.
11. Clerk/Treasurer Financial Statements for the month of September 2020.
12. Clerk/Treasurer Financial Statements for the month of October 2020.
13. Council Workshop Minutes of August 18, 2020.
14. Council Workshop Minutes of September 1, 2020.
15. Council Workshop Minutes of February 16, 2021.
16. Council Workshop Minutes of April 20, 2021.
17. Council Workshop Minutes of May 4, 2021.

[18.](#) Council Workshop Minutes of May 18, 2021.

## **Ceremonial Calendar**

### **Reports of Boards and Commissions**

- [19.](#) Budget/Finance Committee Minutes of May 11, 2021.
- [20.](#) Budget/Finance Committee Minutes of May 25, 2021.
- [21.](#) Budget/Finance Committee Minutes of June 8, 2021.
- [22.](#) Tree Board Minutes of May 2, 2021.
- [23.](#) Emergency Services Committee Minutes of March 29, 2021.
- [24.](#) Emergency Services Committee Minutes of May 24, 2021.

### **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**

- [25.](#) Appointment of Karl Dan Koch to the City/County Planning Board for a two-year term ending 6/30/2023.
- [26.](#) Appointment of Roger Geise to the City/County Planning Board for a two-year term ending 6/30/2023.
- [27.](#) Appointment of Richard Klose to the Cemetery Commission for a two-year term ending 6/30/2023.
- [28.](#) Appointment of David Gauslow to the Cemetery Commission for a two-year term ending 6/30/2023.
- [29.](#) Appointment of Jim Irwin to the Emergency Services Committee.
- [30.](#) Appointment of Kate Manely to the Library Board for a five-year term ending 6/30/2026.
- [31.](#) Appointment of Paul Kober to the Park Board for a remainder of a four-year term ending 12/31/2022.
- [32.](#) Appointment of Walter Widdis to the Tree Board for a three-year term ending 6/30/2024.
- [33.](#) Appointment of Paul Kober to the Tree Board for a three-year term ending 6/30/2024.
- [34.](#) Resolution No. R21-48: A Resolution Of The City Council Authorizing The Mayor To Sign A Contract With Green Technology Solutions To Provide Electronics Recycling Drop Off Bins And Related Services At The City's Container Site.

### **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.**

### **DATES TO REMEMBER**

**File Attachments for Item:**

1. Approval of Minutes of May 25, 2021.

DRAFT

# MINUTES OF THE CITY COUNCIL OF LAUREL

MAY 25, 2021

A regular meeting of the City Council of the City of Laurel, Montana, was held in the Council Chambers and called to order by Mayor Tom Nelson at 6:30 p.m. on May 25, 2021.

COUNCIL MEMBERS PRESENT:        Emelie Eaton                Heidi Sparks  
   Bruce McGee                Richard Herr  
   Scot Stokes                 Irv Wilke  
   Richard Klose

COUNCIL MEMBERS ABSENT:        Don Nelson

OTHER STAFF PRESENT:            None

Mayor Nelson led the Pledge of Allegiance to the American flag.

Mayor Nelson asked the Council to observe a moment of silence.

## MINUTES:

Motion by Council Member McGee to approve the minutes of the regular meeting of May 11, 2021, as presented, seconded by Council Member Eaton. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

## CORRESPONDENCE:

- Beartooth RC&D May 2021 Correspondence
- Reappointment Letter for Ron Benner to the City-County Planning Board

COUNCIL DISCLOSURE OF EX PARTE COMMUNICATIONS: None.

PUBLIC HEARING: None.

## CONSENT ITEMS:

- **Claims entered through May 21, 2021.**  
A complete listing of the claims and their amounts is on file in the Clerk/Treasurer's Office.
- **Approval of Payroll Register for PPE 5/16/2021 totaling \$193,827.66.**

The Mayor asked if there was any separation of consent items. There was none.

Motion by Council Member Eaton to approve the consent items as presented, seconded by Council Member Wilke. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

CEREMONIAL CALENDAR: None.

## REPORTS OF BOARDS AND COMMISSIONS:

- Budget/Finance Committee Minutes of April 27, 2021.
- Library Board Minutes of March 9, 2021.
- Library Board Minutes of April 13, 2021.
- Park Board Minutes of May 6, 2021.
- Public Works Committee Minutes of April 19, 2021.

AUDIENCE PARTICIPATION (THREE-MINUTE LIMIT): None.

**SCHEDULED MATTERS:**

- **Resolution No. R21-32: Resolution Authorizing The Mayor And City Clerk To Utilize Available Revenue In The City's Water Fund To Prepay And Retire DNRC Loan WRF-09138.**

Motion by Council Member Sparks to approve Resolution No. R21-32, seconded by Council Member Wilke. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

- **Resolution No. R21-33: Resolution Authorizing The Mayor And City Clerk To Utilize Available Revenue In The City's Water Fund To Prepay And Retire DNRC Loan WRF-03048R.**

Motion by Council Member Herr to approve Resolution No. R21-33, seconded by Council Member Wilke. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

- **Resolution No. R21-34: Resolution Authorizing The Mayor And City Clerk To Utilize Available Revenue In The City's Sewer Fund To Prepay And Retire DNRC Loan SRF-10234.**

Motion by Council Member Wilke to approve Resolution No. R21-34, seconded by Council Member Klose. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

- **Resolution No. R21-35: A Resolution Approving The Agreement Between The City Of Laurel And The Laurel Airport Authority, Said Agreement Relating To Fire Protection**

Motion by Council Member Klose to approve Resolution No. R21-35, seconded by Council Member Wilke. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

- **Resolution No. R21-36: A Resolution Approving Agreements Between The City Of Laurel And Laurel Fire District No. 8 Relating To Fire Protection.**

Motion by Council Member Eaton to approve Resolution No. R21-36, seconded by Council Member Klose. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

- **Resolution No. R21-37: A Resolution Approving Agreements Between The City Of Laurel And Laurel Fire District No. 5, Said Agreements Relating To Fire Protection**

Motion by Council Member Stokes to approve Resolution No. R21-37, seconded by Council Member McGee. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

- **Resolution No. R21-38: A Resolution Approving An Agreement Between The City Of Laurel And Yellowstone Boys And Girls Ranch, Relating To Fire Protection.**

Motion by Council Member McGee to approve Resolution No. R21-38, seconded by Council Member Wilke. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

- **Resolution No. R21-39: A Resolution Approving Agreements Between The City Of Laurel And The Laurel Urban Fire Service Area ("LUFSA") Said Agreements Relating To Fire Protection**

Motion by Council Member Eaton to approve Resolution No. R21-39, seconded by Council Member Sparks. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

- **Resolution No. R21-40: A Resolution Of The City Council Authorizing The Mayor To Sign A Contract With True North Contracting For The Supply And Installation Of Asphalt For A City Project.**

Motion by Council Member Sparks to approve Resolution No. R21-40, seconded by Council Member Eaton. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

- **Resolution No. R21-41: Resolution Awarding Western Municipal Construction The Contract For The City Of Laurel's 5th Avenue Waterline Re-Route Project And To Authorize The Mayor To Sign All Documents Relating To The Project On The City's Behalf.**

Motion by Council Member Herr to approve Resolution No. R21-41, seconded by Council Member Klose. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

- **Resolution No. R21-42: A Resolution Of The City Council Authorizing The Mayor And City Clerk To Sign A Memorandum Of Understanding With Yellowstone County To Share Project Costs For City/County Streets And Roads.**

Motion by Council Member Wilke to approve Resolution No. R21-42, seconded by Council Member Klose. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

- **Resolution No. R21-43: Resolution Awarding Cop Construction The Contract For The City Of Laurel's Yellowstone River Water Crossing Project And To Authorize The Mayor To Sign All Documents Relating To The Project On The City's Behalf.**

Motion by Council Member Klose to approve Resolution No. R21-43, seconded by Council Member McGee. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

- **Resolution No. R21-44: A Resolution Approving Amendment No. 1 To The Previously Approved Task Order Authorizing Kadrmas, Lee & Jackson, Inc. To Provide Additional Services For The City Of Laurel's H2s Remediation Improvements Project.**

Motion by Council Member McGee to approve Resolution No. R21-44, seconded by Council Member Eaton. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

- **Resolution No. R21-45: A Resolution Of The City Council Approving A Task Order Between The City Of Laurel And KLJ Engineering Inc. To Authorize Service For The City Capital Improvements Plan (CIP).**

Motion by Council Member Stokes to approve Resolution No. R21-45, seconded by Council Member Klose. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

- **Resolution No. R21-46: A Resolution Of The City Council Authorizing The Mayor To Sign A Contract With Canyon Electric For Electrical Work For The City's Building Commonly Known As "Jaycee Hall" Located In Riverside Park.**

Motion by Council Member McGee to approve Resolution No. R21-46, seconded by Council Member Eaton. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

- **Resolution No. R21-47: A Resolution Of The City Council Authorizing The Release Of Funds From The Tax Increment Financing District Fund For Façade Improvements And Building Repairs For The Property Located At 221 West Main, Laurel Montana.**

Motion by Council Member Eaton to approve Resolution No. R21-47, seconded by Council Member McGee. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

DRAFT

Council Minutes of May 25, 2021

**ITEMS REMOVED FROM THE CONSENT AGENDA:** None.

**COMMUNITY ANNOUNCEMENTS (ONE-MINUTE LIMIT):** None.

**COUNCIL DISCUSSION:**

Council requested an update on W. Railroad and S. 4<sup>th</sup> Street at an upcoming Workshop.

Council noted many comments on Facebook regarding the streets on the Southside. Residents were encouraged to attend Council. They were also asked where is the money to get these projects done.

Next Monday is Memorial Day. In the past, the American Legion has done a service at the City Cemetery at 9:00 a.m. and a service at the National Cemetery at noon. However, the National Cemetery is still under Covid-19 precautions. There will be one service at noon at the City Cemetery.

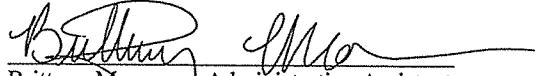
Friday is Poppy Day. It is an opportunity to support the local American Legion.

**UNSCHEDULED MATTERS:** None.

**ADJOURNMENT:**

Motion by Council Member Sparks to adjourn the council meeting, seconded by Council Member Eaton. There was no public comment or council discussion. A vote was taken on the motion. All seven council members present voted aye. Motion carried 7-0.

There being no further business to come before the Council at this time, the meeting was adjourned at 6:58 p.m.

  
Brittney Moorman, Administrative Assistant

Approved by the Mayor and passed by the City Council of the City of Laurel, Montana, this 22<sup>nd</sup> day of June 2021.

\_\_\_\_\_  
Thomas C. Nelson, Mayor

Attest:

\_\_\_\_\_  
Bethany Langve, Clerk/Treasurer

**File Attachments for Item:**

2. Fire Monthly Report - May 2021





# Laurel Fire Department

Report for the Month of May-21

	Calls	Hours
Structure Fires	1	51
Wildland Fires	5	4
Extrications	12	185
Other Rescues		
Alarms	9	81
Medical Assist	4	30
Severity Staffing		
Other calls	3	34
	34	385
	Totals	
Fire Prevention		35
Total Training		377
Total Maintenance		56
Community Service		
<b>Total</b>		<b>853</b>

Responded 9 times for fire driver

### Structure Firefighting

Conduct all levels of Structure Firefighting to include entry and attack, ventilation, salvage, overhaul, and investigation.

A structure fire is a fire involving the structural components of various types of residential, commercial or industrial buildings.

### Wildland Firefighting

Wildfire, brush fire, bush fire, desert fire, forest fire, grass fire, hill fire, peat fire, vegetation fire.

### Extrications

Rescue victims entrapped in automobiles, machinery, farm equipment, buildings, and trenches.

### Other Rescues

Rope Rescue, Water Rescue, Ice Rescue

### Alarms

Any false alarms or malfunctions.

### Other Calls

EMS assist, Industrial or Aircraft firefighting, Vehicle Fire, Hazmat, Spills, Public safety, Investigations, gas leaks, Carbon Monoxide problems, etc.

**File Attachments for Item:**

3. Ambulance Monthly Report - May 2021



**Laurel Emergency Services Report created 6/9/21:**

**2020**

1090 requests for service

159 times LEMS was unavailable

72 times AMR was unavailable\*

288 responses in Ward 5 = 27% of calls outside of the city of Laurel

**Recent Month Summary:**

**April 2021:**

Requests	96
Missed Calls	12 = 12%
Shortest Delay	15 minutes
Longest Delay	1 hour & 27 minutes
Average Delay	50 minutes
Fire Driver Available	9 times
QRU Response With 1 Provider	7 times
On A Previous Call	2 times
No Crew / Provider Available	3 times
AMR Transported	7 times
Columbus Transported	1 times
Park City Transported	0 time
POV Transport	3 times

\* 28 responses in Ward 5 = 29 % of calls outside of the city of Laurel

**May 2021:**

Requests	108
Missed Calls	8=7%
Shortest Delay	36 minutes
Longest Delay	1 hour 13 minutes
Average Delay	1 hour 1 minute
Fire Driver Available	15
QRU Response With 1 Provider	3
On A Previous Call	1
No Crew / Provider Available	4
AMR Transported	5
Columbus Transported	1
Park City Transported	0
POV Transport	2

\* 36 responses in Ward 5 = 33 % of calls outside of the city of Laurel

**2021 Running Totals**

	January	February	March	April	May	June	July	August	September	October	November	December	Total 2021
Requests	92	98	117	96	108								
Missed Calls	8=9%	2=3%	10=9%	12=12%	8=7%								
Shortest Delay (minutes)	20	43	15	15	36								
Longest Delay (minutes)	45	70	80	87	73								
Average Delay (minutes)	25	47	30	50	61								
Fire Driver Available	11	21	26	9	15								
QRU Response w 1 Provider	6	1	5	7	3								
On A Previous Call	3	1	4	2	1								
No Crew / Provider Available	0	2	1	3	4								
AMR Transported	4	1	5	7	5								
Columbus Transported	0	0	0	1	1								
Park City Transported	1	0	1	0	0								
POV Transport	3	1	4	3	2								
Responses in Ward 5	21=23%	40=41%	30=26%	28=29%	36=33%								

## **Other Reporting Information:**

### **Projects:**

#### **New:**

- Endorsement training
- Protocol updates and training
- Budget updates

#### **Previous / Ongoing:**

- Sleep quarter for crews
- Narcotic tracking, storage, usage, documentation policy changes
- Communication Committee
- Supply tracking and ordering updates
- OSHA requirements for immunizations, EMS safety standards.
- Volunteer recruitment / retention
- COVID station uniforms
- Scheduling
- Training program updates to include train the trainer, training manual, tiered program

### **Staffing:**

- 5 full time staff consisting of 3 Paramedics, 1 MT AEMT, 1 EMT with Endorsements
- 20 volunteer staff consisting of 6 Paramedics, 14 EMTs with varying Endorsements

**Total 25 staff members**

### **Current List of Ambulances:**

-2007 Ford Ambulance - Care 3 – mileage 57,107

This is our main ambulance, fully stocked

-1999 Ford Ambulance – Care 2 – mileage 119,979

This is our second out or back up ambulance, fully stocked

-2019 Chevy Tahoe – QRU – mileage 6,733

This is our main QRU, it is stocked with a BLS kit and an ALS monitor

-1998 Ford Expedition – Old QRU – mileage 113,636

This is not stocked, used as a secondary vehicle if needed and can be used by staff that live close and are willing to take call to respond

### **Grants Updates:**

-Firehouse Sub Shop Grant – 2 Glide Scopes for intubations – **We did not receive this grant**

-Town Pump Volunteer Ambulance & EMT Services Grant – 3 Adult and 3 Pediatric Packs stocked with non disposable equipment – **they delayed awarding this grant, estimated time of announcement is the end of June**

-PULSE ( Partners United for Life Saving Education ), SAMSHA Grant – Education opportunities – particularly for EMR training for Fire Drivers. 6 have committed to wanting this training. Endorsement training for current EMTs. - **End of July is the estimated announcement.**

-Working on a trade with Lovell Ambulance for our old cot that we cannot use for a Training Mannequin and 4 Scoop Stretchers. – **They cannot do a trade so we are working on them purchasing this, the director is waiting for city approval, will update as soon as we have an answer.**

**File Attachments for Item:**

4. Police Monthly Report - May 2021



# Laurel Police Department

215 W. 1<sup>st</sup> Street Laurel, Mt. 59044 ▪ Phone 406-628-8737 ▪ Fax 406-628-4641

Total Calls

Printed on June 1, 2021

[CFS Date/Time] is between '2021-04-26 00:00' and '2021-05-24 23:59' and

[Primary Incident Code->Code : Description] All

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## Code : Description

## Totals

10-15 : With Prisoner	0	0
: Abandoned Vehicle	2	2
: Agency Assist	60	60
: Alarm - Burglary	14	14
: Alarm - Fire	5	5
AMB : Ambulance	83	83
: Animal Complaint	11	11
: Area Check	7	7
: Assault	1	1
: Bad Checks	0	0
: Barking Dog	4	4
: Bomb Threat	0	0
: Burglary	0	0
: Child Abuse/Neglect	5	5
: Civil Complaint	13	13
: Counterfeiting	0	0
: Criminal Mischief	7	7

<b>Code : Description</b>	<b>Totals</b>	
: Criminal Trespass	8	8
: Cruelty to Animals	2	2
: Curfew Violation	9	9
: Discharge Firearm	1	1
: Disorderly Conduct	10	10
: Dog at Large	24	24
: Dog Bite	0	0
DUI : DUI Driver	15	15
: Duplicate Call	2	2
: Escape	0	0
: Family Disturbance	13	13
: Fight	5	5
FIRE : Fire or Smoke	12	12
: Fireworks	0	0
: Forgery	0	0
: Found Property	7	7
: Fraud	1	1
: Harassment	3	3
: Hit & Run	6	6
: Identity Theft	1	1
: Indecent Exposure	0	0



<b>Code : Description</b>	<b>Totals</b>	
: Insecure Premises	2	2
: Intoxicated Pedestrian	4	4
: Kidnapping	0	0
: Littering	2	2
: Loitering	1	1
: Lost or Stray Animal	16	16
: Lost Property	5	5
: Mental Health	7	7
: Missing Person	3	3
: Noise Complaint	3	3
: Open Container	0	0
: Order of Protection Violation	3	3
: Parking Complaint	17	17
: Possession of Alcohol	0	0
: Possession of Drugs	2	2
: Possession of Tobacco	0	0
: Privacy in Communications	2	2
: Prowler	0	0
: Public Assist	70	70
: Public Safety Complaint	4	4
: Public Works Call	16	16

<b>Code : Description</b>	<b>Totals</b>	
: Report Not Needed	0	0
: Robbery	0	0
: Runaway Juvenile	1	1
: Sexual Assault	0	0
: Suicide	1	1
: Suicide - Attempt	1	1
: Suicide - Threat	4	4
: Suspicious Activity	100	100
: Suspicious Person	9	9
: Theft	22	22
: Threats	7	7
: Tow Call	0	0
: Traffic Accident	15	15
: Traffic Hazard	4	4
: Traffic Incident	26	26
: TRO Violation	1	1
: Truancy	0	0
T/S : Traffic Stop	118	118
: Unattended Death	0	0
: Unknown - Converted	0	0
: Unlawful Transactions w/Minors	0	0

<b>Code : Description</b>	<b>Totals</b>	
: Unlawful Use of Motor Vehicle	1	1
: Vicious Dog	4	4
: Warrant	17	17
: Welfare Check	13	13
<b>Totals</b>	<b>832</b>	<b>832</b>

**File Attachments for Item:**

5. Building Department Monthly Report - May 2021

## CITY OF LAUREL BUILDING DEPARTMENT MONTHLY REPORT

**May-21**

**Year to Date 2021**

	Amnt	Valuation
<b>New Construction</b>		
1 Single family	0	\$0
2 Duplex	0	\$0
3 Multi-Family	0	\$0
4 Hotel/Motel	0	\$0
5 Commercial	0	\$0
6 Garage/Carport	0	\$0
7 Mobile Home	0	\$0
<b>Total New:</b>	<b>0</b>	<b>\$0</b>

	Amnt	Valuation
<b>New Construction</b>		
1 Single family	0	\$0
2 Duplex	0	\$0
3 Multi-Family	0	\$0
4 Hotel/Motel	0	\$0
5 Commercial	1	\$200,000
6 Garage/Carport	1	\$8,957
7 Mobile Home	12	\$149,300
<b>Total New:</b>	<b>14</b>	<b>\$358,257</b>

	Amnt	Valuation
<b>Remodel and Additions</b>		
8 Residential	2	\$67,500
9 Commercial	0	\$0
10 R. Fence/Roof/Siding	13	\$98,961
11 C.Fence/Roof/Siding	3	\$26,800
12 Sign/Temp Structure	2	\$27,476
<b>Total R &amp; A</b>	<b>20</b>	<b>\$220,737</b>
<b>Grand Total:</b>	<b>20</b>	<b>\$220,737</b>

	Amnt	Valuation
<b>Remodel and Additions</b>		
8 Residential	5	\$100,781
9 Commercial	3	\$72,324
10 R.Fence/Roof/Siding	33	\$183,054
11 C.Fence/Roof/siding	5	\$57,886
12 Sign/Temp Structure	7	\$54,296
<b>Total R &amp; A</b>	<b>53</b>	<b>\$468,341</b>
<b>Grand Total:</b>	<b>67</b>	<b>\$826,598</b>

**File Attachments for Item:**

6. Re-appointment of Jonathan Klasna to the Laurel City/County Planning Board Letter.

# Yellowstone County



COMMISSIONERS  
(406) 256-2701  
(406) 256-2777 (FAX)

P.O. Box 35000  
Billings, MT 59107-5000  
commission@co.yellowstone.mt.gov

June 1, 2021

Mr. Jonathan Klasna  
3900 Yard Office Rd  
Laurel, MT 59044

RE: Re-appointment to Laurel City/County Planning Board

Dear Mr. Klasna,

The Board of County Commissioners of Yellowstone County has re-appointed you to the above named board. Your term by this appointment will be to June 30, 2023.

We wish to take this opportunity to thank you, in advance, for accepting this community service.

Sincerely,

BOARD OF COUNTY COMMISSIONERS  
YELLOWSTONE COUNTY, MONTANA

A handwritten signature in black ink, appearing to read "Donald W. Jones", written over a horizontal line.

Donald W. Jones, Chair

A handwritten signature in black ink, appearing to read "John Ostlund", written over a horizontal line.

John Ostlund, Member

A handwritten signature in black ink, appearing to read "Denis Pitman", written over a horizontal line.

Denis Pitman, Member

BOCC/eg

c: Board File - Clerk & Recorder  
Ms. Brittney Moorman, Po Box 10, Laurel, MT 59044

**File Attachments for Item:**

7. Laurel Airport Authority Minutes of May 4, 2021.



**MINUTES**  
**LAUREL AIRPORT AUTHORITY SPECIAL BOARD MEETING**  
**Tuesday, May 04, 2021**

A Laurel Airport Authority Board meeting was held in the Airport Pilot's Lounge and called to order by Chairman Randy Hand at 19:00. This meeting was called due to lack of quorum at the previously scheduled April meeting.

**BOARD MEMBERS PRESENT:**

- Randy Hand, Chairman
- Brock Williams
- Will Metz

**OTHERS PRESENT:**

None

1. New Business

- a. Approval of Non Primary Entitlement Transfer to Baker. Motion to approve made by Brock, Seconded by Will. Passed unanimously.
- b. Planning Engineer Selection. The board filled out the selection rating sheet. Randy will submit to Joe Nye @ FAA.
- c. FAA Single Audit. We are looking for an accountant to do this.

2. Old Business

- a. Fly-in. The fly-in has been postponed due to board member and volunteer availability. Other dates will be considered for a future fly-in.

3. Public Input

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

a. none

4. Other Items

none

5. Announcements

a. none

The meeting was adjourned at 19:30.

Respectfully submitted,

Brock Williams  
Secretary

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

**File Attachments for Item:**

13. Council Workshop Minutes of August 18, 2020.

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

A Council Workshop was held in Council Chambers and called to order by Mayor Tom Nelson at 6:31 p.m. on August 4, 2020.

**COUNCIL MEMBERS PRESENT:**

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

**OTHERS PRESENT:**

Nick Altonaga, Planning Director  
Bethany Langve, Clerk/Treasurer  
Kurt Markegard, Public Works Director  
Nancy Schmidt – Library Director via Zoom  
Stan Langve, Police Chief

**Public Input:**

There were none.

**General Items**

**Executive Review**

1. Resolution - LURA Large Grants

Nick Altonaga, Planning Director, stated LURA made a recommendation on July 6, 2020, with a slight amendment to their recommendation on July 20, 2020. The total of \$218,150.84 which is below the max allotted for \$225,000 for the Large Grant Program; see the attached spreadsheet. The work being done includes energy efficiency, water drainage updates, utility improvements, roof replacement, window replacement, etc. Two grants were denied.

Council noted some good projects were going on and thanked the Planning Director for his hard work.

2. Ordinance No. O20-03: An Ordinance Amending Title 12 Chapter 12.04 Of The Laurel Municipal Code Relating To The City's Street And Sidewalk Construction And Maintenance.

Kurt Markegard, Public Works Director, stated this ordinance is to update the chapter on Construction of Streets and Sidewalks in LMC. It incorporates the changes from the last two legislative sessions—Changed City Engineer to Public Works Director. They also changed "he"

to "he/she" to be inclusive. Different types of assessments are included. It will give the City a variety of ways they can assess the street maintenance assessments. The bulk of the changes are simply updating the code to meet State statute.

### **Council Issues**

#### **3. Discussion on Budget**

Bethany Langve, Clerk/Treasurer, stated the main discussion for this evening is centered around the General Fund and the distribution of mills; see attached handout. General Fund has been expenditures has been decreased by 3% already. Keeping our reserves for General Fund at 10%, we are short 46.04 mills. That is having no reserves in any other funds. In dollars, that is \$387,806.37. The discussion is on where Council is comfortable with the Mayor and Clerk/Treasurer to go with this Budget. They do not want to make decisions without Council's input.

The Clerk/Treasurer stated she included a National League of Cities survey; see attached. They are stating that Cities dependent upon property tax revenues can expect to see a .3% to 10% decrease in property tax revenues. They are anticipating Cities will see this in Fiscal Year 2021 when citizens cannot pay their taxes or house payments. Those who are dependent upon sales tax were hit immediately. How hard the City will be hit with decreased revenue is not clear at this time.

Council stated that they nor the Mayor should receive a raise this year. It was clarified that the Mayor was budgeted at a 0% increase. Council was budgeted at a 1% increase. The total Budget for Council is \$40,000; the raise was a \$4,000 increase to that Budget. The raise for Council was \$470.

Council questioned the seven mills increase for Library. It was clarified that the Library Board submits their Budget. The increase is due to the significant increase in wages. Each of their Staff members received a \$3.50 per hour increase. With that raise, it increases Unemployment, FICA, Workers Comp, PERS, etc. Council can choose the allocated mills for Library. Included is what was requested. Library Board had come before the Budget/Finance Committee previously. Budget/Finance Committee asked if their Board had tried to decrease their Budget, and they had not.

Nancy Schmidt, Library Director, stated she is at her Board meeting and has Board members with her right now. They did not say they cannot cut their Budget. She stated that she has areas she is willing to cut after she discussed it with the Board. The wage increases that were put in, they had asked for two years ago and were ignored. Two Staff members tried to join the Union they realized they needed to increase wages to Union levels. They are not going to have a lot of options on that point.

Council noted that the Mayor and the Clerk/Treasurer have reduced last year's Budget by 3% and are still approximately \$387,000 short. It was questioned where else cuts could be made. The Clerk/Treasurer stated that General Fund is out of money, that she has been saying this for the last four years. The City is only getting \$15,000 to \$20,000 increases in revenues each year. Yet

the expenditures increase exponentially; eventually, you are going to drain your reserves. Health insurance went up 6%. Liability insurance went down, which could be due to Covid. The 3% decrease is from not budgeting a CAO, not rehiring a Utility Billing Clerk, and a layoff in the Planning Department. Their wages, along with unemployment, FICA, health insurance, etc., that went along with those people helped decrease General Fund.

It was questioned besides wages, what is the most significant increase in General Fund. It was clarified that the biggest increase was health insurance. It was further questioned if health insurance is different that group health. It was clarified that health insurance is built into the General Fund appropriations. Group health insurance is milled into a separate fund. Those monies can be shared with any fund that has employees, except enterprise funds. General Fund is to the point it takes all of those monies. The permissive health levy is the same thing, the City levies on taxpayers to help pay for health insurance. Health insurance for just General Fund is over \$407,000 this next fiscal year. The General Fund needs all of the monies from the permissive health levy just to survive.

The entitlement share also goes into the General Fund. The State may try to take the entitlement share in this next legislative session. The City has the option to divide the entitlement share between funds; however, almost all of it goes into General Fund. General Fund needs the money. The City needs to increase its revenue by annexing and growing. Or it needs to reduce its appropriations. The City added five new employees last fiscal year. That right there is, in a sense, the overage. The Clerk/Treasurer reiterated that the City needs more revenue to keep up with its expenditures. If the City did not lose three employees, the expenditures would be well over \$5 million, and they received \$20,000 more in revenue. The only thing the City can do with insurance is to be safer and take better care of equipment. The Mechanic is doing a great job trying to maintain our equipment. Try to be safer to reduce workers' comp claims. Raises will increase PERS, as PERS is based solely on wage. Group health ebbs and flows. The more claims, the more costs go up. Fewer claims and the cost will go down.

The goal is to budget for a certain percentage of the shortfall and be prepared for the worst-case scenario. The bottom line, the City needs to grow. Ambulance needs more personnel; Fire needs new equipment, Police needs new rigs, etc.

Council noted that even if the Library was knocked down to the seven required by State law mills, the City is still short. Is there any other area that the Clerk/Treasurer or Mayor is aware that they could break even?

The Clerk/Treasurer stated that she would hate to take all of the cash reserve. The Mayor can ask all Department Heads to cut their budgets. When the Mayor sent out the memo, he told Department Heads to be prepared to cut their budgets.

Nancy Schmidt, Library Director, asked for clarification if Council was considering defunding the Library. It was clarified that Council Members were trying to find a way to come up with the \$387,000 shortfall. The only area that can be cut is the Library; however, even if cutting back to the mandated mills, the City is still short. The Library Director asked how they could run the

Library on \$56,000. Council asked how they can make a recommendation and how can the budget break even.

Various Council Members agreed that the Library mills need to be cut, but not down to the State required minimum. The Library is essential, especially while students are distance learning. The agreed recommendation was to keep Library at the mills they had last year and ask Department Heads to cut their budgets where they can. Many provisions for homeowners are coming to an end, as are the provisions for student loans. Those impacts will affect the City's revenues. The economic outlook for a while is not looking promising. The City could lose 10% of its revenues. Council asked that Departments Heads find it in their budgets.

The Library Director stated that Library Staff had received their wage increase on July 1<sup>st</sup>. The Library can cut \$15,000 off the top; however, she had spent \$1,100 out of her own pocket to keep the Library running. They are running off donations.

It was questioned if each Department would have to cut approximately \$136,000 from their budgets. It was clarified the total per Department would be up to the Mayor. It was further stated that if Library was taken back to 27.61 mills like they had last year, the City is still looking at being short 39.17 mills or \$327,378.79. It was clarified that there are certain areas we can look at first. Some budgets can be stripped entirely, such as the pool budget. Council stated they felt more people would use the Library than the pool and agreed that stripping the pool budget would make sense.

It was questioned what the City's obligation is on raises. It was clarified that Union 303 is in the final year of its contract. They are under contract for a 2% base wage increase. Union 316 is in the process of negotiating and has not been voted on yet. Non-union was offered 2% via the Budget. However, they cannot get that raise until Council approves it. Both unions will be negotiating in Spring 2021.

It was questioned what the City has for Park Development for this upcoming year. It was clarified they have \$425,000, and it is for finishing Riverside Park and Lions Family Park. Both have revenue that comes in and then goes back out. Part is the States contribution, and then there are the monies set aside coming from General Fund via the CIP Fund.

There is no point in bringing forward a budget without Council input. It is a very difficult budget year. The City has already lost close to \$50,000 in interest revenue from Covid. The Clerk/Treasurer attended this training with the National League of Cities. When the 2007 crisis hit, just for General Funds to recover, it took 12 years. This economic crisis is much shorter but much more severe. We are trying to protect the General Fund as much as possible.

Council asked that anything that can be cut is cut out of this year's Budget. It was questioned if Council was asking to reduce the 2% non-union increase and reduce non-essential Department.

It was questioned if Council will vote on August 25<sup>th</sup> for the LURA Large Grants and September 1<sup>st</sup> for the Budget. It was further questioned what would happen come September 1<sup>st</sup> if Council wanted to reduce specific areas. It was clarified that the Budget would be presented on the 1<sup>st</sup>. The Budget can be passed no later than the 3<sup>rd</sup> of September.

Council requested to send this back to Department Heads and bringing forward a revised proposal next week due to the time crunch. Council requested a full budget at next week's meeting.

Next week a Workshop will be held after the business meeting.

The Clerk/Treasurer stated some positive news: the Transit Fund was awarded \$67,356.64 in the form of a grant for the new transit bus. It will take ten months to build, but we will get one. We have been trying to get one for a few years now.

Council noted that earlier, it was stated that it would be helpful if the town grew. How do we do that?

### **Other Items**

Mayor Nelson reminded the Council that any of their Boards/Commissions/Committees need to hold a special meeting; they must give 48 hours' notice. The Council Secretary needs more time than that to get it appropriately noticed.

Mayor Nelson asked the Police Chief to address the repeater and dispatch boxes over in dispatch that are ancient and starting to cause server problems. It did fail on the 4<sup>th</sup> of July, not a good time to have an issue. We were lucky that resetting the system brought it back online, but it needs to be addressed because that may not be the case the next time this happens. Funding is available in a reserve account.

Stan Langve, Police Chief, stated that a quote had been provided; see attached. This had to put off for a few weeks due to a personal matter, but it is simply that critical. They are looking at two position dispatch consoles. These are the brain to the system. They started with replacing the data reporting system, which was the Zuercher project. These boxes work with Zuercher, phone system, and paging system. So when they went down, Dispatchers lost the ability to page, have phone calls come to the headsets, run through Zuercher. These boxes are electronic components that have approximately 15 years on them. They are simply too old and not functioning correctly. The backup should these go down is to do things the old school way. They could still pick up the phone and type things in, but they would not have the ability to page people. The cost to install is \$100,000. The 50-watt base is the backup radio. It monitors Public Works and is the backup if the repeater goes down. They also monitor County (Yellowstone, Carbon, and Stillwater) over that radio as well. They can hear issues that may be coming into town, such as a pursuit. The other one is an Atlas repeater. The one that we have currently is ancient. When it fails, it cannot be serviced and will need to be replaced. Currently, our repeaters are 40-60 watts. This is a 100-watt repeater and will give a lot better coverage. There are a lot of dead shots in town. There are times when an Officer is trying to have a critical conversation, and they are unable to communicate. This will save the City money. By moving it to City property, it will save \$1500 per quarter. There is also a discussion about putting Ambulance and Fire's repeaters in the same location in the future. The Police Department is also upgrading the handhelds. By moving to the new handhelds, it will save approximately \$4,000 per unit. The current handhelds have been



used for about a decade and were hand-me-downs for another agency. They need to be replaced. They are using Federal Equitable Sharing Funds for this purchase.

There is an opportunity to use some Water Funds as well. The control unit for the intake transmits information as well.

At the Budget/Finance Committee meeting, it was brought up that Beartooth RC&D may have a grant writer to assist in finding grant opportunities.

**Review of Draft Council Agendas**

- 4. Draft Council Agenda 8.25.2020  
Draft Council Agenda 9.1.2020

No suggested changes.

**Attendance at Upcoming Council Meeting**

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

**Announcements**

There were no announcements.

The council workshop adjourned at 7:49 p.m.

Respectfully submitted,



Brittney Moorman  
Administrative Assistant

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

LURA Large Grants 2020										Funding	19-20
Applicant	Project	Application Date	Start Date	Completion Date	Initial Requested Amount	Working Amount(50%)	LURA Approval Date1	City Council Approval Date2	Total Available: Eligibility Date	\$ 225,000.00 Disbursed Date	\$ - Awarded Amount
Lorna Krueger-Coburn	Coburn Tax Services - energy efficiency upgrades, water drainage repairs on north of building	3/26/2020	2/1/2019	9/1/2019	\$ 26,371.92	\$ 13,185.96	7/6/2020				
Darrell Dyer	Demolition of current single family residence and construction of mixed use buildings with 17 residential units and 5 commercial storefronts. Improvement of public infrastructure.	6/1/2020	8/1/2020	Winter 2020/2021	\$ 124,400.00	\$ 62,200.00	7/6/2020				
Kirk and Doris Linse	20 Idaho Ave - Full remodel of interior and exterior, repair of foundations, basement; lighting replacement, HVAC upgrade, landscaping work.	6/1/2020	6/1/2015	9/1/2020	\$ 51,998.75	\$ 25,999.38	7/6/2020				
Ken Miller and Peggy Miller	201 E. Main Street - Project completed in 2019 - Part of 2018 Large Grant Award (\$17,698) - Updated Building Exterior and structural work - Is this project eligible for current round of funding?	6/1/2020	6/1/2018	5/1/2019	\$ 16,059.16						
Ken Miller and Peggy Miller	403-407 E. Main Street - Update to building electrical, update to building HVAC, installation of Air Scrubber Plus system.	6/1/2020	6/1/2019	5/1/2020	\$ 40,124.00	\$ 20,062.00	7/6/2020				
Ron Seder	119 W. Main Street - Foundation replacement, replacement of old painted ceiling tiles, new sheetrock, plaster, electrical, insulation, high efficiency lighting, roof replacement	6/1/2020	10/1/2018	7/1/2020	\$ 88,657.00	\$ 44,328.50	7/6/2020				
Shaun Jones	101 W. Main St. - Remove and Replace windows on second story of building (front, side, rear) Remove and replace awning AC on interior of structure façade.	6/19/2020	8/1/2020	10/1/2020	\$ 90,750.00	\$ 45,375.00	7/6/2020				
Sarah Kuhr	The Front Porch - Roof Replacement of currently leaking and aging roof.	6/24/2020	7/1/2020	11/1/2020	\$ 14,000.00	\$ 7,000.00	7/6/2020				
Ken Olson	MT State Firefighters Memorial - Addition of benches and archway sign, improvement of landscaping and installation of iron fence (Requested LURA funds on application is \$22,422.50, which is approximately 50% of total invoice details, appears slightly below actual 50% mark).	6/25/2020	1/30/2019	12/1/2019	\$ 47,845.00		7/6/2020				
					\$ 500,205.83	\$ 218,150.84					\$ -

**TAX REVENUE COMPARISON**

**2019-2020**

**2020-2021**

**# OF MILLS 152.22**

**# OF MILLS 154.79**

**\$ PER MILL 8,367.513**

**\$ PER MILL 8,357.896**

**TOTAL TAX REVENUE \$1,273,702.83**

**TOTAL TAX REVENUE \$1,293,718.72**

**WE GAINED 2.57 TOTAL MILLS**

**WE LOST \$9.617 PER MILL**

**WE GAINED \$20,015.89 IN REVENUE**

# Determination of Tax Revenue and Mill Levy Limitations

Section 15-10-420, MCA

Aggregate of all Funds

FYE June 30, 2020

CITY OF LAUREL, MONTANA

Reference Line	Enter amounts in yellow cells	Auto-Calculation (If completing manually enter amounts as instructed)
(1)	Enter Ad valorem tax revenue <u>ACTUALLY assessed in the prior year</u> (from Prior Year's form Line 17)	\$ 1,260,866
(2)	Add: Current year inflation adjustment @ 1.02%	\$ 12,861
(3)	Subtract: Ad valorem tax revenue <u>ACTUALLY assessed in the prior year</u> for Class 1 and 2 property, (net and gross proceeds) (from Prior Year's form Line 20)- (enter as negative)	\$ -
(4)	Adjusted ad valorem tax revenue	\$ 1,273,727
<b>ENTERING TAXABLE VALUES</b>		
(5)	Enter 'Total Taxable Value' - from Department of Revenue <i>Certified Taxable Valuation Information</i> form, line # 2	\$ 9,511,847
(6)	Subtract: 'Total Incremental Value' of all tax increment financing districts (TIF Districts) - from Department of Revenue <i>Certified Taxable Valuation Information</i> form, line # 6 (enter as negative)	\$ (1,101,218)
(7)	Taxable value per mill (after adjustment for removal of TIF per mill incremental district value)	\$ 8,410.629
(8)	Subtract: 'Total Value of Newly Taxable Property' - from Department of Revenue <i>Certified Taxable Valuation Information</i> form, line # 3 (enter as negative)	\$ (43,116)
(9)	Subtract: 'Taxable Value of Net and Gross Proceeds, (Class 1 & 2 properties)' - from Department of Revenue <i>Certified Taxable Valuation Information</i> form, line # 5 (enter as negative)	\$ -
(10)	Adjusted Taxable value per mill	\$ 8,367.513
(11)	CURRENT YEAR calculated mill levy	152.22
(12)	CURRENT YEAR calculated ad valorem tax revenue	\$ 1,280,266
<b>CURRENT YEAR AUTHORIZED LEVY/ASSESSMENT</b>		
(13)	Enter total number of carry forward mills from prior year (from Prior Year's form Line 22)	0.00
(14)	Total current year authorized mill levy, including Prior Years' carry forward mills	152.22
(15)	Total current year authorized ad valorem tax revenue assessment	\$ 1,280,266
<b>CURRENT YEAR ACTUALLY LEVIED/ASSESSED</b>		
(16)	Enter number of mills actually levied in current year (Number should equal total <u>non-voted</u> mills, which includes the number of carry forward mills, actually imposed per the final approved current year budget document. <u>Do Not</u> include voted or permissive mills imposed in the current year.)	152.22
(17)	Total ad valorem tax revenue actually assessed in current year	\$ 1,280,266
<b>RECAPITULATION OF ACTUAL:</b>		
(18)	Ad valorem tax revenue actually assessed	\$ 1,273,703
(19)	Ad valorem tax revenue actually assessed for newly taxable property	\$ 6,563
(20)	Ad valorem tax revenue actually assessed for Class 1 & 2 properties (net-gross proceeds)	\$ -
(21)	Total ad valorem tax revenue actually assessed in current year	\$ 1,280,266
(22)	Total carry forward mills that may be levied in a subsequent year (Number should be equal to or greater than zero. A (negative) number indicates an over levy.)	0.00



# Determination of Tax Revenue and Mill Levy Limitations

Section 15-10-420, MCA

Aggregate of all Funds/or \_\_\_\_\_ Fund

FYE June 30, 2021

Entity Name: \_\_\_\_\_

Reference Line	Enter amounts in yellow cells	Auto-Calculation (If completing manually enter amounts as instructed)
(1) Enter Ad valorem tax revenue <u>ACTUALLY assessed in the prior year</u> (from Prior Year's form Line 17)	\$ 1,280,266	\$ 1,280,266
(2) Add: Current year inflation adjustment @ 1.05%		\$ 13,443
(3) Subtract: Ad valorem tax revenue <u>ACTUALLY assessed in the prior year</u> for Class 1 and 2 property, (net and gross proceeds) (from Prior Year's form Line 20)- (enter as negative)		\$ -
(4) Adjusted ad valorem tax revenue = (1) + (2) + (3)		\$ 1,293,709
<b><u>ENTERING TAXABLE VALUES</u></b>		
(5) Enter 'Total Taxable Value' - from Department of Revenue <i>Certified Taxable Valuation Information</i> form, line # 2	\$ 9,673,210	\$ 9,673,210
(6) Subtract: 'Total Incremental Value' of all tax increment financing districts (TIF Districts) - from Department of Revenue <i>Certified Taxable Valuation Information</i> form, line # 6 (enter as negative)	\$ (1,176,328)	\$ (1,176,328)
(7) Taxable value per mill (after adjustment for removal of TIF per mill incremental district value) = (5) + (6)		\$ 8,496.882
(8) Subtract: 'Total Value of Newly Taxable Property' - from Department of Revenue <i>Certified Taxable Valuation Information</i> form, line # 3 (enter as negative)	\$ (138,986)	\$ (138,986)
(9) Subtract: 'Taxable Value of Net and Gross Proceeds, (Class 1 & 2 properties)' - from Department of Revenue <i>Certified Taxable Valuation Information</i> form, line # 5 (enter as negative)		\$ -
(10) Adjusted Taxable value per mill = (7) + (8) + (9)		\$ 8,357.896
(11) CURRENT YEAR calculated mill levy =(4) / (10)		154.79
(12) CURRENT YEAR calculated ad valorem tax revenue = (7) x (11)		\$ 1,315,232
<b><u>CURRENT YEAR AUTHORIZED LEVY/ASSESSMENT</u></b>		
(13) Enter total number of carry forward mills from prior year (from Prior Year's form Line 22)		0.00
(14) Total current year authorized mill levy, including Prior Years' carry forward mills =(11) + (13)		154.79
(15) Total current year authorized ad valorem tax revenue assessment =(7) x (14)		\$ 1,315,232
<b><u>CURRENT YEAR ACTUALLY LEVIED/ASSESSED</u></b>		
(16) Enter number of mills actually levied in current year (Number should equal total <u>non-voted</u> mills, which includes the number of carry forward mills, actually imposed per the final approved current year budget document. <u>Do Not</u> include voted or permissive mills imposed in the current year.)	154.79	154.79
(17) Total ad valorem tax revenue actually assessed in current year =(7) x (16)		\$ 1,315,232
<b><u>RECAPITULATION OF ACTUAL:</u></b>		
(18) Ad valorem tax revenue actually assessed =(10) x (16)		\$ 1,293,718
(19) Ad valorem tax revenue actually assessed for newly taxable property		\$ 21,514
(20) Ad valorem tax revenue actually assessed for Class 1 & 2 properties (net-gross proceeds)		\$ -
(21) Total ad valorem tax revenue actually assessed in current year =(18) + (19) + (20)		\$ 1,315,232
(22) Total carry forward mills that may be levied in a subsequent year (Number should be equal to or greater than zero. A (negative) number indicates an over levy.) =(14) - (16)		0.00

**City of Laurel**  
**TAX LEVY REQUIREMENTS SCHEDULE**  
 2020-2021

Assessed Valuation..... \$ 595,712,339.00  
 Tax Valuation..... \$ 9,673,210.00  
 1 Mill Yields (10) \$ 8,357.896 Less TIFD

154.79 AVAILABLE MILLS  
 201.19 MILLS USED  
 -46.40 LEFT OVER MILLS

FUND #	FUND NAME	(1) APPROPRIATION	(2) BUDGETED CASH RESERVE	(3)=(1)+(2) TOTAL REQUIREMENTS	(4) CASH AVAILABLE (Less current Liabilities)	(5) NON-TAX REVENUES	(6)=(9)X(10) PROPERTY TAX REVENUES	(7)=(5)+(6) TOTAL REVENUES	(8)=(4)+(7) TOTAL RESOURCES	(9)=(6)/(10) 20-21 CURRENT YR MILL LEVY	19-20 PRIOR YEAR LEVY
<b>NON-VOTED LEVIES</b>											
1000	General Fund	\$ 4,565,015.00	\$ 477,003.95	\$ 5,042,018.95	\$ 980,375.22	\$ 3,077,000.00	\$ 984,643.73	\$ 4,061,643.73	\$ 5,042,018.95	117.81	89.47
	Reserves at FYE - 10%										
2220	Library	\$ 296,553.00	\$ -	\$ 296,553.00	\$ 5,382.55	\$ -	\$ 291,189.10	\$ 291,189.10	\$ 296,571.65	34.84	27.61
	Reserves at FYE - 0%										
2190	Comp Insurance	\$ 97,129.00	\$ 8.51	\$ 97,137.51	\$ 1,422.58	\$ -	\$ 95,697.91	\$ 95,697.91	\$ 97,120.49	11.45	6.00
	Reserves at FYE - 0%										
2370	PERS	\$ 99,341.00	\$ 10.75	\$ 99,351.75	\$ 22,793.42	\$ -	\$ 76,558.33	\$ 76,558.33	\$ 99,351.75	9.16	8.14
	Reserves at FYE - 0%										
2371	Group Health Ins	\$ 200,000.00	\$ 4.45	\$ 200,004.45	\$ -	\$ -	\$ 200,004.45	\$ 200,004.45	\$ 200,004.45	23.93	17.00
	Reserves at FYE - 0%										
7120	Fire Disability	\$ 33,431.58	\$ -	\$ 33,431.58	\$ -	\$ -	\$ 33,431.58	\$ 33,431.58	\$ 33,431.58	4.00	4.00
	Reserves at FYE - 0%									201.19	152.22
<b>PERMISSIVE LEVY</b>											
2372	Permissive Health	\$ -		\$ -	\$ -		\$ -	\$ -	\$ -	0.00	19.75
	Reserves at FYE - #DIV/0!										
<b>SEPARATE LEVYING AUTHORITY</b>											
7850	Airport Authority	\$ -		\$ -	\$ -		\$ -	\$ -	\$ -	0.00	3.15
	Reserves at FYE - #DIV/0!										
<b>Emergency Mill Levy</b>											
2260	Emergency Disaster	\$ 121,000.00		\$ 121,000.00	\$ 121,000.00		\$ -	\$ -	\$ 121,000.00	0.00	0.00
	Reserves at FYE - 0%										

**NLC** NATIONAL  
LEAGUE  
OF CITIES

CITIES STRONG TOGETHER

35 YEARS

# City Fiscal Conditions 2020



# 35 YEARS



CENTER FOR CITY SOLUTIONS

## About the National League of Cities (NLC)

The National League of Cities (NLC) is the voice of America's cities, towns and villages, representing more than 200 million people. NLC works to strengthen local leadership, influence federal policy and drive innovative solutions.

## About the Authors

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## Acknowledgements

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The authors also gratefully acknowledge the respondents to this year's fiscal survey. The commitment of finance officers to the project is critical to its continued success.

Lastly, we extend full appreciation and recognition to those authors who have prepared the report over the past 35 years, including Doug Peterson, Michael Guttman, Christopher Hoene and William Barnes.





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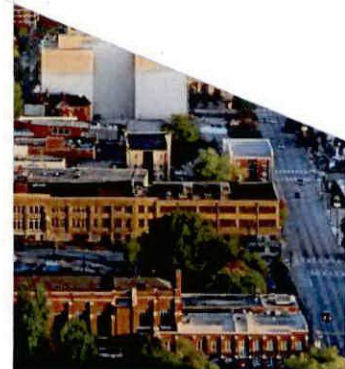
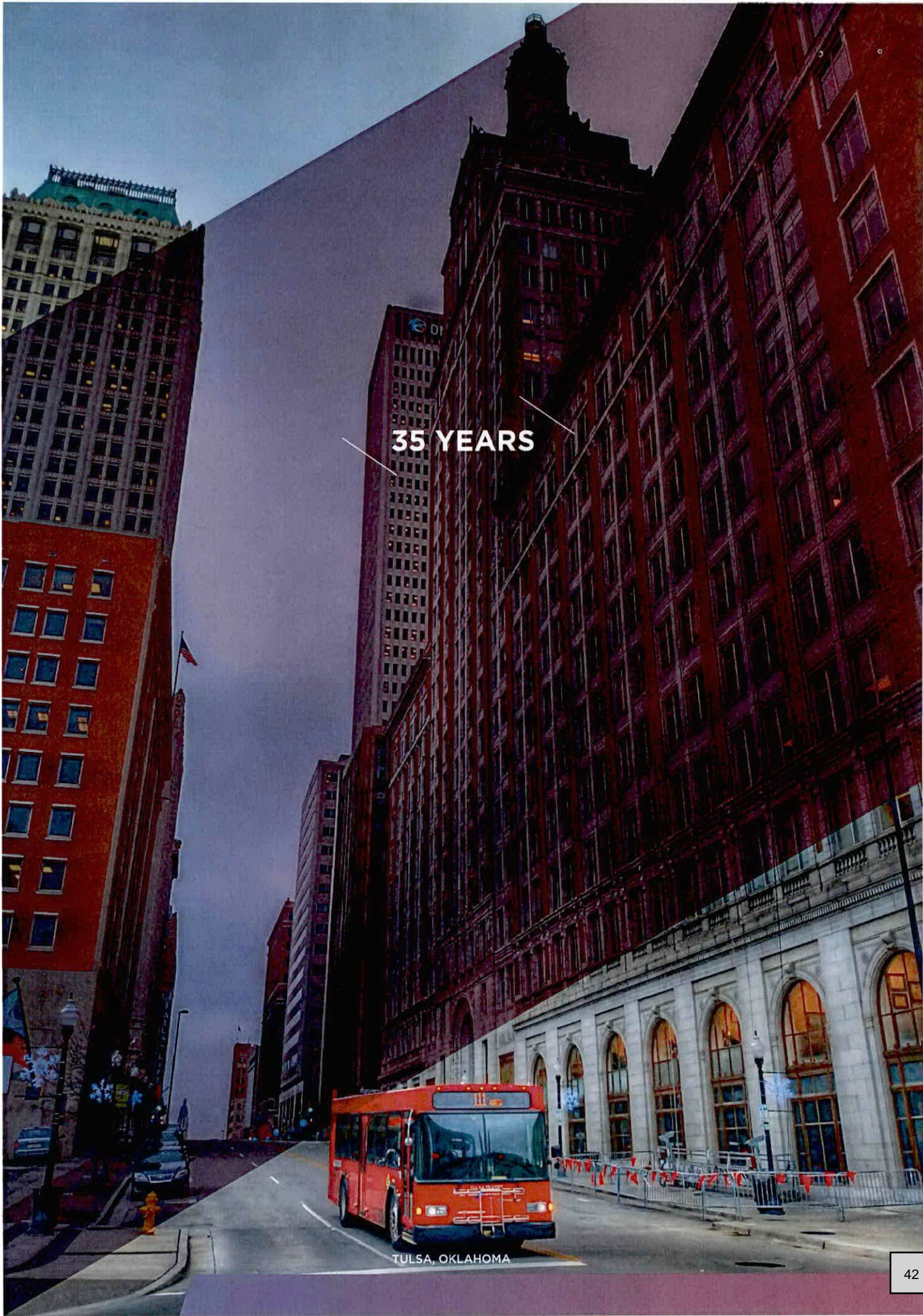


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35 YEARS

TULSA, OKLAHOMA

# Foreword

This year marks the 35th Anniversary of the National League of Cities' (NLC) Annual City Fiscal Conditions survey. Over its history, the City Fiscal Conditions survey of city finance officers has become the nation's most trusted barometer of the financial well-being of cities, towns and villages across the U.S.

We have reached a new turning point in the fiscal history of cities, with the onset of the coronavirus pandemic and ensuing recession. City Fiscal Conditions once again offers a critical view into the impact of the economy on local budgets as it has done through its history.

In the mid-1970s, the Joint Economic Committee of the U.S. Congress (JEC) commissioned biennial reports to inform Congress about the fiscal shifts and changes among America's municipalities. Called "Trends in the Fiscal Condition of Cities," this and similar reports were useful for researchers and even more useful for municipalities to understand how well their fiscal systems were performing and to explain the factors that affected their changing fiscal conditions. Policy officials, public interest groups (including the National League of Cities), policy analysts and the general public awaited the report to inform trends, concerns, issues of national interest and the like.

In the mid-1980s when the JEC stopped commissioning the reports, NLC stepped up and started replicating the study and expanding its scope. Since 1986, NLC's annual City Fiscal Conditions report has been prepared by analysts working with NLC to inform policy officials, public interest groups, analysts and the general public.

The report has become an annual snapshot of city fiscal conditions, with a firm grasp on trends over time. It documented the steady growth of cities' revenues in the 1990s, followed by the decline in state aid after the dotcom bust in 2000-2001. Our reports in the late 2000s monitored the coping strategies of cities in the face of the Great Recession. While there was much concern registered about the prospects of city bankruptcies due to the worst recession in 70 years, the survey's assessment was that cities were indeed suffering, but they were also adjusting and adapting to changing fiscal circumstances.

Even when Detroit was filing Chapter 9 bankruptcy in December 2013, City Fiscal Conditions documented the manifold responses to the fiscal challenges of the day. The continued upward trend in revenues during the 2010s that the annual analysis presented also reminded us that it took more than a decade for cities' general funds to recoup the losses generated by the Great Recession. All in all, NLC's City Fiscal Conditions reports have chronicled the changing fiscal circumstances of our nation's cities.

Our 2020 City Fiscal Conditions provides perspective about the importance of local fiscal health to our nation's economic recovery. The survey's 35th year reminds us of the value of the survey in telling the story of cities.



**Clarence E. Anthony**  
CEO and Executive Director  
National League of Cities

# Introduction

In March 2020, as the coronavirus pandemic took hold, the U.S. economy went into free fall. Retail sales plummeted, unemployment skyrocketed, businesses shuttered, uncertainty abounded. The fiscal impact of these swift economic changes were felt immediately in cities across the country. Sales and income tax revenues were **the first to be hit, and cities that rely on these sources, like Cincinnati, OH and Tulsa, OK, were forced to take immediate draconian actions.**<sup>1</sup> Even property tax revenues, which typically take longer to respond to economic changes, started showing signs of weakening as economic hardship dampened real estate demand and the ability of many to afford their mortgage.

Given that most cities' FY 2020 budget captures only a couple of months of the pandemic recession, FY 2020 more closely represents a pre-recession **baseline of city fiscal conditions for most cities.** FY 2021 budgets (which start for many cities in July 2020) begin to more **fully capture the fiscal impacts felt by cities across the country.** As the virus persists, the toll on city finances is set to be more severe than that experienced during the Great Recession.


Now in its 35th year, the City Fiscal Conditions survey of 485 cities reveals the breadth and depth of challenges facing city budgets, including:

- Nearly 90 percent of cities will be less able in FY 2021 than in FY 2020 to **meet the fiscal needs of their communities.** This widespread **sentiment about lack of fiscal capacity** has not been reported since the low point of the Great Recession;

- Current estimates for FY 2020 put year-over-year general fund revenue growth at near zero;
- All major local tax revenue sources slowed in FY 2020, with severe year-over-year declines in sales (-11%) and income tax (-3.4%) receipts; and
- On average, cities anticipate a 13 percent decline in FY 2021 general fund revenues over FY 2020.

Looking beyond 2020, cities continue to **face economic and fiscal uncertainty** while trying to keep their communities safe from the public health crisis. As **states face their own fiscal challenges** and the federal government provides **only minimal fiscal relief to cities,** cities are once again in a position to largely go it alone. In this environment, cities' balanced-budget requirements and revenue-raising restrictions have translated to severe service cuts, **extensive layoffs, furloughs and hiring freezes,** and rollbacks in capital projects. These decisions are necessary but not without consequence. Government investment in the economy is exactly what is needed during downturns, meaning that the future economic **health of our nation relies on fiscally strong cities, towns and villages,** along with state and federal investments. Without them, the road to recovery and reopening will be long and tenuous.

<sup>1</sup> Michael Pagano and Christiana K. McFarland. When will your city feel the fiscal impact of COVID-19? The Brookings Institution. March 31, 2020.



**“There’s no way Cincinnati or Columbus or any city can survive or thrive if local governments suffer the catastrophic loss of revenue that we are projecting right now.”**

Mayor John Cranley, city of Cincinnati, OH

CINCINNATI, OHIO

NATIONAL LEAGUE OF CITIES

7

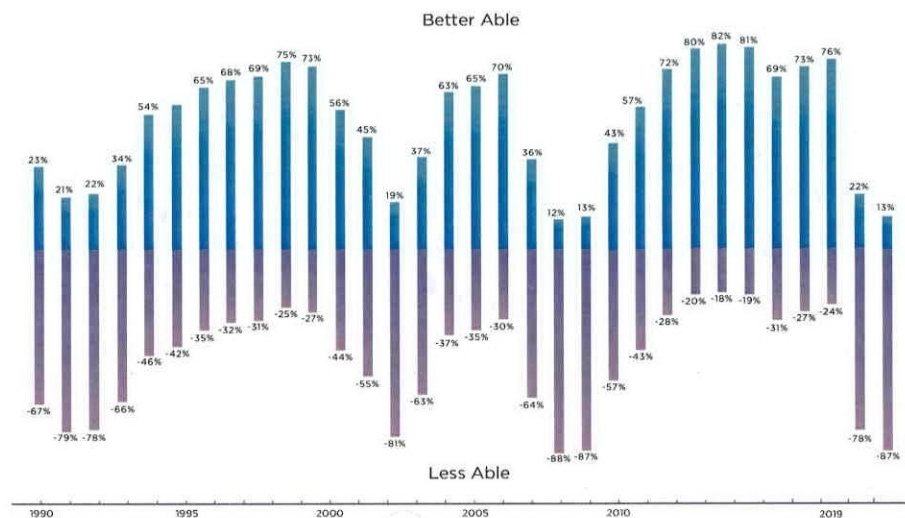


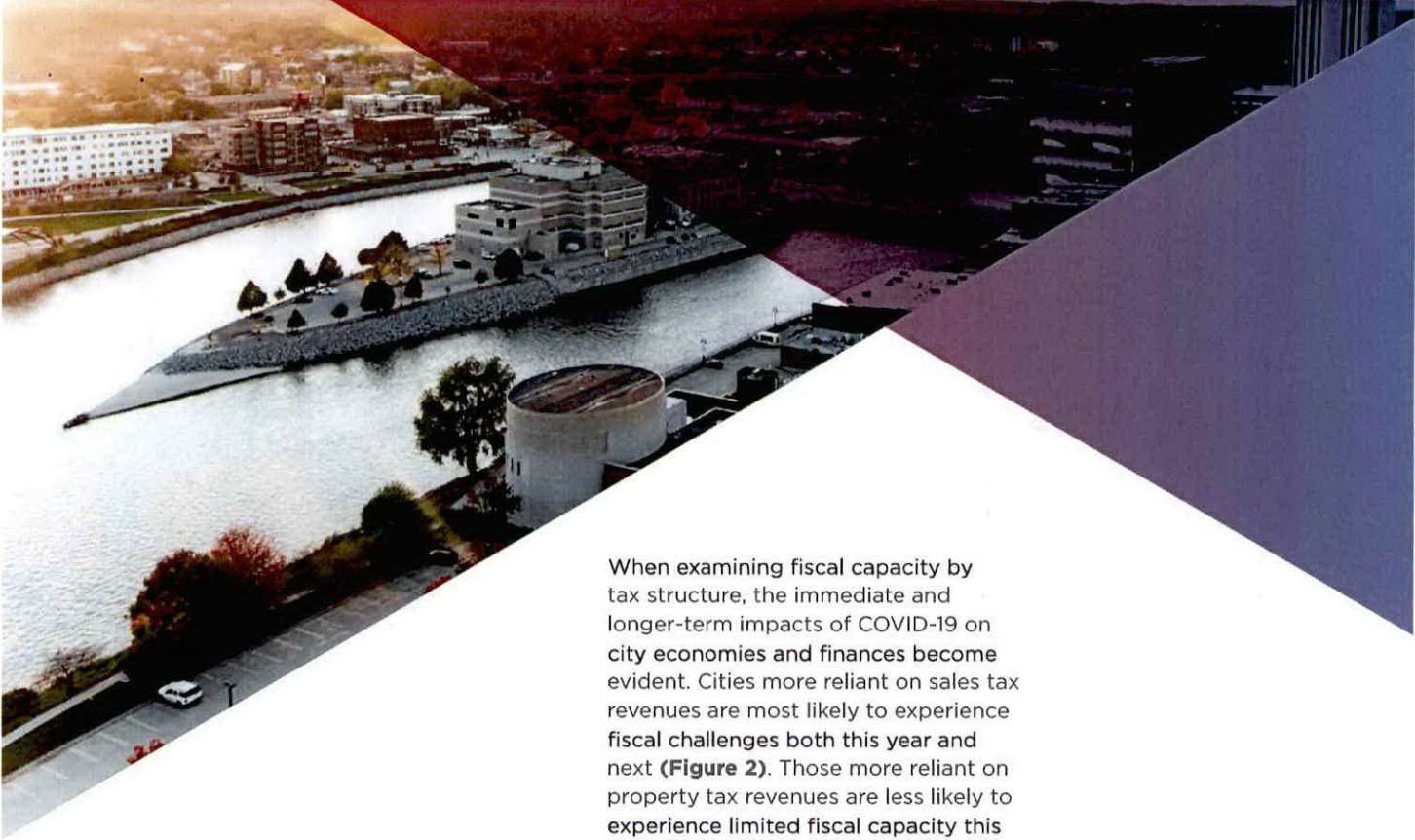
# Ability to Meet Needs

**N**early eight in 10 finance officers indicate that their cities are less able to meet the fiscal needs of their communities in FY 2020 than they were in FY 2019 (Figure 1). This trend jumps to about nine in 10 cities reporting "less able" when asked to anticipate their fiscal capacity for FY 2021. By

comparison, in 2019, only 24 percent of finance officers reported that their city was less able to meet fiscal needs. This sudden reversal of fiscal fortunes is unprecedented, while the breadth of restricted fiscal capacity is on par with what cities reported during the depths of the Great Recession.

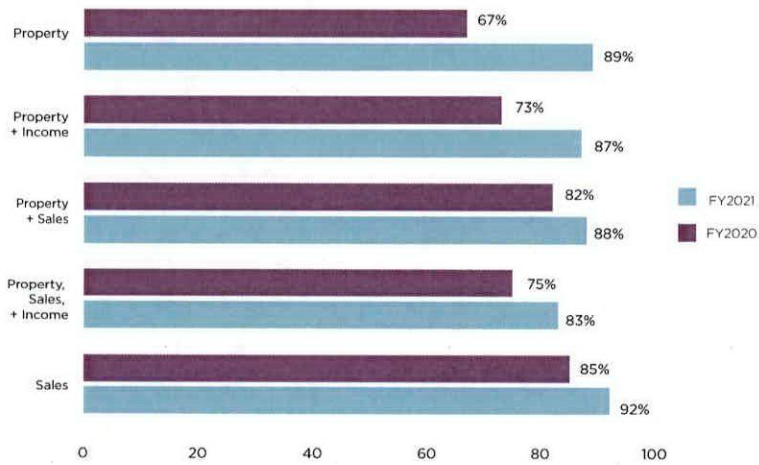
**FIGURE 1** SHARE OF CITIES BETTER/LESS ABLE TO MEET FISCAL NEEDS





When examining fiscal capacity by tax structure, the immediate and longer-term impacts of COVID-19 on city economies and finances become evident. Cities more reliant on sales tax revenues are most likely to experience fiscal challenges both this year and next (**Figure 2**). Those more reliant on property tax revenues are less likely to experience limited fiscal capacity this year. However, this share jumps to almost nine in 10 in FY 2021 when property tax collections are anticipated to catch up with economic realities.

**FIGURE 2** SHARE OF CITIES LESS ABLE TO MEET FISCAL NEEDS IN FY 2020 AND FY 2021, BY TAX STRUCTURE



# Fiscal Structure and the Economy

Cities in the U.S. generate the majority of their revenue by designing their own tax and fee structures within limits imposed by their states. As a consequence, cities' fiscal structures vary across the country, with some relying heavily on property taxes and others primarily on sales taxes. Only a few cities—approximately one in 10—rely mostly on income or wage taxes.

Each source of revenue responds to economic changes differently. Local property tax revenues are driven by the value of residential and commercial property, with property tax bills determined by local governments' assessment of property values. Because of assessment practices, property tax revenues typically reflect the value of a property anywhere from 18 months to several years prior, so they are less immediately responsive to economic changes than other types of taxes.

While property tax revenues are considered a lagged indicator of economic changes, sales taxes are elastic – or more responsive to economic changes – and often better reflect economic shifts. This is because people tend to spend more on goods and services when consumer confidence is high, and vice versa. Like sales taxes, income taxes are also a more elastic source of revenue. At the city level, income tax revenues are driven primarily by income and wages, rather than by capital gains (New York City is a notable exception).



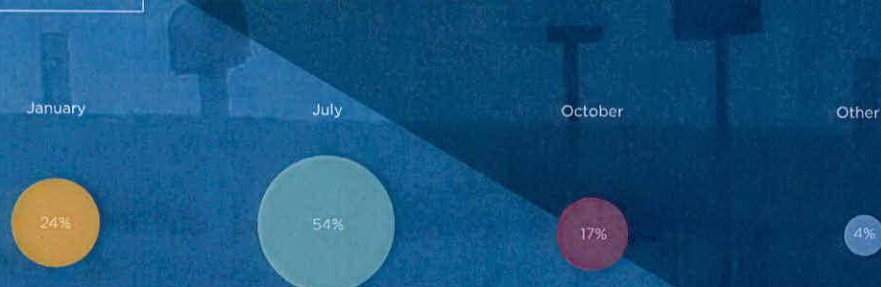
# Fiscal Year Start Month and Budget Response

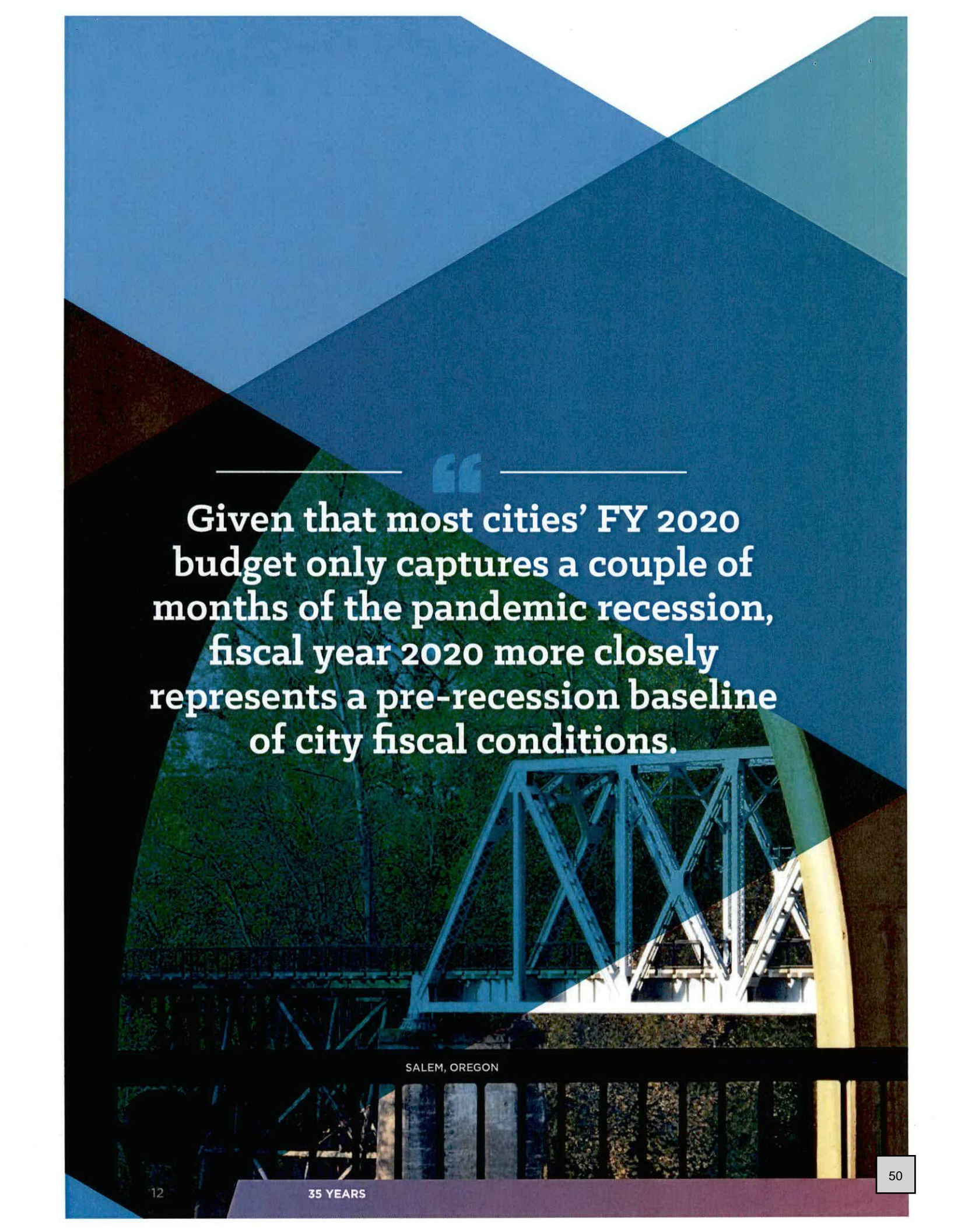
Although the federal government's fiscal year begins October 1 and 46 state fiscal years begin July 1, city fiscal years vary, many beginning January 1, July 1 or October 1, with some during other months (**Figure 3**). Because fiscal years start at different times, some cities' 2020 fiscal years were just beginning as the coronavirus spread, meaning their budgets are facing the full brunt of the economic downturn throughout 2020, while others, which started their fiscal years in 2019, reaped the benefits of a stronger economy and only felt the downturn in the tail end of their fiscal year. Consequently, measuring the severity and impact of the coronavirus on cities' FY 2020 budget will be influenced by when the fiscal year begins.

For example, Salem, OR's 2020 fiscal year began June 1, 2019, meaning its FY 2020 budget only experienced a couple of months of the pandemic downturn. As a result of limited economic impact, the city anticipates ending its fiscal year with general fund revenues exceeding that of FY 2019 by at least five percent. Meanwhile, Seattle, WA, whose 2020 fiscal year began January 1, 2020, indicated that it would be adjusting its revenues downward by five to 15 percent as the majority of its fiscal year will fall within the downturn period.

When considering these variations in fiscal years on the overall trends experienced by cities nationwide, the aggregate impact will appear muted in the short term, with the true depth of impact more evident in subsequent years as budgets absorb the economic hit. Given that most cities' FY 2020 budget only captures a couple of months of the pandemic recession, fiscal year 2020 more closely represents a pre-recession baseline of city fiscal conditions.

**FIGURE 3** FISCAL YEAR START MONTH





“  
**Given that most cities’ FY 2020 budget only captures a couple of months of the pandemic recession, fiscal year 2020 more closely represents a pre-recession baseline of city fiscal conditions.**

SALEM, OREGON

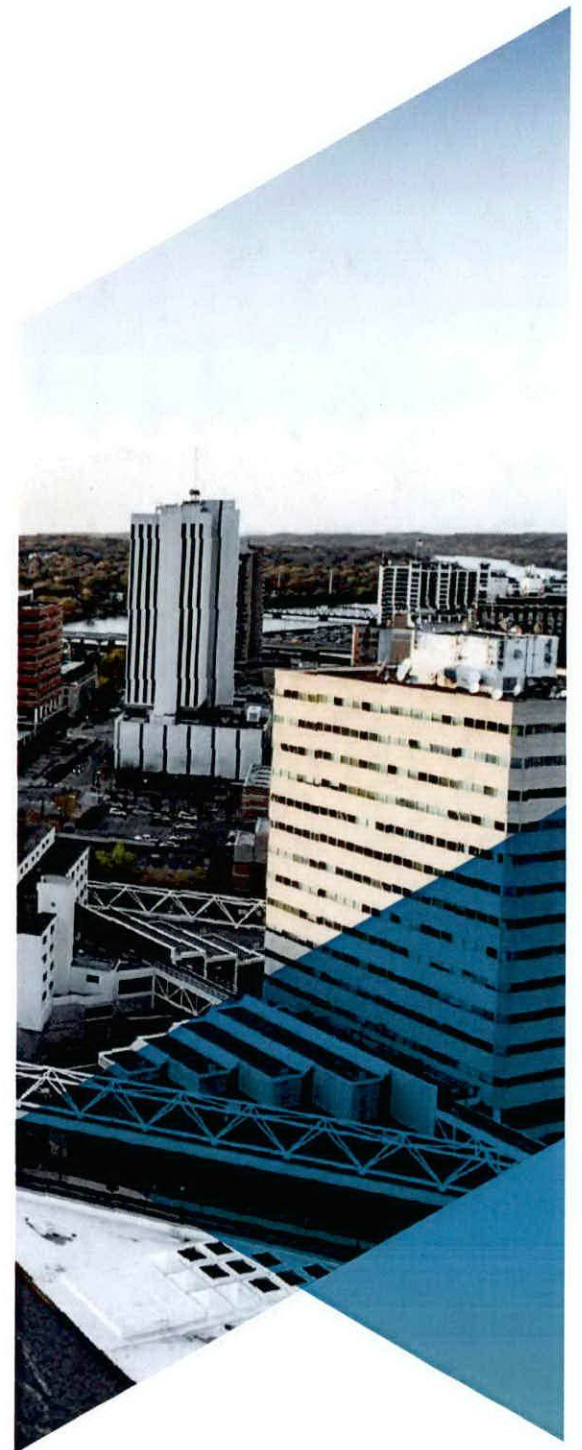
# Revenue and Spending Trends

This analysis focuses squarely on cities' general funds. Changes in general fund revenues are typically a good proxy for local economic and fiscal conditions. General fund revenues are derived primarily from property and sales taxes, while some cities also tax income.<sup>2</sup> Utility and other taxes, user fees and shared revenues round out the picture for cities. General fund expenditures provide funding to cities' general operations, such as infrastructure, employee wages and public safety. On average, they account for more than 55 percent of total city spending.

This analysis examines year-over-year growth of general fund expenditures and revenues, adjusts for inflation (constant dollars) and includes fiscal data over several years.<sup>3</sup> Specifically, FY 2019 is the fiscal year for which finance officers have most recently closed the books (and therefore have verified the final numbers) and FY 2020 is the fiscal year that ended by June 30 for most cities, but for which it may be too soon for figures to be finalized. Therefore, this analysis includes the cities' most current estimates of FY 2020 revenue and expenditures.

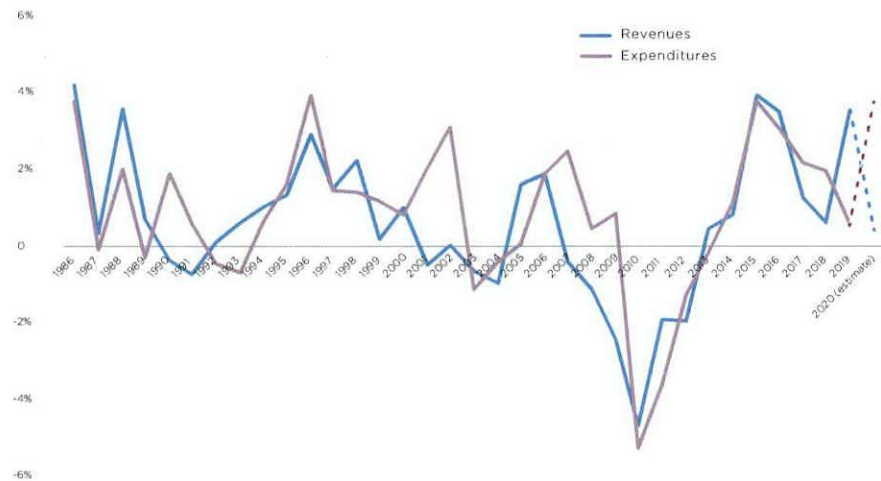
<sup>2</sup> Anita Yadavalli, Christiana K. McFarland and Spencer Wagner. What COVID-19 means for city finances. National League of Cities. June 2020.

<sup>3</sup> Revenues and expenditures are adjusted for inflation by subtracting the year-over-year change in the Implicit Price Deflator for State & Local Government Purchases (S&L IPD) as defined by the U.S. Bureau of Economic Analysis. The change from 2018-2019 was 1.97% and 2019-2020 is 2.09%, based on the first quarter of 2020.





**FIGURE 4** YEAR-OVER-YEAR CHANGE IN GENERAL FUND REVENUES AND EXPENDITURES



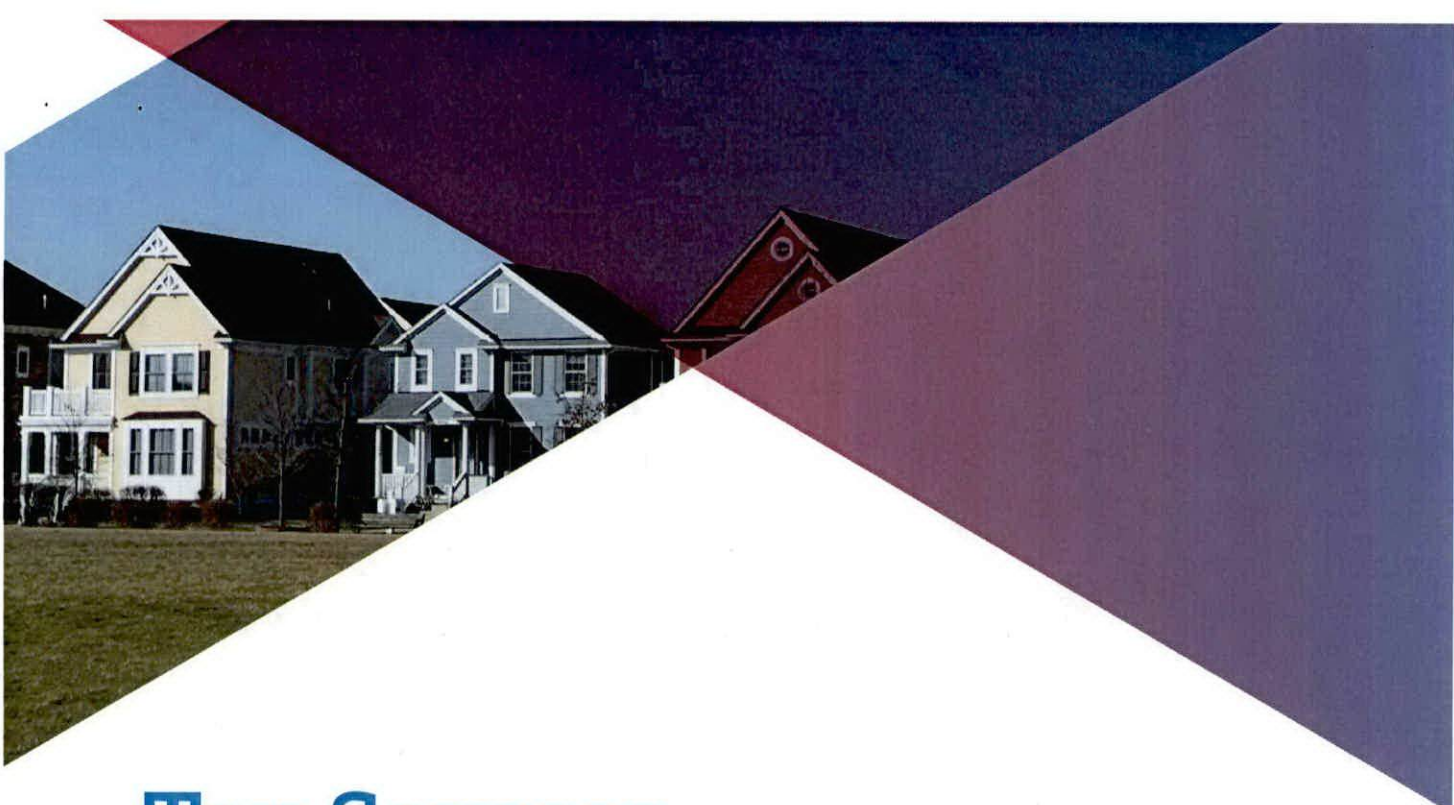
Note: General fund trend data is based on aggregated fiscal data across all responding cities. This means that cities with larger budgets have a greater influence on the trends. 2012 base year.

Over the past few years, total general fund revenues have been slowing, but growing nonetheless (Figure 4). Fiscal year 2019 demonstrates that cities were finally shifting to fortifying their revenues in the wake of a slow recovery from the Great Recession. Current estimates for FY 2020, however, start to reverse this trend. Spending growth, on the other hand, has outpaced revenue growth in recent years, a trend reinforced by current economic conditions.

The dramatic increase in FY 2020 spending is most likely an artifact of what cities originally planned to do as their fiscal years began. But events since March, and balanced-budget requirements, will require cities to rebudget and adjust their spending plans, an act that will reduce spending levels

over the remaining months of the fiscal year. Once the fiscal year closes, the true effects of the COVID-19 recession will be known and most likely the growth rate will be much less than the projected four percent.

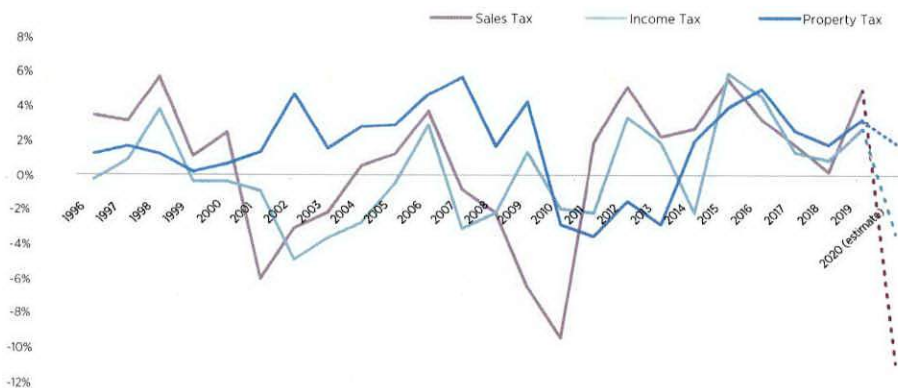
Likewise, even though the FY 2020 revenue estimates were revisited by many of the responding cities and in the aggregate is expected to stagnate (+0.4%), the full extent of the pandemic's impact on FY 2020 revenues will not be known until the fiscal year ends. The resulting year-over-year change from FY 2019 to FY 2020 is likely to reflect a much more significant decline than cities projected. For this reason, FY 2020 serves more as a modified pre-COVID fiscal baseline in this analysis.



# Tax Sources

Despite most city budgets only accounting for a few months of the pandemic-induced economic downturn, FY 2020 general fund revenues are starting to reflect the severe and immediate hit across major tax streams, namely sales and income tax receipts (Figure 5). Data for FY 2019 indicates that all three major general tax sources were continuing to grow at a robust rate. The projected impact of COVID-19 on FY 2020 budget estimates, which were collected only two months after the pandemic started, demonstrates the immediate responsiveness of elastic revenues sources (sales and income) to changes in the economy.

**FIGURE 5** YEAR-OVER-YEAR CHANGE IN SALES, INCOME AND PROPERTY TAX RECEIPTS



Note: General fund trend data is based on aggregated fiscal data across all responding cities. This means that cities with larger budgets have a greater influence on the trends. 2012 base year.

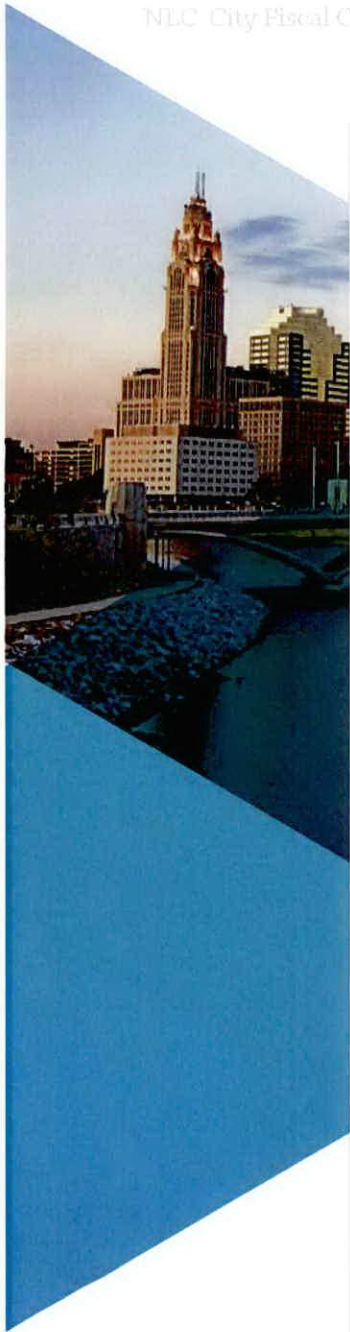
SAINT JOSEPH, MISSOURI

“[A 20-30% decrease in sales tax] is a major impact to the primary fund source that pays for salaries and capital expenses for the most basic of services: public safety and street maintenance.”

City manager Bruce Woody, city of Saint Joseph, MO

Cities estimate FY 2020 sales tax receipts to register negative year-over-year growth of 11 percent, with income tax receipts expected to decline 3.4 percent over 2019 levels. It is expected that both sales tax and income tax receipts would decline during a recession, since both are tied to employment and the general state of the economy. What is noteworthy, however, is the immediacy of the decline, which damaged cities' receipts in a devastating fashion. Compared to the Great Recession, during which cities experienced year-over-year declines in sales tax receipts for four years, the suddenness of the FY 2020 decline in sales tax receipts stands out.

Also noteworthy is that the property tax, which lags the changes to the underlying economy due to assessment practices, will slow its rate of growth in FY 2020 to just 1.9 percent over its FY 2019 levels. The growth rate will likely slow further, and experience decline, in FY 2021 and FY 2022 if the economy continues to operate at recessionary levels. For example, Clifton, NJ, which relies exclusively on property tax revenue, has not adjusted estimates downward for FY 2020, but anticipates significant revenue decreases in FY 2021.

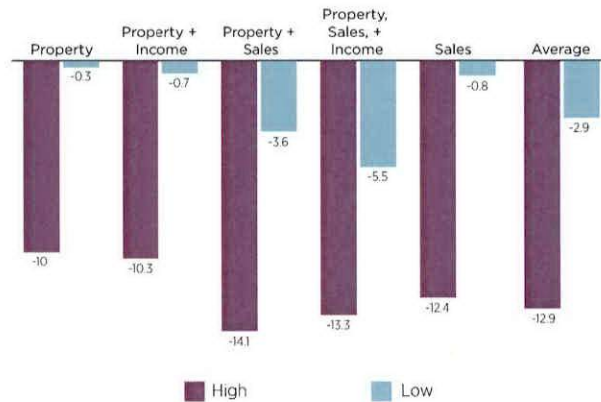


# Revenue Loss in Context

When examining the combined impact of the downturn on the 2020 fiscal year and anticipated FY 2021 revenues, general fund revenues are expected to decrease, on average, up to 13 percent.<sup>4</sup>

Cities relying at least partly on sales tax revenues are feeling the hit of the downturn more acutely (Figure 6).

**FIGURE 6** FY 2020 - FY 2021 REVENUE LOSS ESTIMATION BY TAX STRUCTURE



<sup>4</sup> Responding cities were asked to estimate the percent difference between FY 2020 budgeted general fund revenues and FY 2020 current revenue estimates, as well as the difference between FY 2020 and FY 2021 general fund revenues. For each city, these percentages were added together to generate a fuller picture of the expected FY 2020 - FY 2021 impact.

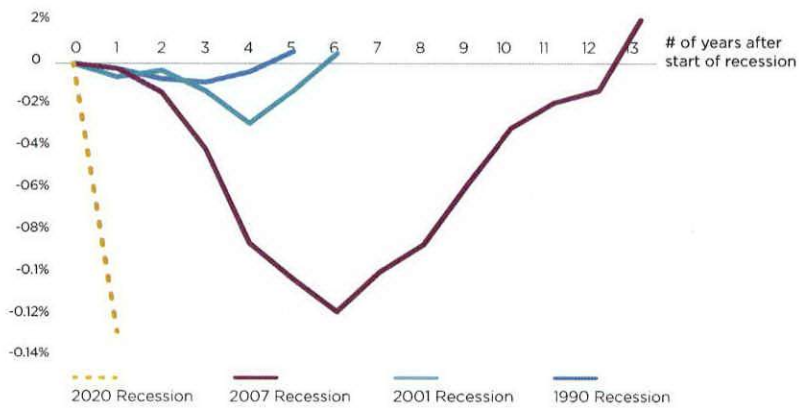


By comparison, the Great Recession was the only recession in recent memory to fuel this level of revenue decline, and even then, the decline progressively reached these depths over six years (see Figure 7).

Importantly, the sudden and deep decline in revenues during the second quarter of this year does not imply a sudden and steep rise in revenues

when the economy (and public health crisis) turns around. Based on previous years' data on general fund revenues, we estimate that constant dollar revenues returned to 2007 (pre-Great Recession) levels only in 2019, or more than a decade after the start of the Great Recession. If the Great Recession provides a lesson, it is that it takes years for cities to recover lost revenue.

**FIGURE 7** COMPARATIVE REVENUE TRENDS DURING RECENT RECESSIONS



Note: Reflects year-over-year changes in general fund revenues adjusted for inflation with 2012 base year.



**"We thought that the downturn as a result of Coronavirus was going to be greater than the '08/'09 recession. That is proving true today. We saw over a 10 percent reduction in sales tax in March, 17 percent down in April. And just this week, we got May's numbers and we were down over 13 percent."**

Controller Chris Brown, city of Houston, TX

# Beyond 2020

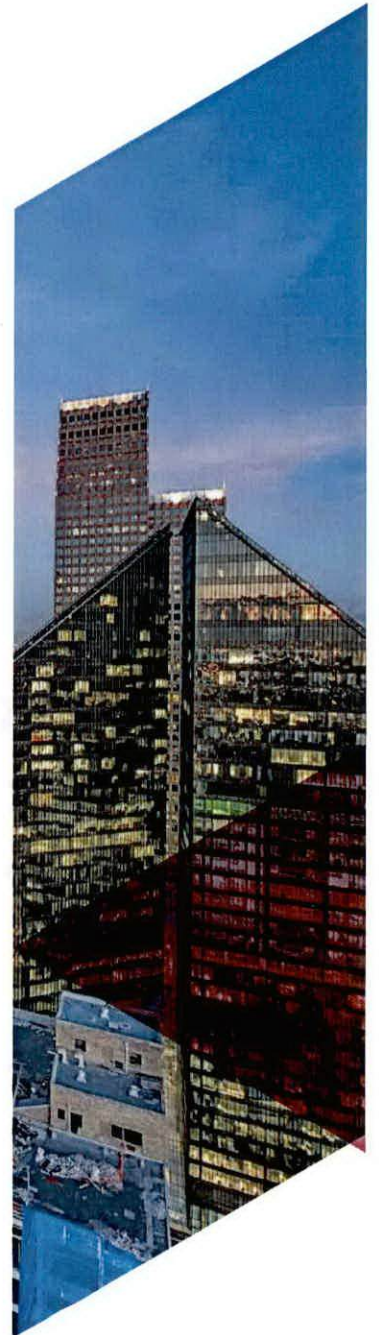
**T**he fiscal impact of COVID-19 on cities' fiscal conditions in 2020 will continue to evolve. Since March 2020, retail sales and wages have suffered historic losses that have immediately impacted cities' sales tax receipts (and for those cities that impose a wage or income tax, on their income tax revenue). As the economy rebounded somewhat in June, cities continued to be presented with significant challenges, especially in light of the expected decline in real estate taxes in the near future. Concerns of rental evictions, declining property values and employment will continue to roil the fiscal fortunes of municipalities for the remainder of FY 2020 and beyond.

Cities are facing an unknown fiscal future, as their revenues continue to be damaged by the coronavirus public health crisis.

At the same time, states are also suffering their worst fiscal crisis since the Great Depression and may not be a reliable fiscal safety net in the near future. Since more than one-fifth of municipal revenues are derived from the state, the tenuous fiscal position of states must be considered by cities in their future revenue forecasts. The federal government, because it does not operate under a balanced-budget regulation as states and cities do, has the authority and ability to play a critical countercyclical role in the fiscal future of cities.

In the meantime, with significant restrictions on raising new revenues, cities are turning to their options of last resort, which are to spend down reserves, severely cut services at a time when communities need them most, to layoff and furlough employees, who comprise a large share of America's middle class, and to pull back on capital projects, further impacting local employment, business contracts and overall investment in the economy. These cuts will also exacerbate infrastructure challenges, which will place a future fiscal burden on local, state and federal governments.

In its 35th year, the City Fiscal Conditions survey of city finance officers tells the story of many cities once again facing untenable fiscal challenges, adapting and leading their communities and longing for a stronger intergovernmental partnership. Looking forward to the next 35 years, we hope to be able to tell a different story, one in which cities have the authority to align their fiscal tools with sources of local economic growth and one in which we have successfully enacted bold reforms to fiscal federalism.



## Appendix II

# About the Survey

**T**he NLC City Fiscal Conditions survey is a national survey of finance officers in U.S. cities conducted this year in June and July. Surveys were emailed to city finance officers from cities with populations greater than 10,000. Officers were asked to give their assessments of their cities' fiscal conditions. The survey also requested budget and finance data from all but nearly 300 of the nation's large cities; data for those cities were collected directly from online city budget documents. In total, the 2020 data were drawn from 485 cities out of the sample of 1,005 cities (48.3%). The data allow for generalizations about the fiscal conditions in cities.

Much of the statistical data presented here must also be understood within the context of cross-state variations in tax authority, functional responsibilities and accounting systems. The number and scope of governmental functions influence both revenues and expenditures. For example, many Northeastern cities are responsible for funding not only general government functions but also public education. Additionally, some cities are required by their states to assume more social welfare responsibilities or traditional county functions.

Population	Responses	%
300,000+	62	13%
100,000-299,999	155	32%
50,000-99,999	197	41%
10,000-49,999	71	15%
<b>TOTAL</b>	<b>485</b>	<b>100%</b>

<b>Region</b>	<b>Responses</b>	<b>%</b>
Northeast	37	8%
Midwest	98	20%
South	162	33%
West	188	39%
<b>TOTAL</b>	<b>485</b>	<b>100%</b>

Cities also vary according to their revenue-generating authority. Certain states—notably Kentucky, Michigan, Ohio and Pennsylvania—allow their cities to tax earnings and wages. Meanwhile, several cities—such as those in Colorado, Louisiana, New Mexico and Oklahoma—depend heavily on sales tax revenues. Moreover, state laws vary in how they require cities to account for funds.

When we report on non-fiscal data—such as finance officers’ assessments of their cities’ ability to meet fiscal needs, or factors they perceive as affecting their budgets—we refer to the percentage of officers responding in a particular way. Each city’s response to these questions is weighted equally, regardless of population size.

When we report on fiscal data such as general fund revenues and expenditures, we are referring to all responding cities’ aggregated fiscal data. Therefore, the data are influenced by relatively larger cities that have more substantial budgets and that deliver services to a preponderance of the nation’s residents.

## Appendix III Data Tables

**FIGURE 1** SHARE OF CITIES BETTER/LESS ABLE TO MEET FISCAL NEEDS

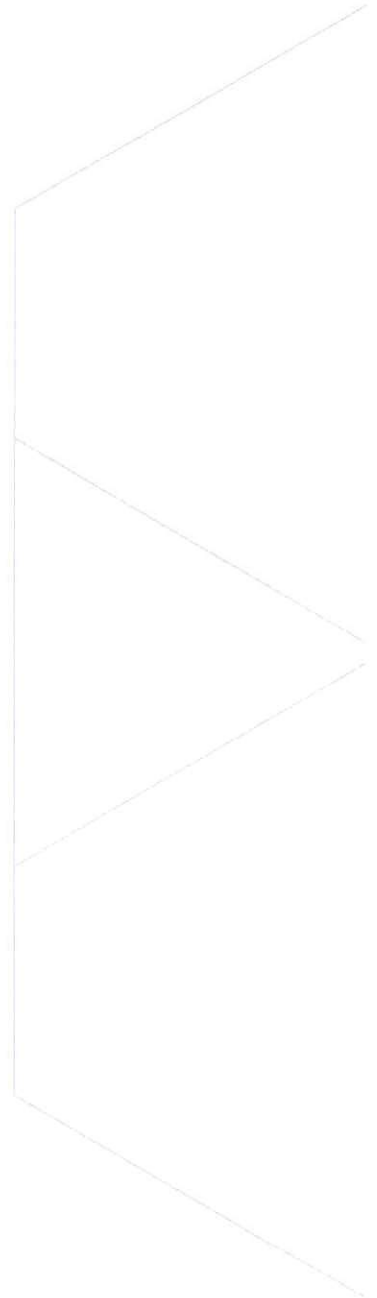
Year	Better Able (%)	Less Able (%)
2021	13%	-87%
2020	22%	-78%
2019	76%	-24%
2018	73%	-27%
2017	69%	-31%
2016	81%	-19%
2015	82%	-18%
2014	80%	-20%
2013	72%	-28%
2012	57%	-43%
2011	43%	-57%
2010	13%	-87%
2009	12%	-88%
2008	36%	-64%
2007	70%	-30%
2006	65%	-35%
2005	63%	-37%
2004	37%	-63%
2003	19%	-81%
2002	45%	-55%
2001	56%	-44%
2000	73%	-27%
1999	75%	-25%
1998	69%	-31%
1997	68%	-32%
1996	65%	-35%
1995	58%	-42%
1994	54%	-46%
1993	34%	-66%
1992	22%	-78%
1991	21%	-79%
1990	33%	-67%

**FIGURE 4** YEAR-OVER-YEAR CHANGE IN GENERAL FUND REVENUES AND EXPENDITURES

<b>Year</b>	<b>Revenues</b>	<b>Expenditures</b>
1986	4.2%	3.8%
1987	0.3%	-0.1%
1988	3.6%	2.0%
1989	0.7%	-0.3%
1990	-0.4%	1.9%
1991	-0.7%	0.6%
1992	0.1%	-0.5%
1993	0.6%	-0.7%
1994	1.0%	0.6%
1995	1.3%	1.6%
1996	2.9%	3.9%
1997	1.5%	1.4%
1998	2.2%	1.4%
1999	0.2%	1.1%
2000	1.0%	0.8%
2001	-0.5%	2.0%
2002	0.0%	3.1%
2003	-0.7%	-1.1%
2004	-1.0%	-0.4%
2005	1.6%	0.1%
2006	1.9%	1.9%
2007	-0.4%	2.4%
2008	-1.1%	0.4%
2009	-2.4%	0.8%
2010	-4.7%	-5.3%
2011	-1.9%	-3.6%
2012	-2.0%	-1.3%
2013	0.4%	-0.2%
2014	0.8%	1.1%
2015	3.9%	3.8%
2016	3.5%	3.0%
2017	1.3%	2.2%
2018	0.6%	1.9%
2019	3.5%	0.6%
2020 (estimate)	0.4%	3.8%

**FIGURE 5** YEAR-OVER-YEAR CHANGE IN SALES, INCOME AND PROPERTY TAX RECEIPTS

<b>Year</b>	<b>Sales Tax</b>	<b>Income Tax</b>	<b>Property Tax</b>
1996	3.5%	-0.2%	1.2%
1997	3.1%	0.9%	1.7%
1998	5.7%	3.8%	1.2%
1999	1.2%	-0.3%	0.3%
2000	2.5%	-0.4%	0.6%
2001	-6.0%	-0.9%	1.3%
2002	-3.1%	-4.9%	4.7%
2003	-2.1%	-3.6%	1.6%
2004	0.5%	-2.8%	2.8%
2005	1.2%	-0.5%	2.9%
2006	3.7%	3.0%	4.7%
2007	-0.9%	-3.1%	5.7%
2008	-2.2%	-2.2%	1.7%
2009	-6.5%	1.4%	4.3%
2010	-9.3%	-1.9%	-2.9%
2011	2.0%	-2.1%	-3.5%
2012	5.2%	3.4%	-1.5%
2013	2.3%	1.9%	-2.8%
2014	2.7%	-2.1%	2.0%
2015	5.7%	6.0%	4.0%
2016	3.3%	4.6%	5.1%
2017	1.8%	1.3%	2.6%
2018	0.2%	0.8%	1.8%
2019	5.0%	2.7%	3.3%
2020 (estimate)	-10.9%	-3.4%	1.9%







**NLC** NATIONAL  
LEAGUE  
OF CITIES  

---

CITIES STRONG TOGETHER

Dunne Communications, Inc  
P.O. Box 97  
204 East Commercial Ave  
Anaconda Mt 59711  
406.563.7115 406.563.6065 (fax)



City Of Laurel Police

5/28/2020

Q20-0528-5

QTY	PART#	DESC.	COST EA.	EXT.
1	MAX DISPATCH	2 POS DISPATCH CONSOLE	\$ 94,405.50	\$ 94,405.50
1	LABOR	INSTALL CONSOLE	\$ 5,000.00	\$ 5,000.00
				\$ -
3	NX5000B	50 WATT BASE RADIO (p25)	\$ 1,500.00	\$ 4,500.00
3	DB222/KIT	BASE ANTENNA KIT	\$ 600.00	\$ 1,800.00
1	LABOR	INSTALL BASE RADIOS	\$ 2,000.00	\$ 2,000.00
				\$ -
1	ATLAS 1200	VHF 100 WATT REPEATER	\$ 12,000.00	\$ 12,000.00
1		DUPLEXER	\$ 1,000.00	\$ 1,000.00
1	DB222/KIT	ANTENNA KIT	\$ 600.00	\$ 600.00
1	MISC HARDWARE		\$ 500.00	\$ 500.00
1	LABOR	INSTALL REPEATER	\$ 2,500.00	\$ 2,500.00

NOT REPEATER IS QUOTED AS P25 READY OPERATION.

12	5000 SERIES PORTABLE	VHF PORTABLE P25 inc spkr mic and leather case	\$ 1,220.00	\$ 14,640.00
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TOTAL \$ 138,945.50

78,739.1



MAX Dispatch  
 NASPO ValuePoint Contract #06913  
 Quote Number: 67612-00

Laurel Police Dept  
 Customer #:  
 215 W 1st St  
 Laurel, MT 59044  
 Stanley Langve  
 Phone: 406-628-8737  
 Fax: (406) 628-4641  
 Email: slangve@laurel.mt.gov

Quote Date: 5/27/2020  
 Quote Expires: 9/24/2020  
 Terms: TO BE DETERMINED  
 Ship Quote: 8 weeks ARO  
 Ship Via: UPS GROUND  
 FOB: Destination  
 End User/Site: Laurel  
 System ID:  
 Salesperson: Luis Melchert

NASPO end user quote - MAX Dispatch quote for the City of Laurel MT including 2 workstations, radio gateways for 2 tone control radios and 3 Kenwood radios, 16 AUX I/O and PSP through year 5. \*\*\*NASPO Entity Level Participating Addendum - City of Laurel MT\*\*\*

MAX Standard Package							
Part #	Description	List Price	Disc. %	Net Price	Qty	Ext. List	Ext. Net
905-0380	MAX Standard Workstation Bundle Position: 1 Operator Workstation PC, 1 Media Dock, 2 Speakers & power supply Licenses: 1 MAX Base Software License All manuals are included in soft copy format with the MAX Software.	\$11,034.00	10.00 %	\$9,930.60	2	\$22,068.00	\$19,861.20
MAX Operator Workstation Software Licenses (per workstation)							
Part #	Description	List Price	Disc. %	Net Price	Qty	Ext. List	Ext. Net
930-0222	Individual Call Software Feature Set Includes: Individual radio call, Call Alert, Radio Check, Radio Monitor, Inhibit, Uninhibit	\$1,102.00	10.00 %	\$991.80	2	\$2,204.00	\$1,983.60
930-0224	Tone Signaling/Paging Feature Set Includes: Manual paging operation, instant call & stacked paging, 2-tone 100, 1000, & Custom Calls (Mot & GE), Quick Call (2+2), DTMF, Knox.	\$1,654.00	10.00 %	\$1,488.60	2	\$3,308.00	\$2,977.20
930-0225	Event Replay Short term audio playback at the console position.	\$1,867.00	10.00 %	\$1,680.30	2	\$3,734.00	\$3,360.60
930-0226	Aux I/O Software Feature Set	\$1,654.00	10.00 %	\$1,488.60	2	\$3,308.00	\$2,977.20
Workstation Hardware Options							
Part #	Description	List Price	Disc. %	Net Price	Qty	Ext. List	Ext. Net
950-0454	Wireless Headset, 6-Wire, Noise Canceling (comes with 2 batteries) Plantronics CA12CD-S improved belt-mounted PTT pack has secure battery retention and accepts Plantronics H-Series headset tops. Comes with a spare battery.	\$1,005.00	10.00 %	\$904.50	2	\$2,010.00	\$1,809.00
802-0115	Headset Top, Noise Cancelling	\$122.00	10.00 %	\$109.80	4	\$488.00	\$439.20
950-1077	Dual Prong Headset Jackbox Option; Dual Volume Control Needed for TRHI functionality	\$880.00	10.00 %	\$792.00	2	\$1,760.00	\$1,584.00
901-9731	Desktop Microphone, with 6' RJ45 to RJ45 Cable	\$846.00	10.00 %	\$761.40	2	\$1,692.00	\$1,522.80
950-9102	Footswitch, Single with 10' cable	\$134.00	10.00 %	\$120.60	2	\$268.00	\$241.20
709-0170-10	10 ft Shielded Cat 5e Cable for Speakers	\$18.00	10.00 %	\$16.20	2	\$36.00	\$32.40
MAX Radio Gateway Interface & Options (DB15)							
Part #	Description	List Price	Disc. %	Net Price	Qty	Ext. List	Ext. Net

This quote is subject to NASPO ValuePoint Contract #06913 terms and conditions.

### MAX Radio Gateway Interface & Options (DB15)

Part #	Description	List Price	Disc. %	Net Price	Qty	Ext. List	Ext. Net
901-9675	MAX Radio Gateway Conventional (DB15) Hardware This hardware variant is used when the radio is co-located with the MAX Radio Gateway and the cable can run directly from the unit to the radio itself. This device supports 2 radio connections. Includes one 10' shielded Cat 5e cable.	\$2,756.00	10.00 %	\$2,480.40	2	\$5,512.00	\$4,960.80
930-0229	Kenwood Interface License (Tk-x180, Tk-5x10, NX-x00, 820) Note: Per Channel	\$333.00	10.00 %	\$299.70	3	\$999.00	\$899.10
709-7977-10	MAX Radio Gateway to Kenwood Radios (TK-x180, TK-5x10, NX-700/800/900) Cable (10ft)	\$114.00	10.00 %	\$102.60	3	\$342.00	\$307.80

### MAX Radio Gateway Interface & Options (RJ21)

Part #	Description	List Price	Disc. %	Net Price	Qty	Ext. List	Ext. Net
901-9677	MAX Radio Gateway Conventional (RJ21) Hardware This hardware variant is used when the site requires that the interconnects be demarcated on punch down blocks. Includes one 10' shielded Cat 5e cable. This device supports 2 radio channels.	\$2,756.00	10.00 %	\$2,480.40	1	\$2,756.00	\$2,480.40
709-0167-10	25-pr Cable, M180-M90 (10 feet)	\$62.00	10.00 %	\$55.80	1	\$62.00	\$55.80
950-9351	Connectorized Punch Down Block	\$97.00	10.00 %	\$87.30	1	\$97.00	\$87.30

### MAX System Hardware/Software

Part #	Description	List Price	Disc. %	Net Price	Qty	Ext. List	Ext. Net
901-9715	MAX Central MAX Central is the hardware platform that hosts the MAX Manager, Telephony Gateway, IP Voice Logger Gateway, and the Aux I/O Gateway. Includes five 10' shielded Cat 5e cables.	\$3,531.00	10.00 %	\$3,177.90	2	\$7,062.00	\$6,355.80
930-0231	Z-Node Manager At least 1 Z-Node Manager is required for each system.	\$3,422.00	10.00 %	\$3,079.80	2	\$6,844.00	\$6,159.60
930-0221	Block of 10 Radio Channel Licenses	\$685.00	10.00 %	\$616.50	1	\$685.00	\$616.50
930-1214	AUX I/O Port License - 16 Ports Supports any combination of Inputs and Outputs up to 16	\$426.00	10.00 %	\$383.40	1	\$426.00	\$383.40
802-1111	Acromag Ethernet I/O Unit 16 Discrete I/O Channels - Any mix of Inputs and Outputs 12 - 32 VDC	\$614.00	10.00 %	\$552.60	1	\$614.00	\$552.60

### Rack Mounting & Power Equipment

Part #	Description	List Price	Disc. %	Net Price	Qty	Ext. List	Ext. Net
950-1142	Redundant 12VDC Power System - Up to 20 Devices This is a redundant power supply that can support up to 20 MAX Dispatch devices. Includes 19" rack mount enclosure.	\$2,756.00	10.00 %	\$2,480.40	1	\$2,756.00	\$2,480.40
950-1134	12VDC Power Distribution Panel Can support up to 40 MAX Dispatch devices. Fuses not included.	\$494.00	10.00 %	\$444.60	1	\$494.00	\$444.60
416-0043	Fuse, 3 Amp	\$6.00	10.00 %	\$5.40	24	\$144.00	\$129.60
950-0588	Dual Unit Rack Mount Option	\$187.00	10.00 %	\$168.30	4	\$748.00	\$673.20

### Monitors & Network Equipment

Part #	Description	List Price	Disc. %	Net Price	Qty	Ext. List	Ext. Net
802-2311	23" Widescreen LCD Monitor Supports up to 1920x1080 resolution.	\$297.00	10.00 %	\$267.30	2	\$594.00	\$534.60
950-1281	24 Port Managed Gigabit Rack Mount Switch Two required for high availability network.	\$2,142.00	10.00 %	\$1,927.80	2	\$4,284.00	\$3,855.60

This quote is subject to NASPO ValuePoint Contract #06913 terms and conditions.

**On-Site Operator Training (Non-Discountable)**

Part #	Description	List Price	Disc. %	Net Price	Qty	Ext. List	Ext. Net
XMP-0344-OSO	MAX-PSP On-Site Operator Training, Per Day Price is Per Day, is for North America Only and with 3 weeks Advance Notice	\$2,500.00	10.00 %	\$2,250.00	2	\$5,000.00	\$4,500.00

**On-Site Technical Support (Non-Discountable)**

Part #	Description	List Price	Disc. %	Net Price	Qty	Ext. List	Ext. Net
XMP-0344-OST	MAX-PSP On-Site Configuration Service, Per Day Price is Per Day, is for North America Only and with 3 weeks Advance Notice	\$2,500.00	10.00 %	\$2,250.00	3	\$7,500.00	\$6,750.00

**Product Service Plans**

Part #	Description	List Price	Disc. %	Net Price	Qty	Ext. List	Ext. Net
XMP-0344-EBS	MAX-PSP Extended Service Plan Price is for 2 workstation seats 1 year Software services, 1 year Hardware, After Hours Phone Support and 1 year membership in the Zetron MAX Users Group, per position per year	\$3,500.00	10.00 %	\$3,150.00	4	\$14,000.00	\$12,600.00
XMP-0344-RCS	MAX-PSP Remote Configuration Services Systems & CSSI Remote assistance for initial system configuration. Additional remote and/or on-site configuration may be necessary based on design and project complexity.	\$4,500.00	10.00 %	\$4,050.00	1	\$4,500.00	\$4,050.00

**Product Warranty Package**

Part #	Description	List Price	Disc. %	Net Price	Qty	Ext. List	Ext. Net
XMP-0344-BAS	MAX-PSP Base Service Plan 1 year Software Services, 1 years Hardware Services, 1 year of Advance Hardware replacement, Operator web training (2-4 hr sessions) and 1 year membership in the Zetron MAX Users Group	\$0.00	10.00 %	\$0.00	1	\$0.00	\$0.00

List Total	\$106,295.00
Net Sub-Total	\$95,665.50

**Sales Concession**

Part #	Description	List Price	Disc. %	Net Price	Qty	Ext. List	Ext. Net
N-0344-02	10% discount on XMP-0344-EBS MAX-PSP Extended Service Plan if 4 years are purchased with the initial purchase of the equipment	(\$350.00)	10.00 %	(\$315.00)	4	(\$1,400.00)	(\$1,260.00)

Net Total	\$94,405.50
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- 39,198.6  
55,206.4  
 5,000 - notice  
60,206.4

This quote is subject to NASPO ValuePoint Contract #06913 terms and conditions.

**File Attachments for Item:**

14. Council Workshop Minutes of September 1, 2020.

**MINUTES  
CITY OF LAUREL  
CITY COUNCIL WORKSHOP  
TUESDAY, SEPTEMBER 01, 2020**

A Council Workshop was held in Council Chambers and called to order by Mayor Tom Nelson at 6:30 p.m. on September 1, 2020.

**COUNCIL MEMBERS PRESENT:**

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

**OTHERS PRESENT:**

Nick Altonaga, Planning Director  
Bethany Langve, Clerk/Treasurer

**Public Input:**

There were none.

**General Items**

**Executive Review**

1. Appointment of David Brunz to the Laurel Volunteer Fire Department. David Brunz briefly introduced himself to Council.
2. Resolution - A Resolution To Approve The Conditional Use Of Property Leased From Montana Rail Link For To Operation Of Koo Beans Coffee, A Coffee Kiosk At 102 West Main Street, Within The City Of Laurel.

Nick Altonaga, Planning Director, briefly reviewed the attached Staff report.

It was questioned if traffic flow has been taken care of and if there will be parking. It was clarified this is a drive-through only.

3. Resolutions - Budget, Levy Taxes, Lighting District No. 2, Lighting District No. 3, Street Sweeping District No. 1, Street Maintenance District No. 1, SID No. 113, SID No. 114, SID No. 115, SID No. 116, SID No. 117, SID No. 118, SID No. 119, Sidewalk Replacement Program, Delinquent Water Charges, Delinquent Sewer Charges, Delinquent Garbage Charges.

Bethany Langve, Clerk/Treasurer, stated three resolutions would not be assessed. Light District No. 2, Light District No. 3, and SID 114. Light Districts No. 2 & 3 have healthy cash balances. It was decided that this year we would not assess to help those businesses who are assessed. Those funds have enough for this year. The assessments will begin again next fiscal year.

She stated when she calculated the assessment for SID 114; the assessment totaled \$1,400 when the payment was over \$8,000. As she dug deeper into this, she found that the SID had enough cash to pay off the remaining balance. She called Bond Counsel, and the Auditors both instructed to pay off the SID. She then inquired what the proper procedure was to pay off this SID and was told to speak with the Mayor, who told her to pay it off and not incur any more interest. The remainder in the cash account is \$5,576. Typically that money would go into a revolving fund to pay for any delinquent fees associated with SIDs. However, since SID 114 was for Elena, it will go into the Elena Park Maintenance fund.

These three resolutions are still listed because we did notice them. They are in red and will still need to go in the vault.

The Clerk/Treasurer briefly reviewed the attached budget message.

Dee Mclelland, 708 E. Maryland, stated she has questions about the taxes. She was floored when she got her taxes; it went from \$800 to \$1,600 a year for Street Maintenance. She would like to know how did Council determine the fees. How were those fees calculated?

It was clarified that everyone's lot is calculated the same. That calculation is based on square footage. Last year everyone's cost per square foot doubled.

Ms. Mclelland further questioned if it was a price per square foot. It was clarified that last year was .04 cents per square foot. This year it is .0324 cents per square foot and maxes out at \$1,600. Ms. Mclelland stated hers was \$1,610. She called and found out that Council raised the assessment. She found out that it had doubled that it had been 2 percent and now was 4 percent. MCA 7-12-4401-4436 dictates Street Maintenance Assessments. The Clerk/Treasurer stated she would look into her address to make sure there were no errors.

The law states the Public Works Director determines the amount of work required each year. The Council is required to pass 75% of the proposed work.

Ms. Mclelland questioned the rate of inflation. The Clerk/Treasurer could not remember the COLA this year. Ms. Mclelland stated she just wanted to understand how this operated. Some changes are coming based more on the usage of the lot than the square footage. The businesses with a higher traffic volume will have more costs than the residents would have.

The streets are deteriorating at a more rapid rate than we can repair them. The Pacer Study ranked the condition of the streets between 1-10. Many of Laurel's streets are over clay. Back in the day, the City paid to lay asphalt down with no base.

Ms. Mclelland questioned why Council does not publish items in the Laurel Outlook anymore. It was clarified that we post to our Facebook page, post in town, and reach the county through Yellowstone County News. We felt that we reach more people that way.



Clerk/Treasurer Langve stated that there is a lot of uncertainty regarding the gas taxes. No projects will be done until the funds have been received.

It was questioned when these payments are received. It was clarified this gas tax is received each month. Projects will be budgeted, and if the revenues do not come in, the projects will not be done this year.

Arthur Vogele, 520 Date, read the attached statement into the record.

### **Council Issues**

### **Other Items**

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

4. Review of Draft Council Agenda for September 8, 2020.

There were no suggested changes.

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

#### **Announcements**

Council noted the excellent job crews have done on the streets this year.

Council Members have received multiple complaints about the new mobile homes going in on E. Maryland. They asked for Staff to address the issues.

The council workshop adjourned at 7:34 p.m.

Respectfully submitted,



Brittney Moorman  
Administrative Assistant

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



## LAUREL CITY-COUNTY PLANNING DEPARTMENT

### STAFF REPORT

TO: Laurel City-County Planning Board / Zoning Commission  
FROM: Nicholas Altonaga, Planning Director  
RE: Conditional Use Permit – Koo Beans Coffee Kiosk  
DATE: August 25, 2020

#### DESCRIPTION/LOCATION:

The applicant Alania Eastman of Koo Beans Coffee submitted an application for a conditional use on July 17<sup>th</sup>, 2020. The proposed conditional use is located at 102 West Main St. The parcel is zoned as Light Industrial and is located within the Community Entryway Zoning District. The applicant is requesting a conditional use for the operation of a coffee kiosk. The property is owned by Montana Rail Link and is legally described as S09, T02 S, R24 E, **\*\*INFORMATIONAL ONLY\*\*** CENTRALLY ASSESSED PROPERTY IN SEC 9-2S-24E.

#### Application Data:

Owner: Montana Rail Link  
Legal Description: S09, T02 S, R24 E, **\*\*INFORMATIONAL ONLY\*\*** CENTRALLY ASSESSED PROPERTY IN SEC 9-2S-24E  
Address: 102 W. Main St.  
Parcel Size: 45.386 acres (direct area is Southwest of intersection of N 1<sup>st</sup> Ave and Main St.)  
Existing Land Use: Railroad, Vacant  
Proposed Land Use: Coffee Kiosk and parking area  
Existing Zoning: Light Industrial  
Overlay District: Community Entryway Overlay District

#### Surrounding Land Use and Zoning (See Exhibits A & B)

North Zoning:	Central Business District (CBD)	Land Use:	Laurel Hearing Aid, King Koin
South Zoning:	Light Industrial/ Heavy Industrial	Land Use:	Railroad
East Zoning:	Light Industrial	Land Use:	Railroad, Chamber of Commerce
West Zoning:	Light Industrial /CBD	Land Use:	Railroad, Commercial

## **STAFF FINDINGS:**

1. The applicant is requesting a conditional use to operate a coffee kiosk on a parcel adjacent to the Central Business District.
2. The application packet is attached and contains:
  - a. Application Form,
  - b. Site map
  - c. Map detail on leased area and adjacent uses
  - d. List of adjacent property owners
  - e. Lease agreement Between Alania Eastman, Mathew Pruett and Montana Rail Link
3. The parcel is zoned Light Industrial.
4. The parcel is within the Community Entryway Zoning District.
5. The parcel is within the Downtown Overlay District.
6. The Downtown Overlay District takes precedence over the Community Entryway Zoning District.
7. The only mention of “kiosks” in the Laurel Municipal Code is in LMC Chapter 17.40.130 – Off-Street Parking Requirements, Landscaping Standards, Part C.
8. LMC 17.25 – Downtown Overlay District is attached to this report in full.
9. LMC 17.62 – Conditional Land Uses is attached to this report in full.
10. The advertising requirements of LMC 17.62.030.A have been met.

## **ZONING COMMISSION CONSIDERATIONS AND RECOMMENDATION:**

The Zoning Commission shall review and make determinations on Chapter 17.62 – Conditional Land Uses, Section 020 – Requirements. This section is provided below.

No structure or land use may be used for any purpose other than those allowed within a zoning district as specified in the zoning ordinance unless either a variance has been granted (under Chapter 17.60 or 17.64 of this code) or a conditional land use permit therefor has been provided. The zoning commission may recommend and the city can require any information that will allow the decision makers to comprehensively evaluate and decide on applications for conditional uses brought before them. The zoning commission may recommend and the city can require, after consideration of the application for conditional use, those conditions under which such land use may be allowed to include but not be necessarily limited to the following:

- A. Adequate ingress and egress with concern for vehicular and pedestrian safety and convenience, traffic flow and control, and emergency access as reviewed and approved by the city public works director;
- B. Adequate off-street parking and loading with attention to vehicular and pedestrian safety and traffic flow;
- C. Conditions that control, specify, or plan for the generation of odors, noise, hours of operation, signage, or impact on the neighborhood of natural systems;
- D. Adequate landscaping, screening, mitigation of impact on adjacent property and buffering; and
- E. Compatibility with adjacent and neighborhood land uses and Laurel's GMP.

#### **STAFF SUGGESTED CONDITIONS:**

The Planning Board-Zoning Commission recommends the following conditions for approval if the City Council votes to approve this application for Conditional Use.

1. The conditional use shall comply with the requirements of LMC Chapter 17.25 – Downtown Overlay District
2. The conditional use shall comply with the requirements of LMC Chapter 17.40 – Off-Street Parking Requirements
3. The conditional use shall comply with the requirements of LMC Chapter 17.42 – Sign Code
4. The conditional use shall comply with the requirements of LMC Chapter 17.62 – Conditional Land Uses

#### **PROCEDURAL HISTORY:**

- The applicant communicated with the laurel Planning Director in July 2020 regarding the need to apply for a conditional use permit and the procedural requirements.
- The conditional use application and review fee were submitted on July 17, 2020.
- A public hearing on the conditional use application took place at the August 19, 2020 meeting of the Laurel City-County Planning Board.
- Planning Board Members voted at the August 19, 2020 meeting to approve the Conditional Use Application with the conditions presented in the staff report.
- City Staff has forwarded the Conditional Use Application, Staff Report, and August 25, 2020 meeting minutes to the City Council.
- A Public Hearing regarding the conditional use application is scheduled for the September 8, 2020 meeting of the Laurel City Council.

## Attachment 1. LMC Chapter 17.25 Downtown Overlay District

### 17.25.010 - Intent.

The city of Laurel hereinafter ("city"), in collaboration with the Laurel Urban Renewal Agency, prepared the following set of regulations to preserve and protect the unique nature of the Downtown core of the city of Laurel. These regulations are intended to promote, preserve, and enhance the character of the built environment while encouraging a cohesive identity.

In addition to building construction, further elements include, but are not limited to parking and pedestrian connectivity requirements, landscaping, and signage.

This district's requirements are in addition to the existing zoning ordinances found in Title 17 of the Laurel Municipal Code (LMC). Single-family and two-family residential uses in the district are exempt from the provisions herein.

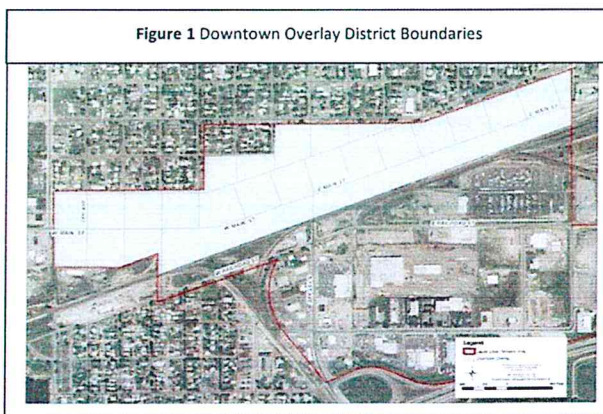
The intent of this section is to:

- A. Promote a physical landscape to make the District an attractive place to live and work;
- B. Encourage creativity in design and quality site planning;
- C. Promote development patterns in coordination with the goals and objectives of the city's growth management plan;
- D. Provide consistency to land uses and design that will protect the investment of property owners in the district.

(Ord. No. O15-01, 3-17-2015)

### 17.25.020 - District boundaries.

The boundaries of the district are identified in Figure 1.



(Ord. No. O15-01, 3-17-2015)

### 17.25.030 Application and Approval Process

- A. All building permit applications shall be submitted to the city's building official. All permit applications must be submitted and signed by the property owner or the authorized agent of the property owner. An approved building permit is required prior to any construction activity.
- B. Each building permit application must include, but not be limited to, the following information:
  - 1. The name and address of the property owner;
  - 2. The name and address of the applicant;

3. The legal description of the parcel;
  4. A map drawn to scale showing the dimensions, acreage, location of the parcel, north arrow, streets and adjacent land uses;
  5. A complete site plan drawn to a scale of no less than 1"=40' showing the dimensions and height of the structure;
  6. A complete elevation drawings drawn to the scale 1"=40' including the dimensions and height of the structure;
  7. If applicable, signage plan specifications, location and ground lighting pattern; and
  8. Payment of application review fee.
- C. Within fifteen working days following the submittal of a complete application, the planning director, designee, or the public works department (in the case of signs) shall issue approval for development or a denial of the application, unless the applicant consents in writing to an extension of the review period. Should the application be denied, the applicant shall be notified in writing specifying the reasons for the denial. (Ord. No. 002-31, 2002)

(Ord. No. O15-01, 3-17-2015)

17.25.040 - Nonconformance.

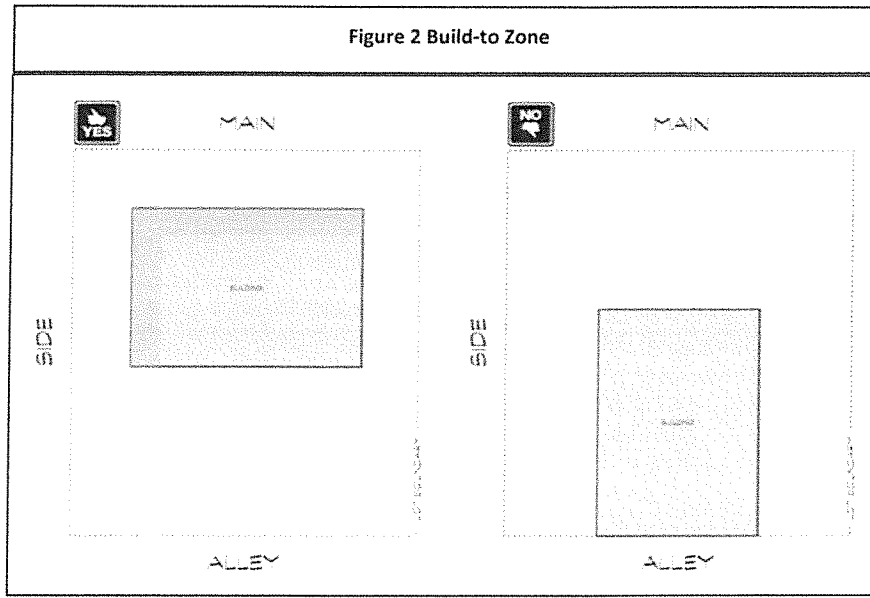
- A. Any lawful characteristic of the properties existing prior to the effective date of the ordinance that would not be a permitted characteristic under these regulations is declared to constitute a nonconforming characteristic.
- B. Nonconforming structures shall not be enlarged, extended, reconstructed, or structurally altered in an amount greater than fifty percent of its assessed valuation, unless the characteristics of the building are changed to comply with the appropriate regulations.
- C. If any nonconforming structure is damaged by an event including, but not limited to, fire, flood, explosion, wind, or war, in an amount equal to or greater than fifty percent of its assessed valuation, reconstruction must comply with the appropriate regulations. In addition, repair and maintenance may be carried out each year in an amount not to exceed twenty-five percent of the assessed valuation of the structure for that year.
- D. A nonconforming structure may continue pursuant to these regulations, but it shall not be changed in any way except to conform to the regulations herein.

(Ord. No. O15-01, 3-17-2015)

17.25.050 - Definitions.

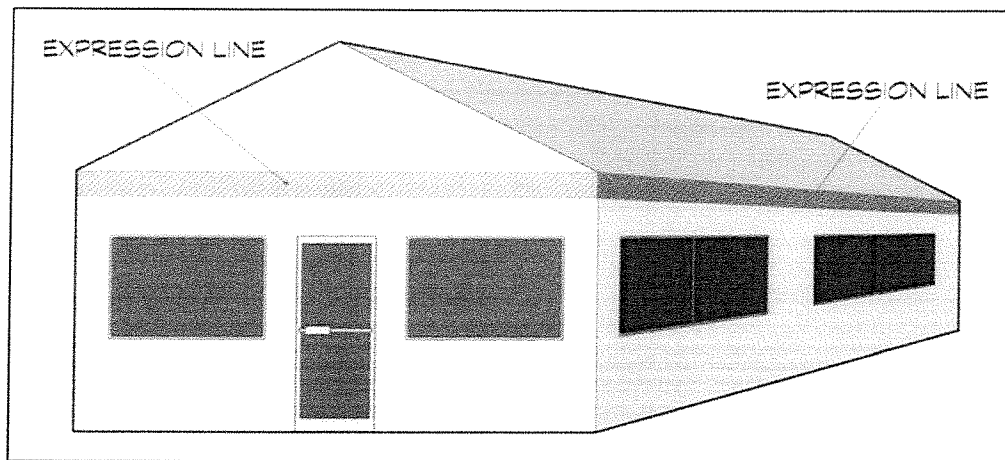
All terms shall have the same meanings as defined elsewhere in the city zoning ordinance or city signage regulations. For purposes of this title, certain words and terms used herein are defined in this chapter.

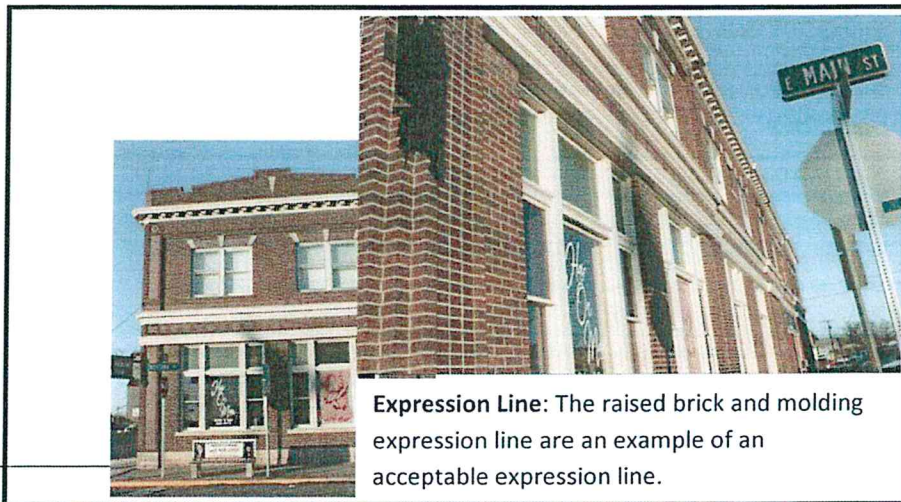
- A. "Architectural design elements" means an architectural feature consisting of a decorative, three dimensional element, horizontal or vertical, protruding or indented at least two inches from the exterior façade of a building typically utilized to provide additional aesthetic relief to a façade.
- 
- B. "Build-to zone means" an area of a lot designated for placement of a building façade along a street, located parallel to a front property line or a front and side property line in the case of a corner lot. The build-to zone defines an area in which the locations of building fronts can vary within a specified range. See Figure 2.



- C. "Expression line" means an architectural feature consisting of a decorative, three dimensional, linear element, horizontal or vertical, protruding or indented at least two inches from the exterior façade of a building typically utilized to delineate the top or bottom of floors or stories of a building or provide additional aesthetic relief to a façade. See Figure 3.

**Figure 2 Expression Line**





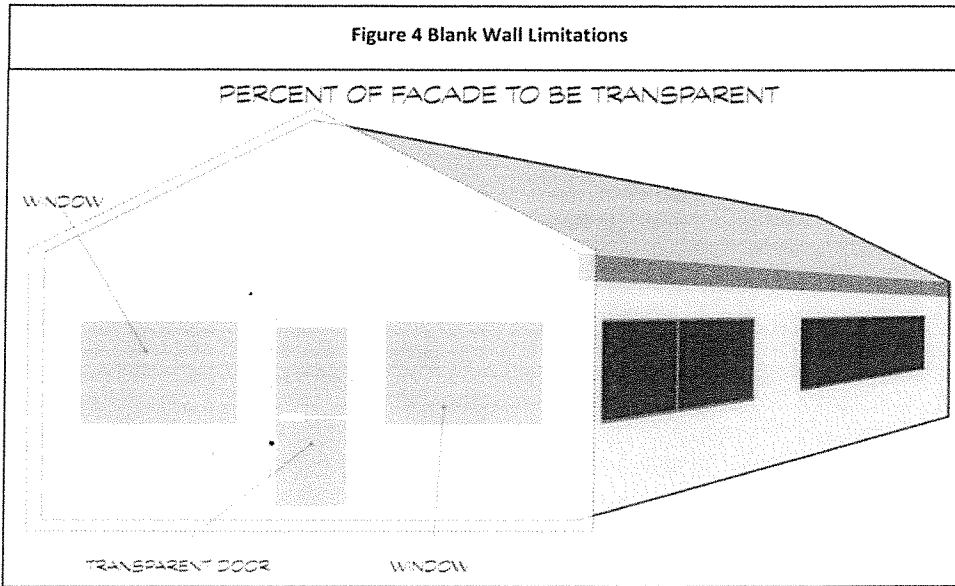
- D. "Façade" means the exterior face of a building, including but not limited to the wall, windows, windowsills, doorways, and design elements such as expression lines.
- E. "Front façade" means any building face adjacent to the street. In the case of a corner lot, the front façade is the face that the building is addressed.
- F. "Lot line, front" means the boundary abutting a right-of-way, other than an alley, from which the required setback or build-to zone is measured. The front lot line shall be to the street to which the building is addressed.
- G. "Lot line, side" means the boundary line adjacent to the front lot line and may or may not abut a right-of-way depending on lot location from which the required setback or build-to zone is measured.

(Ord. No. O15-01, 3-17-2015)

17.25.060 - Building design requirements.

- A. Exterior materials shall be sufficiently durable to ensure stability, maintainability, and long life. The use of natural and natural looking materials indigenous to the area signifying permanence, such as stone, stucco and masonry are encouraged.
  - 1. Buildings shall be finished with one or more of the following materials. Brick, fluted block, colored textured block, glass, stucco, or stone. Exposed seam metal buildings are prohibited unless covered with an acceptable finishing material.
  - 2. All front façades and sides adjacent to streets shall have a minimum of twenty-five percent masonry composed of natural materials such as stone, brick, brick veneer, or cast stone.
  - 3. Exterior cladding materials shall be of colors that compliment neighboring structures.
- B. Roof top mechanical equipment shall be screened from view with parapet walls, articulated roof designs or other architectural components.
- C. Expression lines are required on the front façade of all buildings.
- D. Blank walls on front facades or façades adjacent to street are not permitted. The amount of windowless or non-transparent area allowed on a front façade is measured per façade. No rectangular area greater than fifty percent of a front façade may be windowless. All other façades are encouraged to have transparent elements. See Figure 4.



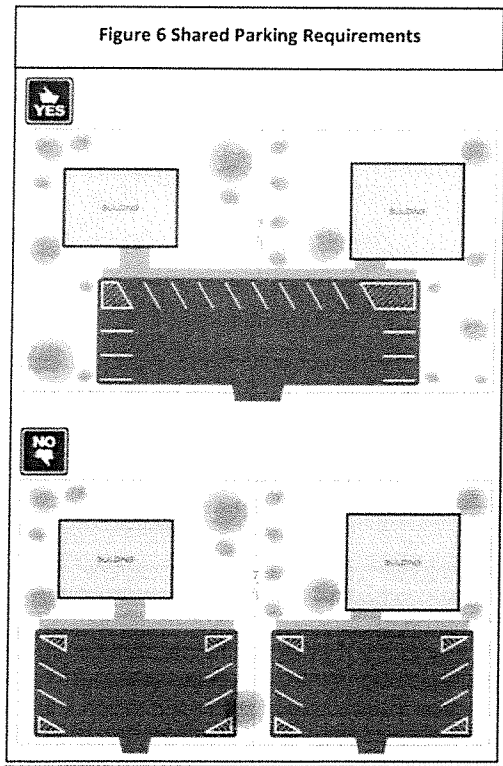
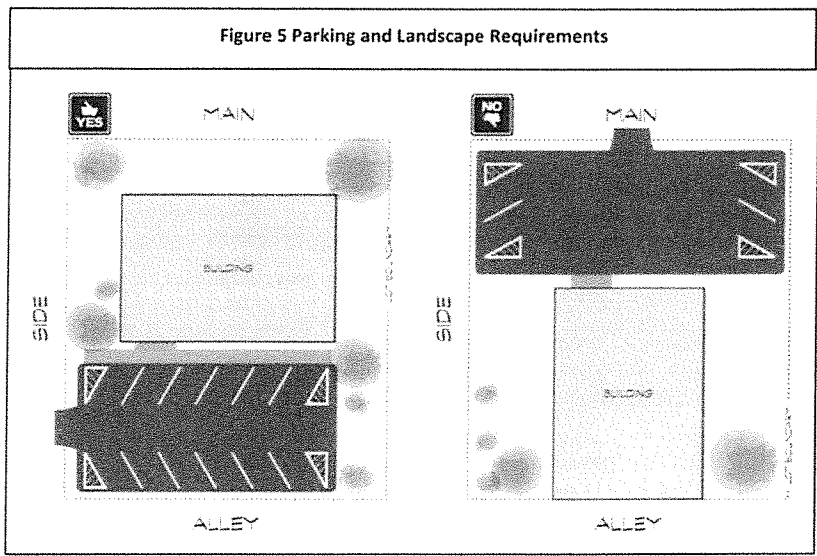


E. All front facades shall have a minimum of one entry door.

(Ord. No. O15-01, 3-17-2015)

**17.25.070 - Site design requirements.**

- A. When a building does not have one hundred percent lot coverage a build-to zone of at least five feet is required at the front lot line or a side adjacent to street. Exceptions to this include properties in the district that are zoned light industrial, heavy industrial, and highway commercial.
- B. If off-street parking is proposed it shall be located at the rear of the building. When parking cannot be located in the rear, the planning board shall make a recommendation. See Figure 5. Shared parking is encouraged when property owners have a written agreement. This agreement is not subject to approval by the city but should be presented if it is applicable to meeting off-street parking requirements. See Figure 6.
- C. Landscape islands are required at the terminal ends of all parking rows.
- D. If a property is located in this district and the entry way zoning district, parking and landscape requirements of the downtown overlay district shall apply.



(Ord. No. O15-01, 3-17-2015; Ord. No. O-15-06, 11-3-2015)

**17.25.080 - Landscape requirements.**

Landscaping in the form of trees, shrubs and groundcover serve several purposes: The softening of harsh building forms and paved areas, the absorption of groundwater, the reflection of seasonal color change, the provision of sound barriers, and urban wildlife habitat. If a property is located in this district and the entryway zoning district, parking and landscape requirements of the downtown overlay district shall apply.

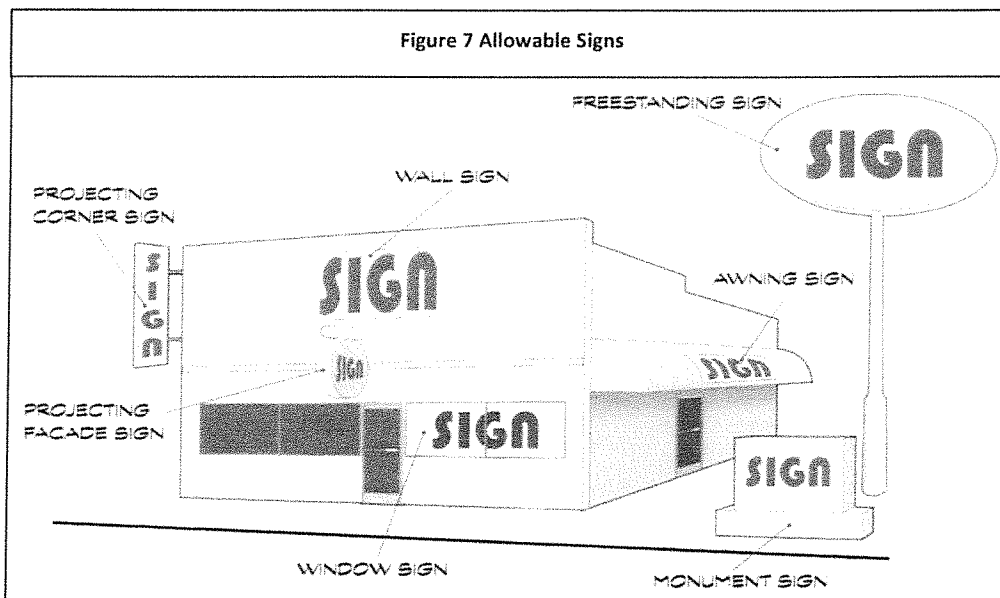
- A. Any site development where the building and parking area does not occupy one hundred percent of the parcel, the remaining property must be landscaped.
- B. Landscaping should be of an indigenous species or species that are acclimated to the city's climate.
- C. Landscaping shall include a mix of plants, shrubs, sod and trees. A minimum of fifty percent of the trees shall be at least 2.5 inch in caliper size.
- D. Landscaping shall not interfere with clear vision requirements.

(Ord. No. O15-01, 3-17-2015)

17.25.090 - Signage requirements.

Laurel Municipal Code Chapter 17.42 governs signage within the city of Laurel. Exceptions to LMC 17.42 occur only when a property is located in a special zoning district. If a property is located in this district and the entryway zoning district, signage requirements of the entryway zoning district shall apply.

- A. Allowable sign types include wall signs, window signs, awning signs, corner projecting signs, and projecting signs. See Figure 7.



- B. Illumination is encouraged to be internal. When external illumination is used, it must be focused only upon the sign face and must have cut off shields to prevent light spillage.
- C. Any projecting or corner projecting sign shall not extend above the roofline of the attached building.
- D. Any wall sign shall not exceed 30 percent of the area of any building façade.
- E. Electronic message boards are not permitted in this district.



**Corner Projecting** signs are allowable in this district. These two photos show examples of corner projecting signs. Similar signs are also allowable on any portion of the façade.

(Ord. No. O15-01, 3-17-2015)

## Attachment 2. LMC Chapter 17.62 – Conditional Land Uses

### 17.62.010 - Purpose.

The purpose of conditional land uses is to provide for specific uses, other than those already allowed in each zoning district, which may be compatible uses in the district under certain safeguards or conditions. The conditional land use permitting process is intended to provide a detailed and comprehensive review of such proposed, compatible developments and to insure the interest of the public, the community, and the larger neighborhood area are protected. Conditional uses, once granted by the city, are sight specific and run with the land. Land use changes not specifically included in the approval of a conditional use are a violation of the city zoning ordinance.

(Ord. 03-4 (part), 2003)

### 17.62.020 - Requirements.

No structure or land use may be used for any purpose other than those allowed within a zoning district as specified in the zoning ordinance unless either a variance has been granted (under Chapter 17.60 or 17.64 of this code) or a conditional land use permit therefor has been provided. The zoning commission may recommend and the city can require any information that will allow the decision makers to comprehensively evaluate and decide on applications for conditional uses brought before them. The zoning commission may recommend and the city can require, after consideration of the application for conditional use, those conditions under which such land use may be allowed to include but not be necessarily limited to the following:

- A. Adequate ingress and egress with concern for vehicular and pedestrian safety and convenience, traffic flow and control, and emergency access as reviewed and approved by the city public works director;
- B. Adequate off-street parking and loading with attention to vehicular and pedestrian safety and traffic flow;
- C. Conditions that control, specify, or plan for the generation of odors, noise, hours of operation, signage, or impact on the neighborhood of natural systems;
- D. Adequate landscaping, screening, mitigation of impact on adjacent property and buffering; and
- E. Compatibility with adjacent and neighborhood land uses and Laurel's GMP.

(Ord. 03-4 (part), 2003)

17.62.030 - Application process.

Twelve copies of the conditional use application form and required review fee shall be submitted to the planning board secretary thirty working days prior to the regularly scheduled zoning commission/planning board meeting at which the application will be considered. The planning board secretary shall note the time of receipt, keep one copy, send one copy to the city planner, and forward the remainder to the members of the zoning commission.

- A. The zoning commission shall publish notice of public hearing in the local newspaper at least fifteen days prior to the zoning commission meeting at which the application will be considered; adjacent property owners of record within one hundred fifty feet of the application property shall also be notified by mail by the zoning commission. The applicant or the authorized agent must attend the public hearings before both the zoning commission and the city council.
- B. The conditional use application shall include twelve copies of:
  1. Conditional use application form;
  2. Legal description of the property;
  3. Address or general location of property;
  4. Existing zoning;
  5. Specific land use being requested;
  6. Reason for request;
  7. Scaled drawings of the subject property, proposed use, existing buildings and improvements, adjacent land use, fences, etc.;
  8. Other information as may be needed by the zoning commission;
  9. Name, address and telephone number of owner of record;
  10. Name, address and telephone number of agent of owner of record;
  11. List of current property owners adjacent to and within one hundred fifty feet of the parcel for which a conditional use permit is sought;
  12. Review fee.
- C. After the public hearing for the conditional use, the zoning commission shall delay its recommendation to city council no longer than thirty working days. The city council shall publish notice of and conduct a second public hearing before the council, consider the recommendation of the zoning commission and make its decision.

(Ord. 03-4 (part), 2003)



**MINUTES  
CITY OF LAUREL  
CITY/COUNTY PLANNING BOARD  
WEDNESDAY, AUGUST 19, 2020  
5:35 PM  
LAUREL CITY COUNCIL CHAMBERS**

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

1. Roll Call

The chair called the meeting to order at 5:36PM

Ron Benner  
Dan Koch  
Roger Giese  
Evan Bruce  
Judy Goldsby  
Nick Altonaga (City of Laurel)

**General Items**

2. Approve Meeting Minutes: July 22, 2020

Ron motioned to approve the meeting minutes from July 22, 2020 as presented.  
Dan Seconded.  
Motion Carried.

3. Public Hearing: Conditional Use Permit for Koo Beans Coffee

The Chair opened the public hearing. Nick provided a summary of the conditional use permit, presenting the details of the application and the supporting documents.

The applicant, Alania Eastman, 907 Bristol Way, Laurel, MT, was on hand to speak for the conditional use application.

Alania has been a resident of Laurel for the last five years. She has worked hard to bring a business to Laurel. Her and her husband both love the Laurel community.

The coffee kiosk would operate from 3:30AM to 3:30PM. They plan to donate a portion of revenue to the city and the school district to help give back.

Planning Board members asked questions of the Applicant.

Roger: Any plans for future employees?

- Currently just myself and my husband. Trying to keep it within the family.
- Possibly want to give jobs to teenagers/students in the future.

Evan: Will electricity and water services be hooked up to the kiosk?

- Electricity yes. Will use overhead lines going towards the train tracks.
- Water will be dumped off-site. Has had water plant officials allow her to dump at the city facility.

Ron: Bathrooms?

- No bathrooms right now.
- If the conditional use is approved, we will work with MRL to incorporate bathrooms.

Ron: Mountain Mudd had issues 10-12 years ago due to lack of bathrooms. Kiosks did not have any working relationship with nearby businesses to have facilities for kiosk employees. We need to discuss the rules and what was decided previously.

- How much garbage will be generated?
- How do we assess garbage rates on a kiosk?
- Commercial Vs. Residential: We need to ensure that garbage fees are equitable throughout the city.
- Need to see how the city dealt with Heidi's Kiosk.

Alania: For the bathroom, working with MRL for a port-a-potty for now. Garbage service is currently through McKinsey. It would not be hard to change over these services to Laurel Public Works.

Ron: any thoughts on traffic? Will it be a one-way exit?

Alania: There will be two driveways on the site, and it will have a one-way exit. We are aware of the safety issues of the road.

Members discussed the traffic directions on Main St. and 1<sup>st</sup> Ave and turning across traffic.

Roger: Electricity will be officially installed shortly, but how has it been operating up to now?

Alania: We are not operating until we go through all the required processes and approvals.

Dan: Will it be paved or gravel?

Alania: Gravel, because MRL would like it to remain that way. Have applied to MRL for a paved driveway that we are currently waiting to hear back on. Will be laying down neater gravel for the time being.

Members discussed other kiosk situations including Heidi's and Mo Cones.

Dan motioned to approve the Conditional Use Application with the conditions presented in the Staff Report.

Evan seconded.

Motion Carried.

The Chair closed the public hearing.

Members held brief discussion on investigating what we have on hand for kiosk regulations for Heidi's and Mo Cones prior to sending it to the City Council.



There needs to be code to address kiosks. Also need to know the situation for temporary structures, and other types of small structures.

## **New Business**

### 4. Conoco Sign Update Review

Nick presented the sign application for the Conoco on S. 1<sup>st</sup> Ave. Members reviewed the images and discussed the signage situation.

Ron Motioned to approve the Conoco Sign application.

Roger Seconded.

Motion Carried.

### 5. Growth Management Policy Chapter Review

Nick presented the current chapters of the Growth Policy update. Ron remarked that it would be important to get a full draft prior to the public hearing in September to review and develop comments.

## **Old Business**

## **Other Items**

### 6. Upcoming Projects Discussion

Discussion of GSE and a summary of that project. Upcoming Variance and Preliminary Plat review.

- Many moving pieces to this process
- Many details to review
- Nick will prepare a detailed staff report for the variances and the plat itself. Will have it far in advance of the planned October Meeting.

Upcoming Public Hearing on Laurel High School Sign

### 7. Growth Management Policy Schedule

Ron mentioned asking MDT about plans for West Laurel Interchange?

Brief discussion about West Laurel Interchange

- Possibilities for expansion.
- Discussions happened previously about West Railroad connections

Does the state have any plans for the interchange? Originally the plan was that the Interchange created a bypass up to Molt and Broadview.

Nick reported that he had met with MDT in the Spring regarding the growth policy and that they currently have no other plans for the West Laurel Interchange other than what has been prepared. MDT stressed the importance of developing funding sources for transportation projects to better implement them.

Roger Giese - Would like to see something similar what is on Shiloh and Central in Billings at the Interchange. A mix of cafes and residential units.

Nick remarked that a development of that kind could be a very positive development near the interchanges, if a site could be found and utilities provided.

Members discussed Utility lines and extending infrastructure.

- Nick has been looking into funding sources to support the extension of infrastructure.
- The Mayor has been aware of the funding needs and has investigated how to accomplish any expansion of utilities and services.

#### **Announcements**

8. Next Meeting: September 16, 2020

Ron motioned to adjourn the meeting.

Roger seconded.

Meeting adjourned at 6:45PM.

**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.**

#### **DATES TO REMEMBER**

THIS INDEFINITE TERM LEASE FOR LAND ("Lease") is dated as of the 1<sup>st</sup> day of February, 2020 (the "Effective Date") between **MONTANA RAIL LINK, INC.**, a Montana corporation ("Lessor"), whose mailing address is PO Box 16624, Missoula, MT 59808-6624 and physical address is 101 International Way, Missoula, MT 59808 and;

whose address is **ALANIA EASTMAN AND MATHEW PRUETT, ("Lessee")**  
**DBA KOO BEANS COFFEE**  
**1302 NORTH 24<sup>TH</sup> STREET WEST STE. 101**  
**BILLINGS, MT 59102-3861**

### RECITALS

A. Lessor is in the railroad transportation business and leases a system of rail tracks ("**Lessor's Track(s)**") and various real properties associated therewith from BNSF Railway Company, a Delaware corporation ("**BNSF**"), pursuant to that certain Agreement between Lessor and BNSF dated July 21, 1987 ("**Master Lease**"), including the Property described below which Lessee desires to further lease from Lessor.

B. Lessor has agreed to lease to Lessee the Property, subject to the terms, conditions and limitations provided herein.

### AGREEMENTS

In consideration of the mutual covenants herein, Lessor and Lessee hereby agree as follows:

#### **Section 1. Property, Term and Master Lease.**

A. Lessor leases to Lessee and Lessee rents from Lessor, subject to the covenants, agreements, terms, provisions and conditions of this Lease, that certain parcel of real property situated in the City of Laurel, County of Yellowstone, State of Montana, Mile Post 15+0898, Survey Station 800+65, as shown on the plat, dated November 21, 2019 a copy of which is attached hereto as **Exhibit "A"** and made a part hereof ("**Property**").

B. Lessee leases the Property from Lessor beginning February 1, 2020 ("**Commencement Date**"), and shall continue until terminated by either party as provided in this **Section 1(B)**. This Lease may be terminated by either party, at any time, without cause, for convenience, by serving upon the other party written notice of termination at least thirty (30) days in advance. Upon termination, this Lease and all rights of Lessee shall absolutely cease.

C. Upon termination, either (i) Lessor may retain from prepaid rent, as an additional charge for use of the Property, a sum equal to three (3) months Rent (as defined below), and any unearned portion of the annual Rent, in excess of such retainage, paid in advance shall be refunded to Lessee or (ii) if Lessor has not been paid sufficient Rent to satisfy the above retainage, then Lessee shall pay Lessor a sufficient sum so that, together with sums already held by Lessor, Lessor shall hold a sum equal to three (3) months Rent which Lessor shall retain as an additional charge for use of the Property, and such additional sum shall be paid by Lessee within thirty (30) days of termination of the Lease.

D. Each consecutive twelve-month period this Lease is in effect, beginning with the Effective Date of this Lease, is herein called a "**Lease Year**."

E. Lessee acknowledges that it is assuming all risks associated with Lessor's right to terminate this Lease at any time as provided above, and (i) Lessor gives no assurance that Lessor will delay termination of this Lease for any length of time whatsoever, (ii) Lessee may expend money and effort during the term of this Lease which may not ultimately be of any benefit to Lessee if Lessor terminates this Lease, but nonetheless, Lessor shall have the right to terminate the Lease if Lessor determines in its sole and absolute discretion that Lessor desires to terminate, and (iii) in no event shall Lessor be deemed to have any legal obligations to continue to lease the Property for any length of time.

F. This Lease is subject and subordinate to the Master Lease. BNSF hereby agrees by its signature below to recognize Lessee's rights under this Lease, if, prior to the termination of this Lease, or to the expiration of the term of this Lease, the term of the Master Lease expires, the Master Lease is terminated or BNSF reenters and repossesses the Property after a default by Lessor under the Master Lease. If BNSF succeeds to the rights of Lessor as the "Lessor" under this Lease, Lessee agrees that (i) BNSF shall not be liable or responsible for any breach of or default under this Lease arising prior to the date that BNSF succeeds to the rights of Tenant as the "Lessor" under this Lease; (ii) BNSF shall not be required to cure or correct any breach or default under this Lease arising prior to the date that BNSF succeeds to the rights of Lessor as the "Lessor" under this Lease; and (iii) no breach of or default under this Lease arising prior to the date that BNSF succeeds to the rights of Lessor as the "Lessor" under this Lease shall excuse, delay, release or relieve Lessee from the payment and performance of all of Lessee's duties and obligations under this Lease. The preceding sentence is not intended and shall not be construed to affect any rights or remedies of Lessee against Lessor arising or resulting from a breach of or default under this Lease by Lessor prior to the date that BNSF succeeds to the rights of Lessor as the "Lessor" under this Lease. If BNSF succeeds to the rights of Lessor as the "Lessor" under this Lease, Lessee agrees to recognize BNSF as the "Lessor" under this Lease and timely tender payment and performance of Lessee's duties and obligations under this Lease to BNSF as if BNSF were named as "Lessor" in this Lease.

### **Section 2. Use and Compliance.**

A. Lessee may use the Property for the sole and exclusive purpose of a portable drive through coffee kiosk and for no other purpose without the prior written consent of Lessor. Lessee shall respond to Lessor's reasonable inquiries regarding the use or condition of the Property.

B. Lessee shall comply with all Laws applicable to Lessee, the Property, this Lease and Lessee's activities and obligations hereunder, and shall have the sole responsibility for costs, fees, or expenses associated with such compliance. As used herein, the term "Laws" shall mean any and all statutes, laws, ordinances, codes, rules or regulations or any order, decision, injunction, judgment, award or decree of any public body or authority having jurisdiction over Lessee, the Property, this Lease, and/or Lessee's obligations under this Lease, and shall include all Environmental Laws (as defined in **Section 4(A)**).

C. If any governmental license or permit is required or desirable for the proper and lawful conduct of Lessee's business or other activity in or on the Property, or if the failure to secure such a license or permit might in any way affect Lessor or BNSF, then Lessee, at Lessee's expense, shall procure and thereafter maintain such license or permit and submit the same to inspection by Lessor. Lessee, at Lessee's expense, shall at all times comply with the requirements of each such license or permit.

### **Section 3. Rent.**

A. Lessee shall pay as rental for the Property, in advance, an amount equal to Two Thousand Four Hundred Sixty Four (\$2,464.00) annually ("Rent"). Lessor may, in its sole discretion, adjust the Rent annually to reflect a then current fair market rental value. Billing or acceptance by Lessor of any rental shall not imply a definite term or otherwise restrict either party from canceling this Lease as provided herein. Either party hereto may assign any receivables due it under this Lease; provided, however, such assignments shall not relieve the assignor of any of its rights or obligations under this Lease. All Rent and other monetary payments under this Lease from Lessee to Lessor shall be delivered solely to the following address:

Montana Rail Link, Inc.  
PO Box 16624  
Missoula, MT 59808

Lessor shall have the right to designate at any time and from time to time a different address for delivery of such payments by written notice to Lessee pursuant to the notice provisions of **Section 36** below. No Rent or other payment sent to any other address shall be deemed received by Lessor unless and until Lessor has actually posted such payment as received on the account of Lessee, and Lessee shall be subject to all default provisions hereunder, late fees and other consequences as a result thereof in the same manner as if Lessee had failed or delayed in making any payment.

B. Lessee acknowledges that Lessor utilizes the rental collection system involving direct deposit of monies received through a financial institution selected by Lessor, which precludes Lessor's ability to exercise rejection of a rental payment before Lessee's check is cashed. Lessee agrees that as a condition of Lessor granting this Lease Lessee hereby waives any rights it may have under law to force continuation of this Lease due to Lessor having accepted and

cash Lessee's rental remittance. Lessor shall have the option of rejecting Lessee's payment by refunding to Lessee the rental amount paid by Lessee, adjusted as set forth in this Lease, and enforcing the termination provisions of this Lease.

C. Lessee shall pay the Rent and all additional amounts due pursuant to **Section 9** as and when the same become due and payable, without demand, set-off, or deduction. Lessee's obligation to pay Rent and all amounts due under this Lease is an independent covenant and no act or circumstance, regardless of whether such act or circumstance constitutes a breach under this Lease by Lessor, shall release Lessee of its obligation to pay Rent and all amounts due as required by this Lease.

D. If any Rent or any payment under **Section 9** or any other payment due by Lessee hereunder is not paid within five (5) days after the date the same is due, Lessor may assess Lessee a late fee ("**Late Fee**") in an amount equal to 5% of the amount which was not paid when due to compensate Lessor for Lessor's administrative burden in connection with such late payment. In addition to said Late Fee, Lessee shall pay interest on the unpaid sum from the due date thereof to the date of payment by Lessee at an annual rate equal to (i) the greater of (a) for the period January 1 through June 30, the prime rate last published in The Wall Street Journal in the preceding December plus two and one-half percent (2 1/2%), and for the period July 1 through December 31, the prime rate last published in The Wall Street Journal in the preceding June plus two and one-half percent (2 1/2%), or (b) twelve percent (12%), or (ii) the maximum rate permitted by law, whichever is less.

#### **Section 4. Environmental.**

A. Lessee shall strictly comply with all federal, state and local environmental laws and regulations in its occupation and use of the Property, including, but not limited to, the Resource Conservation and Recovery Act, as amended (RCRA), the Clean Water Act, the Clean Air Act, the Oil Pollution Act, the Hazardous Materials Transportation Act, and CERCLA (collectively referred to as the "**Environmental Laws**"). Lessee shall not maintain any treatment, storage, transfer or disposal facility, or underground storage tank, as defined by Environmental Laws, on the Property. Lessee shall not release or suffer the release of oil or hazardous substances, as defined by Environmental Laws, on or about the Property.

B. Lessee shall give Lessor immediate notice to Lessor's Manager of Environmental Projects at 406.523.1415 and to BNSF's Resource Operations Center at 800.832.5452 of any release of hazardous substances on or from the Property and to Lessor's Manager of Environmental Projects at 406.523.1415, Lessor's Real Estate Department promptly in writing, and to BNSF's Manager Environmental Leases at 785.435.2386 for any violation of Environmental Laws, or inspection or inquiry by governmental authorities charged with enforcing Environmental Laws with respect to Lessee's use of the Property. Lessee shall use its best efforts to promptly respond to any release on or from the Property. Lessee also shall give Lessor's Manager of Environmental Projects, Lessor's Real Estate Department and BNSF's Manager Environmental Leases immediate notice of all measures undertaken on behalf of Lessee to investigate, remediate, respond to or otherwise cure such release or violation and shall provide to Lessor's Manager of Environmental Projects, Lessor's Real Estate Department and BNSF's Manager Environmental Leases copies of all reports and/or data regarding any investigations or remediations of the Property.

C. In the event that Lessor and/or BNSF have notice from Lessee or otherwise of a release or violation of Environmental Laws on the Property which occurred or may occur during the term of this Lease, Lessor and BNSF may require Lessee, at Lessee's sole risk and expense, to take timely measures to investigate, remediate, respond to or otherwise cure such release or violation affecting the Property or Lessor's right-of-way.

D. Lessee shall promptly report to Lessor and BNSF in writing any conditions or activities upon the Property which create a risk of harm to persons, property or the environment and shall take whatever action is necessary to prevent injury to persons or property arising out of such conditions or activities; provided, however, that Lessee's reporting to Lessor and BNSF shall not relieve Lessee of any obligation whatsoever imposed on it by this Lease. Lessee shall promptly respond to Lessor's and/or BNSF's request for information regarding said conditions or activities.

E. Hazardous Materials are not permitted on the Property except as otherwise described herein. Lessee expects to use on the Property the following Hazardous Materials: none, and to store on the Property the following Hazardous Materials (as defined in **Section 4(F)** below): none; provided, however, that Lessee may only use and store the listed Hazardous Materials in such amounts as are necessary and customary in Lessee's industry for the permitted uses hereunder ("**Permitted Substances**"). All such Permitted Substances shall be placed, used, and stored in strict accordance with all Environmental Laws. Use or storage on the Property of any Hazardous Materials not disclosed in this **Section 4(E)** is a breach of this Lease.

F. For purposes of this **Section 4, "Hazardous Materials"** means all materials, chemicals, compounds, or substances (including without limitation asbestos, petroleum products, and lead-based paint) identified as hazardous or toxic under Environmental Laws.

G. Lessor or BNSF may, at its option prior to termination of this Lease, require Lessee to conduct an environmental audit of the Property through an environmental consulting engineer acceptable to Lessor or BNSF, at Lessee's sole cost and expense, to determine if any noncompliance or environmental damage to the Property has occurred during Lessee's occupancy thereof. The audit shall be conducted to Lessor's and BNSF satisfaction and a copy of the audit report shall promptly be provided to Lessor and BNSF for their review. Lessee shall pay all expenses for any remedial action that may be required as a result of said audit to correct any noncompliance or environmental damage, and all necessary work shall be performed by Lessee prior to termination of this Lease.

#### **Section 5. Access to Adjacent Property by Lessee.**

If access to and from the Property can be accomplished only through use of Lessor's property adjacent to the Property, such use is granted for ingress and egress only and on a non-exclusive basis, subject to such restrictions and conditions as Lessor may impose by notice to Lessee. Lessor shall have the right to designate the location or route to be used. Lessee understands and agrees that all of the obligations under this Lease applicable to Lessee shall also be applicable to Lessee with respect to Lessee's use of any property adjacent to the Property, including, without limitation, the indemnity provisions of **Section 13**. Notwithstanding anything to the contrary herein, this **Section 5** shall not grant Lessee any right to cross any of Lessor's Tracks. Any such crossing rights may only be granted by a separate written agreement between Lessor and Lessee.

#### **Section 6. Access to Property by Lessor.**

A. Lessor and its contractors, agents and other designated third parties may at all reasonable times and at any time in case of emergency, in such manner as to not unreasonably interfere with Lessee's use of the Property as allowed hereunder, (i) enter the Property for inspection of the Property or to protect the interests of Lessor and BNSF in the Property or to protect from damage any property adjoining the Property, (ii) enter the Property to construct, maintain, and operate trackage, fences, pipelines, communication facilities, fiber optic lines, wireless towers, telephone, power or other transmission lines, or appurtenances or facilities of like character, upon, over, across, or beneath the Property; provided that Lessor and BNSF shall have no obligation to pay any sum for any damage, including damage to growing crops, (iii) take all required materials and equipment onto the Property, and perform all required work therein, for the purpose of making alterations, repairs, or additions to the Property as Lessor may elect if Lessee defaults in its obligation to do so, (iv) enter the Property to show the Property to holders of encumbrances on the interest of Lessor in the Property, or to prospective purchasers or mortgagees of the Property, and all such entries and activities shall be without any rebate of Rent to Lessee for any loss of occupancy of the Property, or damage, injury or inconvenience thereby caused.

B. For purposes stated in this **Section 6**, Lessor will at all times have keys with which to unlock all of the doors and gates on the Property, and Lessee will not change or alter any lock thereon without Lessor's permission.

C. In an emergency, Lessor will be entitled to use any and all means that Lessor may deem proper to open doors, gates, and other entrances to obtain entry to the Property. Any entry to the Property by Lessor as described in this **Section 6** shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Property, or any eviction of Lessee from the Property, and any damages caused on account thereof will be paid by Lessee.

#### **Section 7. Warranties.**

**LESSOR DOES NOT WARRANT ITS LEASEHOLD INTEREST IN OR BNSF'S TITLE TO THE PROPERTY NOR UNDERTAKE TO DEFEND LESSEE IN THE PEACEABLE POSSESSION OR USE THEREOF. NO COVENANT OF QUIET ENJOYMENT IS MADE.** This Lease is made subject to all outstanding rights or interests of others. If the Property is subsequently found to be subject to prior claim, this Lease shall terminate immediately on notice to that effect from Lessor. Lessee accepts this Lease subject to that possibility and its effect on Lessee's rights and ownership of the Lessee Improvements. In case of eviction of Lessee by anyone other than Lessor, or anyone owning or claiming title to or any interest in the Property, Lessor and BNSF shall not be liable to Lessee for damage of any kind (including any loss of ownership right to Lessee's Improvements) or to refund any Rent paid hereunder, except to return the unearned portion of any Rent paid in advance.

## **Section 8. Property Condition; Lessee Improvements.**

**A.** Lessee represents that the Property, the title thereto, any subsurface conditions thereof, and the present uses thereof have been examined by the Lessee. Lessee accepts the same in the condition in which they now are, without representation or warranty, expressed or implied, in fact or by law, by the Lessor, and without recourse to the Lessor and BNSF as to the title thereto, the nature, condition or usability thereof, or the uses to which the Property may be put. By taking possession or commencing use of the Property, Lessee (i) acknowledges that it is relying on its own inspections of the Property and not on any representations from Lessor regarding the Property; (ii) establishes conclusively that the Property is at such time in satisfactory condition and in conformity with this Lease and all zoning or other governmental requirements in all respects; and (iii) accepts the Property in its condition as of the Commencement Date on an "AS IS," "WHERE IS," and "WITH ALL FAULTS" basis, subject to all faults and infirmities, whether now or hereafter existing. Nothing contained in this Section 8 affects the commencement of the term of the Lease or the obligation of Lessee to pay Rent as provided above. Lessee represents and warrants to Lessor as follows: (i) Lessee does not intend to, and will not, use the Property for any purpose other than as set forth in Section 2; (ii) Lessee has previously disclosed in writing to Lessor all special requirements (but Lessor shall have no responsibility relative to any such special requirement), if any, which Lessee may have in connection with this intended use; and (iii) Lessee has undertaken and has reasonably and diligently completed all appropriate investigations regarding the suitability of the Property for Lessee's intended use. Lessee shall comply with any covenants, conditions or restrictions now or hereafter affecting the Property, and acknowledges that Lessor may place any covenants, conditions or restrictions of record affecting the Property prior to or during the term of the Lease. In such event, this Lease will be subject and subordinate to all of the same without further action by either party, including, without limitation, the execution of any further instruments. Lessee acknowledges that Lessor has given material concessions for the acknowledgements and provisions contained in this Section 8, and that Lessor is relying on these acknowledgements and agreements and would not have entered into this Lease without such acknowledgements and agreements by Lessee.

**B.** If initial improvements are necessary for Lessee's use of the Property, Lessee, at Lessee's sole cost and expense, shall, on or after the Commencement Date, construct and install such initial improvements to the Property which are necessary for Lessee's use of the Property and are acceptable to Lessor and BNSF in Lessor's and BNSF's sole discretion ("Lessee Improvements"). The construction and installation of any Lessee Improvements shall be subject to Lessor's and BNSF's prior written approval of plans and specifications for such Lessee Improvements to be prepared by Lessee and submitted to Lessor and BNSF for approval as set forth below, such approval to be in Lessor's and BNSF's sole and absolute discretion. Within forty-five (45) days after the Commencement Date, Lessee shall submit detailed plans and specifications, and the identity of Lessee's proposed general contractor for the Lessee Improvements for Lessor's and BNSF's review and approval. Lessor and BNSF shall either approve or disapprove the plans and specifications and general contractor (in their sole and absolute discretion) by written notice delivered to Lessee within sixty (60) days after receipt of the same from Lessee. In the event of any disapproval, Lessor and BNSF shall specify the reasons for such non-approval. If Lessor and BNSF fail to deliver notice to Lessee of Lessor's approval or disapproval of the plans, specifications, and proposed general contractor within the time period discussed above, Lessee's plans, specifications and proposed contractor shall be deemed disapproved. If Lessor or BNSF specifies objections to the plans and specifications or general contractor as herein provided and Lessor and Lessee or BNSF and Lessee are unable to resolve the objections by mutual agreement within a period of thirty (30) days from the date of delivery of written notice thereof, Lessee, as its sole remedy, to be exercised not later than ten (10) days after the expiration of said thirty (30) days period, may terminate this Lease by written notice to Lessor. Upon approval of the plans and specifications by Lessor and BNSF, Lessor, BNSF and Lessee shall sign the same, and they shall be deemed a part hereof. All Lessee Improvements shall be constructed and installed in accordance with the terms and conditions of Exhibit "B" attached to the Lease and all applicable terms and conditions of the Lease regarding alterations and improvements. Lessee shall not construct any other alteration or improvement to the Property without Lessor's Real Estate Department's prior written consent and BNSF's prior written consent. The Lessee Improvements constructed pursuant to the above provisions shall be owned by Lessee during the term of the Lease and removed from the Property or surrendered to the Lessor pursuant to Section 20 below upon termination of this Lease.

## **Section 9. Taxes and Utilities.**

**A.** In addition to Rent, Lessee shall pay all taxes, utilities, and other charges of every kind and character, whether foreseen or unforeseen, ordinary or extraordinary, which are attributable to the term of this Lease and may become due or levied against the Property, against Lessee, against the business conducted on the Property or against the Lessee Improvements placed thereon during the term hereof, even though such taxes, utilities or other charges may not become due and payable until after termination of this Lease provided; however, that Lessee shall only be responsible for the payment of property taxes levied against the Property to the extent such taxes are separately assessed by the applicable taxing authority as a result of this Lease. Lessee agrees that Lessor shall not be required to furnish to Lessee

any utility or other services. If this Lease is a transfer of an existing lease, Lessee must make arrangements with the present lessee for payment of any delinquent and current taxes, utilities, and other charges prior to taking possession. If such arrangements are not made, Lessee agrees to pay all such taxes, utilities, and other charges. If Lessor should make any such payments, Lessee shall promptly upon demand reimburse Lessor for all such sums.

B. Should the Property be subject to special assessment for public improvements in the amount of Five Hundred Dollars (\$500.00) or less during any Lease Year, Lessee shall promptly reimburse Lessor the amount in full. Should the assessment exceed Five Hundred Dollars (\$500.00) during any Lease Year then such excess shall be paid by Lessor, but the Rent herein shall be increased by an amount equal to twelve percent (12%) of such excess payable for each Lease Year such amounts are payable.

#### **Section 10. Track Clearance.**

A. Lessee shall not place, permit to be placed, or allow to remain, any permanent or temporary material, structure, pole, or other obstruction within (i) 8½ feet laterally from the centerline of any of Lessor's Tracks on or about the Property (nine and one-half (9-1/2) feet on either side of the centerline of any of Lessor's Tracks which are curved) or (ii) 24 feet vertically from the top of the rail of any of Lessor's Tracks on or about the Property ("**Minimal Clearances**"); provided that if any law, statute, regulation, ordinance, order, covenant or restriction ("**Legal Requirement**") requires greater clearances than those provided for in this **Section 10**, then Lessee shall strictly comply with such Legal Requirement. However, vertical or lateral clearances which are less than the Minimal Clearances but are in compliance with Legal Requirements will not be a violation of this **Section 10**, so long as Lessee strictly complies with the terms of any such Legal Requirement and posts a sign on the Property clearly noting the existence of such reduced clearance. Any such sign shall be painted with black and white reflective paint.

B. Lessor's or BNSF's operation over any Lessor's Track on or about the Property with knowledge of an unauthorized reduced clearance will not be a waiver of the covenants of Lessee contained in this **Section 10** or of Lessor's or BNSF's rights to recover for and be indemnified and defended against such damages to property, and injury to or death of persons, that may result therefrom. In addition to, and not in exclusion of, other provisions of this Lease, Lessor and Lessee hold BNSF harmless from liability occurring as a result of Lessor's provision of rail freight services over the Property.

C. Lessee shall not place or allow to be placed any freight car within 250 feet of either side of any at-grade crossings on Lessor's Tracks.

#### **Section 11. Repairs; Maintenance.**

A. Lessee shall, at its sole expense, take good care of the Property (including all Lessee Improvements) and shall not do or suffer any waste with respect thereto and Lessee shall promptly make all necessary or desirable Repairs to the Property. The term "**Repairs**" means all reasonable repair and maintenance necessary to keep the Property (including all Lessee Improvements) in good condition and includes, without limitation, replacements, restoration and renewals when necessary. Lessee shall keep and maintain any paved areas, sidewalks, curbs, landscaping and lawn areas in a clean and orderly condition, and free of accumulation of dirt and rubbish.

B. Lessor shall not have any liability or obligation to furnish or pay for any services or facilities of whatsoever nature or to make any Repairs or alterations of whatsoever nature in or to the Property, including but not limited to structural repairs, or to maintain the Property in any manner. Lessee acknowledges that Lessor shall have no responsibility for management of the Property.

#### **Section 12. Safety; Dangerous and Hazardous Conditions.**

It is understood by Lessee that the Property may be in dangerous proximity to railroad tracks, including Lessor's Tracks, and that persons and property, whether real or personal, on the Property will be in danger of injury, death or destruction incident to the operation of the railroad, including, without limitation, the risk of derailment, fire, or inadequate clearance (including sight clearance or vision obstruction problems at grade crossings on or adjacent to the Property), and Lessee accepts this Lease subject to such dangers, and acknowledges that its indemnification obligations hereunder extend to and include all such risks.

#### **Section 13. Indemnity.**



A. TO THE FULLEST EXTENT PERMITTED BY LAW, LESSEE SHALL RELEASE, INDEMNIFY, DEFEND AND HOLD HARMLESS LESSOR, BNSF, BURLINGTON NORTHERN SANTA FE LLC AND EACH OF THE AFOREMENTIONED PARTIES' AFFILIATED COMPANIES, PARTNERS, SUCCESSORS, ASSIGNS, LEGAL REPRESENTATIVES, OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES AND AGENTS (COLLECTIVELY, "INDEMNITEES") FOR, FROM AND AGAINST ANY AND ALL CLAIMS, LIABILITIES, FINES, PENALTIES, COSTS, DAMAGES, LOSSES, LIENS, CAUSES OF ACTION, SUITS, DEMANDS, JUDGMENTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS, ATTORNEYS' FEES AND COSTS OF INVESTIGATION, REMOVAL AND REMEDIATION AND GOVERNMENTAL OVERSIGHT COSTS) ENVIRONMENTAL OR OTHERWISE (COLLECTIVELY "LIABILITIES") OF ANY NATURE, KIND OR DESCRIPTION OF ANY PERSON OR ENTITY DIRECTLY OR INDIRECTLY ARISING OUT OF, RESULTING FROM OR RELATED TO (IN WHOLE OR IN PART):

- (i) THIS LEASE, INCLUDING, WITHOUT LIMITATION, ITS ENVIRONMENTAL PROVISIONS;
- (ii) ANY RIGHTS OR INTERESTS GRANTED PURSUANT TO THIS LEASE;
- (iii) LESSEE'S OCCUPATION AND USE OF THE PROPERTY;
- (iv) THE ENVIRONMENTAL CONDITION AND STATUS OF THE PROPERTY CAUSED BY, AGGRAVATED BY, OR CONTRIBUTED IN WHOLE OR IN PART, BY LESSEE; OR
- (v) ANY ACT OR OMISSION OF LESSEE OR LESSEE'S OFFICERS, AGENTS, INVITEES, EMPLOYEES, OR CONTRACTORS, OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY ANY OF THEM, OR ANYONE THEY CONTROL OR EXERCISE CONTROL OVER,

EVEN IF SUCH LIABILITIES ARISE FROM OR ARE ATTRIBUTED TO ANY NEGLIGENCE OF ANY INDEMNITEE. THE ONLY LIABILITIES WITH RESPECT TO WHICH LESSEE'S OBLIGATION TO INDEMNIFY THE INDEMNITEES DOES NOT APPLY ARE LIABILITIES (1) TO THE EXTENT PROXIMATELY CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF AN INDEMNITEE OR (2) WHOLLY CAUSED BY THE SOLE NEGLIGENCE OF AN INDEMNITEE.

B. FURTHER, TO THE FULLEST EXTENT PERMITTED BY LAW, NOTWITHSTANDING THE LIMITATION IN SECTION 14A, LESSEE SHALL NOW AND FOREVER WAIVE ANY AND ALL CLAIMS, REGARDLESS OF WHETHER SUCH CLAIMS ARE BASED ON STRICT LIABILITY, NEGLIGENCE OR OTHERWISE, THAT AN INDEMNITEE IS AN "OWNER", "OPERATOR", "ARRANGER", OR "TRANSPORTER" WITH RESPECT TO THE PROPERTY FOR THE PURPOSES OF CERCLA OR OTHER ENVIRONMENTAL LAWS. LESSEE WILL INDEMNIFY, DEFEND AND HOLD THE INDEMNITEES HARMLESS FROM ANY AND ALL SUCH CLAIMS REGARDLESS OF THE NEGLIGENCE OF THE INDEMNITEES. LESSEE FURTHER AGREES THAT THE USE OF THE PROPERTY AS CONTEMPLATED BY THIS LEASE SHALL NOT IN ANY WAY SUBJECT ANY INDEMNITEE TO CLAIMS THAT ANY INDEMNITEE IS OTHER THAN A COMMON CARRIER FOR PURPOSES OF ENVIRONMENTAL LAWS AND EXPRESSLY AGREES TO INDEMNIFY, DEFEND, AND HOLD THE INDEMNITEES HARMLESS FOR ANY AND ALL SUCH CLAIMS. IN NO EVENT SHALL LESSOR BE RESPONSIBLE FOR THE ENVIRONMENTAL CONDITION OF THE PROPERTY.

C. TO THE FULLEST EXTENT PERMITTED BY LAW, LESSEE FURTHER AGREES, REGARDLESS OF ANY NEGLIGENCE OR ALLEGED NEGLIGENCE OF ANY INDEMNITEE, TO INDEMNIFY, AND HOLD HARMLESS THE INDEMNITEES AGAINST AND ASSUME THE DEFENSE OF ANY LIABILITIES ASSERTED AGAINST OR SUFFERED BY ANY INDEMNITEE UNDER OR RELATED TO THE FEDERAL EMPLOYERS' LIABILITY ACT ("FELA") WHENEVER EMPLOYEES OF LESSEE OR ANY OF ITS AGENTS, INVITEES, OR CONTRACTORS CLAIM OR ALLEGE THAT THEY ARE EMPLOYEES OF ANY INDEMNITEE OR OTHERWISE. THIS INDEMNITY SHALL ALSO EXTEND, ON THE SAME BASIS, TO FELA CLAIMS BASED ON ACTUAL OR ALLEGED VIOLATIONS OF ANY FEDERAL, STATE OR LOCAL LAWS OR REGULATIONS, INCLUDING BUT NOT LIMITED TO THE SAFETY APPLIANCE ACT, THE BOILER INSPECTION ACT, THE OCCUPATIONAL HEALTH AND SAFETY ACT, THE RESOURCE CONSERVATION AND RECOVERY ACT, AND ANY SIMILAR STATE OR FEDERAL STATUTE.

D. Upon written notice from any Indemnitee, Lessee agrees to assume the defense of any lawsuit or other proceeding brought against such Indemnitee by any entity, relating to any matter covered by this Lease for which Lessee has an obligation to assume liability for and/or save and hold harmless such Indemnitee. Lessee shall pay all costs incident to such defense, including, but not limited to, attorneys' fees, investigators' fees, litigation and appeal expenses, settlement payments, and amounts paid in satisfaction of judgments.

#### **Section 14. Equal Protection.**

It is agreed that the provisions of **Sections 10, 12, and 13** are for the equal protection of other railroad companies, including, without limitation, the National Railroad Passenger Corporation (Amtrak), permitted to use Lessor's property, and such railroad companies shall be deemed to be included as indemnitees under **Sections 10, 12, and 13**.

**Section 15. Assignment and Sublease.**

**A.** Lessee shall not (i) assign or otherwise transfer this Lease or any interest herein, or (ii) sublet the Property or any part thereof, without, in each instance, obtaining the prior written consent of Lessor and BNSF, which consent may be withheld in the sole and absolute discretion of Lessor and BNSF. For purposes of this **Section 15**, in the event that there are aggregate transfers or other changes in the ownership interests of Lessee resulting in a change of more than 20% of the ownership interests as held on the date hereof, a transfer shall be deemed to have occurred hereunder. Any person or legal representative of Lessee, to whom Lessee's interest under this Lease passes by operation of law, or otherwise, will be bound by the provisions of this Lease.

**B.** Any assignment, lease, sublease or transfer made pursuant to **Section 15(A)** may be made only if, and shall not be effective until, the assignee cures all outstanding defaults of Lessee hereunder and executes, acknowledges and delivers to Lessor an agreement, in form and substance satisfactory to Lessor, whereby the assignee assumes the obligations and performance of this Lease and agrees to be personally bound by and upon all of the covenants, agreements, terms, provisions and conditions hereof on the part of Lessee to be performed or observed. Lessee covenants that, notwithstanding any assignment or transfer, whether or not in violation of the provisions of this Lease, and notwithstanding the acceptance of Rent by Lessor from an assignee or transferee or any other party, Lessee will remain fully and primarily liable along with the assignee for the payment of the Rent due and to become due under this Lease and for the performance of all of the covenants, agreements, terms, provisions, and conditions of this Lease on the part of Lessee to be performed or observed.

**Section 16. Liens.**

Lessee shall promptly pay, discharge and release of record any and all liens, charges and orders arising out of any construction, alterations or repairs, suffered or permitted to be done by Lessee on the Property. Lessor is hereby authorized to post any notices or take any other action upon or with respect to the Property that is or may be permitted by law to prevent the attachment of any such liens to the Property; provided, however, that failure of Lessor to take any such action shall not relieve Lessee of any obligation or liability under this **Section 16** or any other Section of this Lease.

**Section 17. Insurance.**

Lessee shall, at its sole cost and expense, procure and maintain during the life of this Lease the following insurance coverage:

**A.** All risks property insurance covering all of Lessee's property including property in the care, custody or control of Lessee. Coverage shall include the following:

- ◆ Issued on a replacement cost basis.
- ◆ Shall provide that in respect of the interests of Lessor and BNSF the insurance shall not be invalidated by any action or inaction of Lessee or any other person and shall insure the respective interests of Lessor and BNSF as they appear, regardless of any breach or violation of any warranty, declaration or condition contained in such policies by Lessee or any other person.
- ◆ Include a standard loss payable endorsement naming Lessor and BNSF as the loss payee as its interests may appear.
- ◆ Include a waiver of subrogation in favor of Lessor and BNSF.

**B.** Commercial General Liability Insurance. This insurance shall contain broad form contractual liability with a combined single limit of a minimum of \$1,000,000 each occurrence and an aggregate limit of at least \$2,000,000. Coverage must be purchased on a post 1998 ISO occurrence form or equivalent and include coverage for, but not limited to, the following:

- ◆ Bodily Injury and Property Damage
- ◆ Personal Injury and Advertising Injury
- ◆ Fire legal liability
- ◆ Products and completed operations

This policy shall also contain the following endorsements, which shall be indicated on the certificate of insurance:

- ◆ The employee and workers compensation related exclusions in the above policy shall not apply with respect to claims related to railroad employees.
- ◆ The definition of insured contract shall be amended to remove any exclusion or other limitation for any work being done within 50 feet of railroad property.
- ◆ Any exclusions related to the explosion, collapse and underground hazards shall be removed.

No other endorsements limiting coverage may be included on the policy.

C. Business Automobile Insurance. This insurance shall contain a combined single limit of at least \$1,000,000 per occurrence, and include coverage for, but not limited to the following:

- ◆ Bodily injury and property damage
- ◆ Any and all vehicles owned, used or hired

D. Workers Compensation and Employers Liability insurance including coverage for, but not limited to:

- ◆ Lessee's statutory liability under the worker's compensation laws of the state(s) in which the work is to be performed. If optional under State law, the insurance must cover all employees anyway.
- ◆ Employers' Liability (Part B) with limits of at least \$500,000 each accident, \$500,000 by disease policy limit, \$500,000 by disease each employee.

#### Other Requirements:

All policies (applying to coverage listed above) shall contain no exclusion for punitive damages and certificates of insurance shall reflect that no exclusion exists.

Lessee agrees to waive its right of recovery against Lessor and BNSF for all claims and suits against Lessor and BNSF. In addition, its insurers, through the terms of the policy or through policy endorsement, waive their right of subrogation against the Lessor and BNSF for all claims and suits. The certificate of insurance must reflect the waiver of subrogation endorsement. Lessee further waives its right of recovery, and its insurers also waive their right of subrogation against the Lessor and BNSF for loss of its owned or leased property or property under Lessee's care, custody or control.

Lessee's insurance policies through policy endorsement must include wording that states that the policy shall be primary and non-contributing with respect to any insurance carried by any Indemnitee. The certificate of insurance must reflect that the above wording is included in evidenced policies.

All policy(ies) required above (excluding Workers Compensation and if applicable, Railroad Protective) shall include a severability of interest endorsement and shall name the Lessor and BNSF as additional insureds with respect to work performed under this Lease. Severability of interest and naming the Lessor and BNSF as additional insureds shall be indicated on the certificate of insurance.

Lessee is not allowed to self-insure without the prior written consent of Lessor and BNSF. If granted by Lessor and BNSF, any deductible, self-insured retention or other financial responsibility for claims shall be covered directly by Lessee in lieu of insurance. Any and all liabilities of the Lessor and BNSF that would otherwise, in accordance with the provisions of this Lease, be covered by Lessee's insurance will be covered as if Lessee elected not to include a deductible, self-insured retention or other financial responsibility for claims.

Prior to accessing the Property, Lessee shall furnish to Lessor an acceptable certificate(s) of insurance including an original signature of the authorized representative evidencing the required coverage, endorsements, and amendments and referencing the contract audit/folder number if available. The policy(ies) shall contain a provision that obligates the insurance company(ies) issuing such policy(ies) to notify Lessor in writing at least 30 days prior to any cancellation, non-renewal, substitution or material alteration. This cancellation provision shall be indicated on the certificate of insurance. Upon request from Lessor, a certified duplicate original of any required policy shall be furnished.

Any insurance policy shall be written by a reputable insurance company acceptable to Lessor with a current Best's Guide Rating of A- and Class VII or better, and authorized to do business in the state(s) in which the Property is located.

Lessee represents that this Lease has been thoroughly reviewed by Lessee's insurance agent(s)/broker(s), who have been instructed by Lessee to procure the insurance coverage required by this Lease. Allocated Loss Expense shall be in addition to all policy limits for coverages referenced above.

Not more frequently than once every five years, Lessor and BNSF may reasonably modify the required insurance coverage to reflect then-current risk management practices in the railroad industry and underwriting practices in the insurance industry.

If any portion of the operation is to be contracted by Lessee, Lessee shall require that the contractor shall provide and maintain insurance coverages as set forth herein, naming Lessor and BNSF as additional insureds, and shall require that the contractor shall release, defend and indemnify the Lessor and BNSF to the same extent and under the same terms and conditions as Lessee is required to release, defend and indemnify the Lessor and BNSF herein.

Failure to provide evidence as required by this section shall entitle, but not require, Lessor to terminate this Lease immediately. Acceptance of a certificate that does not comply with this section shall not operate as a waiver of Lessee's obligations hereunder.

The fact that insurance (including, without limitation, self-insurance) is obtained by Lessee shall not be deemed to release or diminish the liability of Lessee including, without limitation, liability under the indemnity provisions of this Lease. Damages recoverable by the Lessor and BNSF shall not be limited by the amount of the required insurance coverage.

For purposes of this section, BNSF shall mean "Burlington Northern Santa Fe LLC", "BNSF Railway Company" and the subsidiaries, successors, assigns and affiliates of each.

#### **Section 18. Water Rights and Use of Wells.**

This Lease does not grant, convey or transfer any right to the use of water under any water right owned or claimed by the BNSF which may be appurtenant to the Property. All right, title, and interest in and to such water is expressly reserved unto BNSF, and the right to use same or any part thereof may be obtained only by the prior written consent of the BNSF. Lessee shall not use, install or permit to be installed or used any wells on the Property without the prior written consent of BNSF.

#### **Section 19. Default.**

A. An "Event of Default" by Lessee shall have occurred hereunder if any of the following shall occur:

- (i) if Lessee violates any safety provision contained in this Lease;
- (ii) if Lessee fails to pay Rent or any other monetary payment hereunder when due or fails to perform any other obligations under this Lease and such failure continues thirty (30) days after written notice from Lessor to Lessee of Lessee's failure to make such payment or perform such obligations;
- (iii) if a decree or order of a court having jurisdiction over the Property for the appointment of a receiver, liquidator, sequestrator, trustee, custodian or other officer having similar powers over Lessee or over all or a substantial part of the property of Lessee shall be entered; or if Lessee becomes insolvent or makes a transfer in fraud of creditors; or an interim receiver, trustee or other custodian of Lessee or of all or a substantial part of the property of Lessee shall be appointed or a warrant of attachment, execution, or similar process against any substantial part of the property of Lessee shall be issued and any such event shall not be stayed, dismissed, bonded or discharged within thirty (30) days after entry, appointment or issuance;
- (iv) if the Property is abandoned or vacated by Lessee.

B. If an Event of Default occurs as provided above, Lessor may, at its option, (i) terminate this Lease by serving five (5) days notice in writing upon Lessee, in which event Lessee shall immediately surrender possession of the Property to Lessor, without prejudice to any claim for arrears of Rent or breach of covenant, (ii) proceed by appropriate judicial proceedings, either at law or in equity, to enforce performance or observance by Lessee of the applicable provisions of this Lease or to recover damages for a breach thereof, (iii) cure the default by making any such payment or performing any such obligation, as applicable, at Lessee's sole expense, without waiving or releasing Lessee from any obligation, or (iv) enter into and upon the Property or any part thereof and repossess the same without terminating the Lease and, without obligations to do so relet the Property or any part thereof as

the agent of Lessee and in such event, Lessee shall be immediately liable to Lessor for all costs and expenses of such reletting, the cost of any alterations and repairs deemed necessary by Lessor to effect such reletting and the full amount, if any, by which the rentals reserved in this Lease for the period of such reletting exceeds the amounts agreed to be paid as Rent for the Property for the period of reletting. The foregoing rights and remedies given to Lessor are and shall be deemed to be cumulative and the exercise of any of them shall not be deemed to be an election excluding the exercise by Lessor at any time of a different or inconsistent remedy. If, on account of breach or default by Lessee of any of Lessee's obligations hereunder, it shall become necessary for the Lessor to employ an attorney to enforce or defend any of Lessor's rights or remedies hereunder, then, in any such event, any reasonable amount incurred by Lessor for attorneys' fees shall be paid by Lessee. Any waiver by Lessor of any default or defaults of this Lease or any delay of Lessor in enforcing any remedy set forth herein shall not constitute a waiver of the right to pursue any remedy at a later date or terminate this Lease for any subsequent default or defaults, nor shall any such waiver in any way affect Lessor's ability to enforce any Section of this Lease. The remedies set forth in this **Section 19** shall be in addition to, and not in limitation of, any other remedies that Lessor may have at law or in equity, and the applicable statutory period for the enforcement of a remedy will not commence until Lessor has actual knowledge of a breach or default.

C. In the event of a default by Lessee, Lessor shall be allowed to recover one hundred percent (100%) of its costs or outstanding amounts owed, including any amount received by a collection agency in connection with pursuing any unpaid portion of rent or other amounts due under this Lease on Lessor's behalf.

#### **Section 20. Termination.**

Upon the termination of Lessee's tenancy under this Lease in any manner herein provided, Lessee shall relinquish possession of the Property and shall remove any Lessee Improvements, and restore the Property to substantially the state and environmental condition in which it was prior to Lessee's use ("**Restoration Obligations**"). If Lessee shall fail within thirty (30) days after the date of such termination of its tenancy to complete the Restoration Obligations, then Lessor may, at its election (i) either remove the Lessee Improvements or otherwise restore the Property, and in such event Lessee shall, within thirty (30) days after receipt of bill therefor, reimburse Lessor for cost incurred, (ii) upon written notice to Lessee may take and hold any Lessee Improvements and personal property as its sole property, without payment or obligation to Lessee therefor, or (iii) specifically enforce Lessee's obligation to restore and/or pursue any remedy at law or in equity against Lessee for failure to so restore. Further, in the event Lessor has consented to Lessee Improvements remaining on the Property following termination, Lessee shall, upon request by Lessor, provide a Bill of Sale in a form acceptable to Lessor conveying such Lessee Improvements to Lessor.

#### **Section 21. Survival of Obligations.**

Notwithstanding any expiration or other termination of this Lease, all of Lessee's indemnification obligations and any other obligations that have accrued but have not been satisfied under this Lease prior to the termination date shall survive such termination.

#### **Section 22. Holding Over.**

If Lessee fails to surrender the Property to Lessor upon any termination of this Lease, and Lessor and BNSF do not consent in writing to Lessee's holding over, then such holding over will be deemed a month-to-month tenancy. Lessee's holdover will be subject to all provisions of this Lease.

#### **Section 23. Multiple Party Lessee.**

In the event that Lessee consists of two or more parties, all the covenants and agreements of Lessee herein contained shall be the joint and several covenants and agreements of such parties.

#### **Section 24. Damage or Destruction.**

If at any time during the term of this Lease, the Property is damaged or destroyed by fire or other casualty, then Lessor may terminate this Lease or repair and reconstruct the Property to substantially the same condition in which the Property existed immediately prior to the damage or destruction, except that Lessor is not required to repair or reconstruct any Lessee Improvements, personal property, furniture, trade fixtures, or office equipment located on the Property and removable by Lessee under the provisions of this Lease.

#### **Section 25. Eminent Domain.**

If any part of the Property is taken by eminent domain, Lessor may either terminate this Lease or continue the Lease in effect. If Lessor elects to continue the Lease, Rent will be reduced in proportion to the area of the Property taken by eminent domain, and Lessor shall repair any damage to the Property resulting from the taking. All sums awarded or agreed upon between Lessor and the condemning authority for the taking of the interest of Lessor or Lessee, whether as damages or as compensation, will be the property of Lessor; without prejudice, however, to claims of Lessee against the condemning authority for moving costs and the unamortized cost of leasehold improvements paid for by Lessee taken by the condemning authority. If this Lease is terminated under this Section 25, Rent will be payable up to the date that possession is taken by the condemning authority, and Lessor shall refund to Lessee any prepaid unaccrued Rent less any sum then owing by Lessee to Lessor.

**Section 26. Representations.**

Neither Lessor nor Lessor's agents have made any representations or promises with respect to the Property except as herein expressly set forth.

**Section 27. Signs.**

No signs are to be placed on the Property without the prior written approval of Lessor of the size, design, and content thereof.

**Section 28. Consents and Approvals.**

Whenever in this Lease Lessor's or BNSF's consent or approval is required, such consent or approval shall be in their sole and absolute discretion. If Lessor and BNSF delay or refuse such consent or approval, such consent or approval shall be deemed denied, and Lessee in no event will be entitled to make, nor will Lessee make, any claim, and Lessee hereby waives any claim, for money damages (nor will Lessee claim any money damages by way of set-off counterclaim or defense) based upon any claim or assertion by Lessee that Lessor or BNSF unreasonably withheld or unreasonably delayed its consent or approval.

**Section 29. Captions.**

The captions are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Lease nor the intent of any provision thereof.

**Section 30. Public Record.**

It is understood and agreed that this Lease shall not be placed of public record.

**Section 31. Governing Law.**

All questions concerning the interpretation or application of provisions of this Lease shall be decided according to the substantive laws of the state in which the Property is located.

**Section 32. No Waiver.**

One or more waivers of any covenant, term, or condition of this Lease by Lessor or BNSF shall not be construed as a waiver of a subsequent breach of the same covenant, term, or condition. The consent or approval by Lessor or BNSF to or of any act by Lessee requiring such consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.

**Section 33. Binding Effect.**

All provisions contained in this Lease shall be binding upon, inure to the benefit of, and be enforceable by the respective successors and assigns of Lessor and Lessee to the same extent as if each such successor and assign was named a party to this Lease.

**Section 34. Force Majeure.**

Except as may be elsewhere specifically provided in this Lease, if either party is delayed or hindered in, or prevented from the performance required under this Lease (except for payment of monetary obligations) by reason of earthquakes, landslides, strikes, lockouts, labor troubles, failure of power, riots, insurrection, war, acts of God or other reason of the like nature not the fault of the party delayed in performance of its obligation, such party is excused from such performance for the period of delay. The period for the performance of any such act will then be extended for the period of such delay.

**Section 35. Entire Agreement/Modification.**

This Lease is the full and complete agreement between Lessor and Lessee with respect to all matters relating to lease of the Property and supersedes any and all other agreements between the parties hereto relating to lease of the Property. If this Lease is a reissue of an existing agreement held by Lessee, it shall supersede and cancel the previous lease or leases, without prejudice to any liability accrued prior to cancellation. This Lease may be modified only by a written agreement signed by Lessor and Lessee.

**Section 36. Notices.**

Any notice or documents required or permitted to be given hereunder by one party to the other shall be in writing and the same shall be given or shall be deemed to have been served and given if (i) delivered in person to the address herein above or hereinafter set forth for the party to whom the notice is given, (ii) placed in the United States mail, certified - return receipt requested, addressed to such party at the address herein above or hereinafter set forth, or (iii) deposited into the custody of any reputable overnight carrier for next day delivery, addressed to such party at the address herein above or hereinafter set forth. Any notice mailed as above shall be effective upon its deposit into the custody of the U. S. Postal Service or such reputable overnight carrier, as applicable; all other notices shall be effective upon receipt. All Rent and other payments due to Lessor hereunder shall also be made as provided in **Section 3(A)** above, and delivery of such rental and other payments shall only be effective upon actual receipt by Lessor. From time to time either party may designate another address or telecopy number within the 48 contiguous states of the United States of America for all purposes of this Lease by giving the other party not less than fifteen (15) days' advance written notice of such change of address in accordance with the provisions hereof.

If to Lessee, at the address shown above.

If to Lessor, at the address shown above.

If to BNSF:

BNSF Railway Company  
Jones Lange LaSalle Brokerage, Inc., Its Attorney in Fact  
4200 Buckingham Road, Suite 110  
Ft. Worth, TX 76155

**Section 37. Counterparts.**

This Agreement may be executed in multiple counterparts, each of which shall, for all purposes, be deemed an original but which together shall constitute one and the same instrument, and the signature pages from any counterpart may be appended to any other counterpart to assemble fully executed documents, and counterparts of this Agreement may also be exchanged via electronic facsimile machines and any electronic facsimile of any party's signature shall be deemed to be an original signature for all purposes.

**Section 38. Relationship.**

Notwithstanding anything else herein to the contrary, neither party hereto shall be construed or held, by virtue of this Lease, to be the agent, partner, joint venturer, or associate of the other party hereto, it being expressly understood and agreed that the relationship between the parties hereto is and at all times during the term of this Lease, shall remain that of Lessor and Lessee.

**Section 39. Severability.**

If any clause or provision of this Lease is illegal, invalid or unenforceable under present or future laws effective during the term of this Lease, then and in that event, it is the intention of the parties hereto that the remainder of this Lease shall not be affected thereby, and it is also the intention of the parties to this Lease that in lieu of each clause or

provision of this Lease that is illegal, invalid or unenforceable, there be added, as a part of this Lease, a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

**Section 40. Transferability; Release of Lessor.**

Lessor shall have the right to transfer and assign, in whole or in part, all of its rights and obligations under this Lease and in the Property, and upon such transfer, Lessor shall be released from any further obligations hereunder, and Lessee agrees to look solely to the successor in interest of Lessor for the performance of such obligations.

**Section 41. Tax Waiver.**

Lessee waives all rights pursuant to all Laws to protest appraised values or receive notice of reappraisal regarding the Property (including Lessor's personalty), irrespective of whether Lessor contests the same. However, if the Property is separately assessed by the applicable taxing authority as a result of this Lease, the Lessee may, at its own cost and upon written consent of Lessor, contest the assessed value of the Property.


**Section 42. Attorneys' Fees.**

If any action at law or in equity is necessary to enforce or interpret the terms of this Lease, the prevailing party shall be entitled to reasonable attorneys' fees, costs, and necessary disbursements in addition to any relief to which it may be entitled.

Executed by the parties to be effective as of the Effective Date set forth above.


**LESSOR**

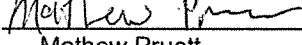
Montana Rail Link, Inc., a Montana corporation

By:   
Joe Genti, Manager Real Estate

**LESSEE**

dba Koo Beans Coffee

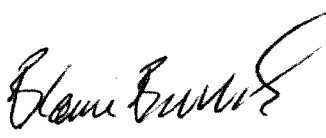
By:   
Alania Eastman

By:   
Mathew Pruett

BNSF's execution in the space provided below evidences BNSF's consent to this Lease. This Lease is not valid and shall have no force and effect without BNSF's signature.

**BNSF**

BNSF Railway Company

By: 



## EXHIBIT "B"

### WORK LETTER AGREEMENT

THIS WORK LETTER AGREEMENT (the "Agreement") supplements that certain Indefinite Term Lease For Land ("Lease") dated \_\_\_\_\_, \_\_\_\_\_ by and between MONTANA RAIL LINK, INC., a Montana corporation ("Lessor"), and \_\_\_\_\_, a(n) \_\_\_\_\_ ("Lessee"). In the event of any conflict between the provisions of this Agreement and the provisions of the Lease, the provisions of this Agreement shall control. Unless the context otherwise requires, capitalized terms not defined herein shall have the meaning assigned to such terms in the Lease.

In the event Lessee uses one or more general contractors or subcontractors ("Contractor(s)") for any improvements, alterations, build out, finish out, or other similar work on the Property ("Work"), Lessee agrees to and accepts the following:

1. Prior to performing any Work, Lessee shall obtain Lessor's and BNSF's approval of each Contractor and any Work to be performed by such Contractor shall be performed pursuant to a written contract between Lessee and the Contractor ("Work Contract") approved in advance by Lessor and BNSF.
2. Prior to commencing any Work, Lessee shall submit for Lessor's and BNSF's review and approval Lessee's plans, specifications and/or drawings for such Work (collectively, "Plans") in accordance with the procedure set forth in the Lease.
3. All Work must be performed at Lessee's sole cost and expense and in accordance with the Plans which have previously been approved by Lessor and BNSF.
4. Lessee shall cause its Contractors to meet all insurance and indemnification requirements required of Lessee under the Lease and shall obtain indemnification and insurance provisions from its Contractors in favor of Lessor and BNSF and in the same form as set forth in the Lease.
5. Prior to the commencement of the Work, all required local building, fire, health and other departments must approve all Plans requiring approval by local building codes. In addition, the Work shall be performed, installed and/or constructed in accordance with all applicable federal, state and local laws, codes, ordinances, rules and regulations, including without limitation, the Americans With Disabilities Act of 1990, 42 U.S.C.A. 12101 *et seq.*
6. Lessee shall be responsible for obtaining all municipal and other governmental licenses or permits for the Work with copies furnished to Lessor and BNSF prior to commencement of any construction.
7. Lessee shall furnish Lessor and BNSF, for Lessor's and BNSF's approval, a copy of its schedule of the Work. Lessee shall perform the Work in accordance with the schedule approved by Lessor and BNSF, and any changes in such schedule must be approved by Lessor and BNSF in writing in advance.
8. Notwithstanding the status of the completion of the Work, Lessee's obligation for payment of Rent and other amounts due under the Lease shall commence on the Commencement Date provided in the Lease. Notwithstanding anything herein to the contrary, Lessor and BNSF may, in Lessor's and BNSF's sole discretion, permit Lessee and Lessee's Contractors to enter the Property prior to the Commencement Date in order to commence Work; provided, however, that Lessee agrees that such early entry or occupation of the Property shall be governed by all of the terms and conditions of the Lease and this Agreement (including the insurance and indemnity requirements therein), as such terms and conditions are more specifically set forth in the Lease and this Agreement.
9. During construction, Lessor and BNSF reserves the right to inspect the Work at any time upon reasonable notice to Lessee.
10. Lessee's Contractors shall keep the Property reasonably clean at all times during the performance of the Work.
11. All Work must be performed in a good and workmanlike manner, free from defects in materials and workmanship.

12. If any materialman's, mechanic's, laborer's or any other liens for any work claimed to have been undertaken for Lessee or at Lessee's request is filed against the Property, Lessee shall indemnify, defend and hold harmless Lessor and BNSF from any such liens filed during the term of the Lease and shall, at Lessee's own expense, cause all such liens to be removed within ten (10) days after written notice from Lessor or BNSF to Lessee of the filing thereof.

13. Lessee must obtain Lessor's and BNSF's reasonable approval that the Work has been completed in substantial accordance with the approved plans and specifications. Lessor and BNSF shall receive copies of all Certificates of Occupancy and as-built drawings (electrical, mechanical, fire and architectural) prior to approving the Work.

14. All guarantees and warranties provided by Lessee's Contractors shall be issued to Lessee and, for Work which is or will at the termination of this Lease be Lessor's property, also to Lessor and BNSF.

IN WITNESS WHEREOF, the parties hereto have executed this Work Letter Agreement to be effective as of the date first set forth above.

**LESSOR:**

Montana Rail Link, Inc., a Montana corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**LESSEE:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

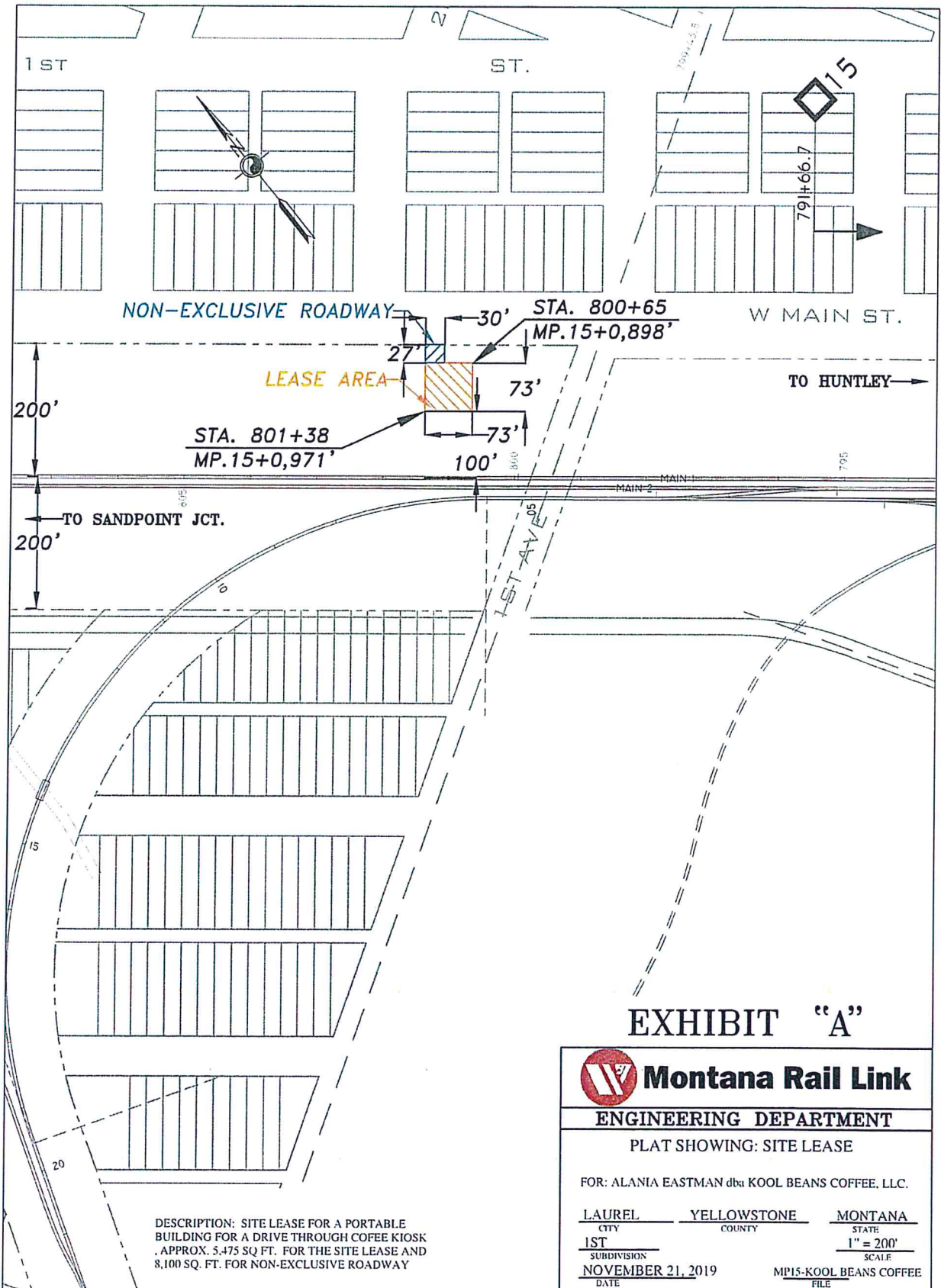
*Sample*

BNSF's execution in the space provided below evidences BNSF's consent to this Work Letter Agreement. This Work Letter Agreement is not valid and shall have no force and effect without BNSF's signature.

**BNSF**

BNSF Railway Company, a Delaware corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



DESCRIPTION: SITE LEASE FOR A PORTABLE BUILDING FOR A DRIVE THROUGH COFFEE KIOSK . APPROX. 5,475 SQ. FT. FOR THE SITE LEASE AND 8,100 SQ. FT. FOR NON-EXCLUSIVE ROADWAY

## EXHIBIT "A"

 <b>Montana Rail Link</b>		
<b>ENGINEERING DEPARTMENT</b>		
PLAT SHOWING: SITE LEASE		
FOR: ALANIA EASTMAN dba KOOL BEANS COFFEE, LLC.		
<u>LAUREL</u> <small>CITY</small>	<u>YELLOWSTONE</u> <small>COUNTY</small>	<u>MONTANA</u> <small>STATE</small>
<u>1ST</u> <small>SUBDIVISION</small>	<u>NOVEMBER 21, 2019</u> <small>DATE</small>	<u>1" = 200'</u> <small>SCALE</small>
		<u>MP15-KOOL BEANS COFFEE</u> <small>FILE</small>

CITY OF LAUREL, MONTANA  
CONDITIONAL USE APPLICATION



Date received: 7-17-20

Twelve copies of this form, along with the appropriate fee, shall be submitted to the Planning Board Secretary on the first day of the month prior to the month in which the application shall be heard by the Zoning Commission. The Planning Board Secretary shall note the time of receipt, keep one copy, send one copy to the Planning Director, and forward the remainder to the members of the Zoning Commission. The Planning Board Secretary shall publish notice of a public hearing in the local newspaper at least 15 days prior to the Zoning Commission meeting at which the application will be considered; adjacent property owners of record within 150 feet of the application property shall also be notified by mail by the Zoning Commission. **The applicant or the authorized agent must attend the public hearing before both the Zoning Commission and the City Council.**

1. Name of Land Owner: Montana Rail Link
2. Address: 101 International Dr PO box 16624 Missoula, MT
3. Phone #: 406 523-1314
4. Legal Description of Property asking for Conditional Use:  
Sta. 800+65  
mp 15+0, 898'
5. Address of property or general location: 1<sup>st</sup> and main st
6. Map Showing Property Location with Circle Drawn within 150' thereof: \_\_\_\_\_
7. List of Property Owners of Record within the 150' Perimeters. (Obtained from the County Clerk and Recorder's Office first (4<sup>th</sup> floor of County Courthouse) and the Department of Revenue Office second (14<sup>th</sup> floor of Wells Fargo Bank Building in downtown Billings).
8. Existing Zoning: Rail Road industrial
9. Specific Land being Requested: 300 sqft lot for  
coffee kiosk
10. Reason for Request: Opening another small  
Business in the heart of Laurel  
(Coffee kiosk)
11. Scaled Drawing of the property showing the proposed use and improvements, adjacent land use, fences, driveways, etc.: \_\_\_\_\_
12. Other Information as may be required by the City. \_\_\_\_\_
13. Review fee paid and date paid: N/A \$550 residential  
7/17/20 \$1,100 commercial

After the public hearing for the conditional use, the Zoning Commission shall delay its recommendation to the City Council no longer than 30 working days. The City Council shall publish notice of and conduct a second public hearing before the Council, consider the recommendation of the Zoning Commission, and make its decision.

Scheduled before Planning Board: 8/19/20 Scheduled before City Council: 9/8/20  
Final Approval: \_\_\_\_\_

## Chapter 17.62

### CONDITIONAL LAND USES

#### Sections:

- 17.62.010 Purpose.**
- 17.62.020 Requirements.**
- 17.62.030 Application process.**

#### **17.62.010 Purpose.**

The purpose of conditional land uses is to provide for specific uses, other than those already allowed in each zoning district, which may be compatible uses in the district under certain safeguards or conditions. The conditional land use permitting process is intended to provide a detailed and comprehensive review of such proposed, compatible developments and to insure the interest of the public, the community, and the larger neighborhood area are protected. Conditional uses, once granted by the city, are sight specific and run with the land. Land use changes not specifically included in the approval of a conditional use are a violation of the city zoning ordinance. (Ord. 03-4 (part), 2003)

#### **17.62.020 Requirements.**

No structure or land use may be used for any purpose other than those allowed within a zoning district as specified in the zoning ordinance unless either a variance has been granted (under Chapter 17.60 or 17.64 of this code) or a conditional land use permit therefor has been provided. The zoning commission may recommend and the city can require any information that will allow the decision makers to comprehensively evaluate and decide on applications for conditional uses brought before them. The zoning commission may recommend and the city can require, after consideration of the application for conditional

use, those conditions under which such land use may be allowed to include but not be necessarily limited to the following:

A. Adequate ingress and egress with concern for vehicular and pedestrian safety and convenience, traffic flow and control, and emergency access as reviewed and approved by the city public works director;

B. Adequate off-street parking and loading with attention to vehicular and pedestrian safety and traffic flow;

C. Conditions that control, specify, or plan for the generation of odors, noise, hours of operation, signage, or impact on the neighborhood of natural systems;

D. Adequate landscaping, screening, mitigation of impact on adjacent property and buffering; and

E. Compatibility with adjacent and neighborhood land uses and Laurel's GMP. (Ord. 03-4 (part), 2003)

#### **17.62.030 Application process.**

Twelve copies of the conditional use application form and required review fee shall be submitted to the planning board secretary thirty working days prior to the regularly scheduled zoning commission/planning board meeting at which the application will be considered. The planning board secretary shall note the time of receipt, keep one copy, send one copy to the city planner, and forward the remainder to the members of the zoning commission.

A. The zoning commission shall publish notice of public hearing in the local newspaper at least fifteen days prior to the zoning commission meeting at which the application will be considered; adjacent property owners of record within one hundred fifty feet of the application property shall also be notified by mail by the zoning commission. The applicant

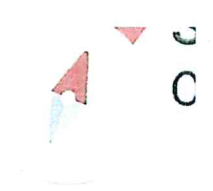
17.62.030

or the authorized agent must attend the public hearings before both the zoning commission and the city council.

B. The conditional use application shall include twelve copies of:

1. Conditional use application form;
2. Legal description of the property;
3. Address or general location of property;
4. Existing zoning;
5. Specific land use being requested;
6. Reason for request;
7. Scaled drawings of the subject property, proposed use, existing buildings and improvements, adjacent land use, fences, etc.;
8. Other information as may be needed by the zoning commission;
9. Name, address and telephone number of owner of record;
10. Name, address and telephone number of agent of owner of record;
11. List of current property owners adjacent to and within one hundred fifty feet of the parcel for which a conditional use permit is sought;
12. Review fee.

C. After the public hearing for the conditional use, the zoning commission shall delay its recommendation to city council no longer than thirty working days. The city council shall publish notice of and conduct a second public hearing before the council, consider the recommendation of the zoning commission and make its decision. (Ord. 03-4 (part), 2003)



Laurel City Court Clerk  
Open

Harmony, Coffee Bar & Boutique  
Open

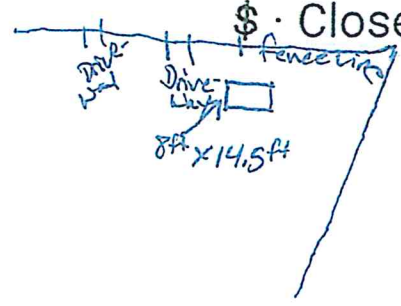
K C Interiors  
Open

3rd Ave

2nd Ave

The Yogurt Shop  
Closed

Hair On



W Railroad St

E Railroad St

The UPS Store

Hardee's

Motive Inn

Reese & Ray's IGA

Ave



#7

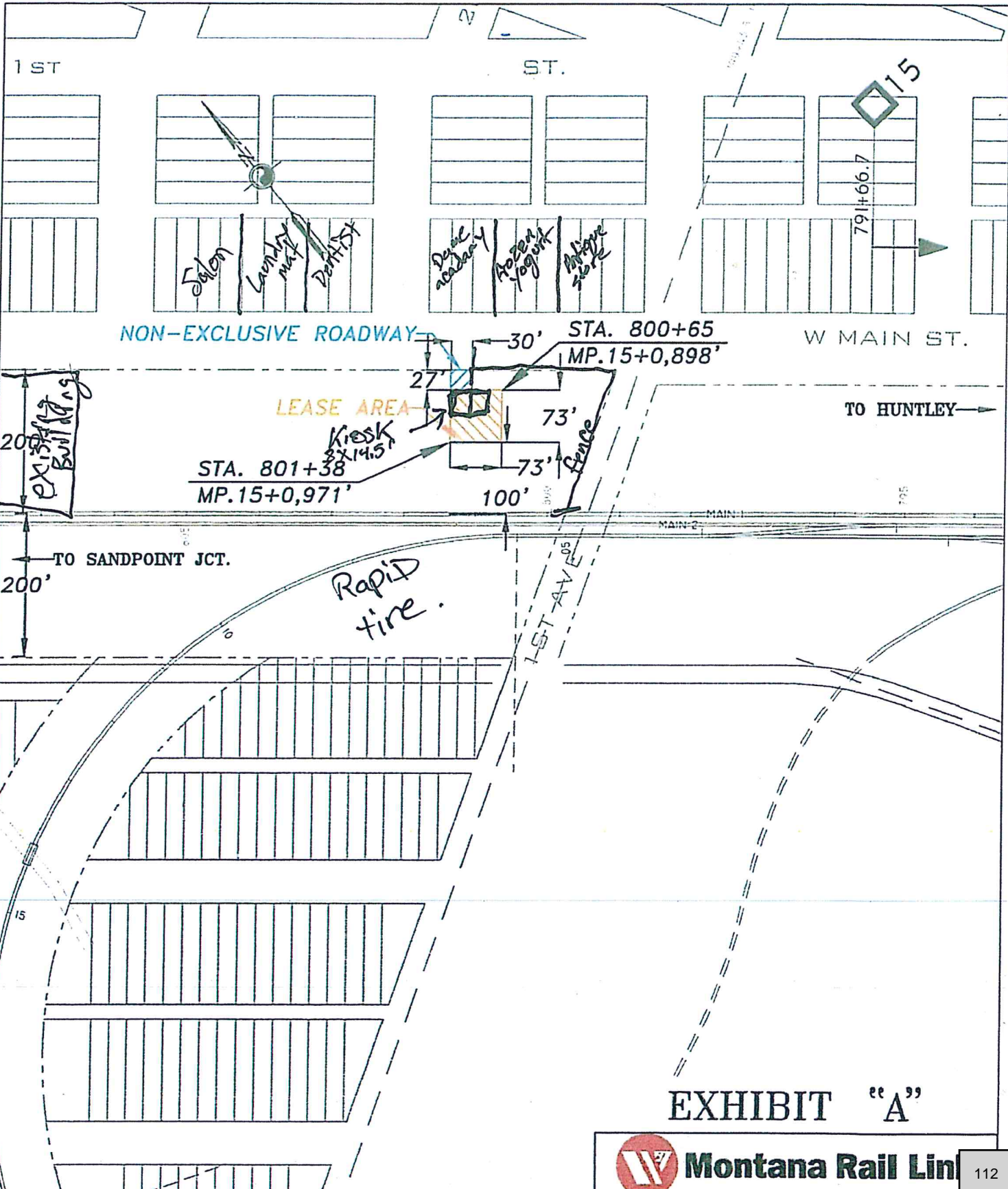


EXHIBIT "A"



ADJACENT PROPERTY OWNERS

Blessed Beginning - 101 W main St Ste 1

406-628-2294

The Yogurt Shop - 105 W main St

406-633-4477

Laurel hearing aid - 109 W main St

406 628-4498

Dame talent - 110 W main St

Salon envy - W main St

406-628-4110

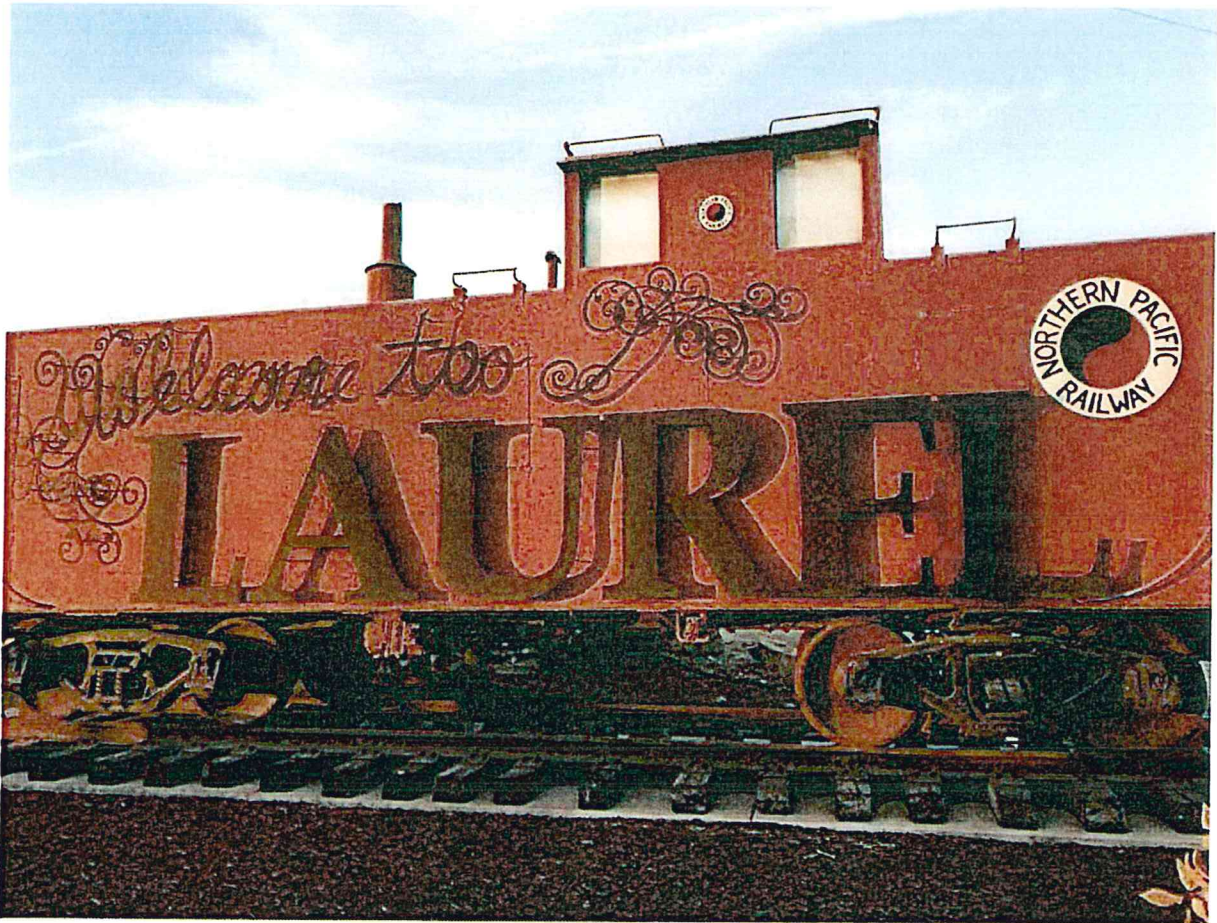
**CITY HALL**  
115 W. 1st. St.  
**PUB WORKS: 628-4796**  
PWD FAX: 628-2241  
**WATER OFFICE: 628-7431**  
WTR FAX: 628-2289  
**MAYOR: 628-8456**

# City of Laurel

P.O. Box 10  
Laurel, Montana 59044



MAYOR  
DEPARTMENT



September 1, 2020

Dear City of Laurel Governing Body,

Transmitted herewith is the annual operating and capital budget recommendations for the City of Laurel for the fiscal year ending June 30, 2021. This year's budget was a difficult one, as you know. Hard decisions have already been made, and I anticipate

additional ones will have to be made. However, wonderful things have come to fruition this past fiscal year, and I am incredibly proud of the City of Laurel staff, Council, and community for coming together to get these projects completed.

The mill value came in at \$8,357.896/mill this year, which is a slight decrease of \$9.617/mill over last year. The mill value in 2019-2020 was \$8,367.513/mill. Even though the City's mill value has slightly decreased the total amount of mills has increased. Last year the City's total mill levy was 152.22 and this year it is 154.79. Overall, the City will receive an additional \$34,966 in taxable revenue. This increase is not enough to sustain the increase in appropriations. I am working with the City Planner Director to complete the Growth Management Plan, for the City, during the 2021 Fiscal Year. Without a growth plan, and additional annexations, the General Fund is not going to be able to support the continued increases to appropriations.

The following are the changes in apportionment of the levies from 2019-2020 to 2020-2021:

<b>Fund:</b>	<b>20-21 Levy</b>	<b>19-20 Levy</b>	<b>Difference</b>
General Fund	76.87	89.47	-12.60
Library	27.61	27.61	+0.00
Comprehensive Liability	11.43	6.00	+5.43
PERS	9.16	8.14	+1.02
Group Health	25.72	17.00	+8.72
Fire Disability	4.00	4.00	+0.00
<b>Total</b>	<b>154.79</b>	<b>152.22</b>	<b>+2.57</b>

The Comprehensive Liability Fund premiums have decreased by \$10,747. This is due to liability and worker's compensation claims against the City. Claims against the City are on a three-year rolling calendar. The City of Laurel received a \$32,281 retro adjustment due to excess reserves MMIA had at the end of the 2019 Fiscal Year. This was an increase to last year's adjustment of \$642.00. With the passage of the Safety plan the City is hoping to reduce the amount of Worker's Compensation claims and improve safety. This year the Comprehensive Liability Fund should have 11% reserves in preparation for next year. At this time last year there were 0% reserves in this fund.

PERS rates have increased by .1% for the seven year in a row. Per PERS, this amount will be increased on the City's side .1% per year through 2024. Please note that this fund only covers the General Fund employees. All other funds must budget for their

employees' PERS. As wages increase in the General Fund so does PERS. With the lack of additional tax revenues to support the General Fund, and other non-voted levied funds, the reserves in the PERS fund are at down to 1% this year. At this time last year, they were at 8%.

Group Health, along with the Permissive Health Levy Fund, will provide insurance payments to the General Fund.

The Fire Disability Fund was reduced to 4.00 mills this year. The City has an obligation to fund the Fire Pension for volunteers. These 4.00 mills amount to \$33,431.58 and will be given to the Firemen's Relief Association for pension payments. The total pension that is expected to approximately be distributed in the year 2020-2021 is \$52,131.00. The cash balance at the end of June 2019 was \$0. The 4.00 mills are to supplement the balance of the Pension Fund.

<u>Fund:</u>	<u>20-21 Levy</u>	<u>19-20 Levy</u>	<u>Difference</u>
Airport Authority	3.20	3.15	+0.05

The Airport Authority Board has its own taxing authority. This year, the fund will receive 0.05 mills more than last fiscal year, however, the total tax revenue is \$444.73 less.

<u>Fund:</u>	<u>20-21 Levy</u>	<u>19-20 Levy</u>	<u>Difference</u>
Permissive Levy for Health Ins. (HB409)	25.43	19.75	+5.68

The permissive mill value was \$170,192.05 in 2018-2019, \$166,109.92 in 2019-2020, and valued at \$212,541.30 this fiscal year.

#### Employee Wages and Benefits

Unemployment insurance has decreased from 0.0015% to 0.0025% this year, on gross wages. This is an increase from last year. It is expected with the recent use of Unemployment across the nation that it will drive the rates of Unemployment up substantially.

Workers' compensation rates overall went down this year. The City's mod factor, however, increased from 1.02 in 2019-2020 to 1.04 in 2020-2021.

The Police Union received 2% increases to their wages, per their contract.

The Public Works Union negotiations are ongoing. They were budgeted a 2% wage increase as it aligns with the 303 Union wage increase and the non-union wage increase.

I am recommending a 2% increase to wages for non-union employees.

**Fund 1000 - General Fund:**

The General Fund appropriations are budgeted at \$4,346,795.00, with revenues coming in at \$3,892,027.00. We should not be using cash reserves this year. General Fund should have 12% reserves at the end of the Fiscal Year.

Notable changes to the General Fund this year include:

***Revenues:***

- General Fund tax revenue dropped due to the mill requirements of Comp Insurance, PERS, and Health Insurance.
- General Fund has \$377,000 budgeted in revenues from the Yellowstone River Recreation Project Fund. These funds are associated with the ExxonMobil Pipeline spill.

***Expenditures:***

- \$377,000 has been budgeted, in parks, for the projects approved by the Yellowstone River Recreation Project Plan.

**Fund 2220 – Library**

***Revenues:***

- The projected tax revenues are \$230,761.51 for this fiscal year.

***Expenditures:***

- The Library Board has submitted their budget to the governing body for approval
- The Library Board will need to come up with additional revenues of \$64,400 due to their budgetary shortfall.

**Fund 2250 – Planning**

***Revenues:***

- The projected revenues from the County are \$93,000 for this fiscal year, and this is 60% more than last year. General Fund will contribute \$0.00 Planning this year with layoffs and reallocation of wages and the increase in fees.

***Expenditures:***

- The Growth Management Plan is budgeted to this fund. KLJ will assist with this project.

**Fund 2260 – Emergency Disaster**

***Revenues:***

- The City will not levy 2 mills this fiscal year.

**Fund 2310 - Tax Increment Financing**

***Revenues:***

- Revenues are calculated at \$613,851.00 for this fiscal year.
- TIF sold their bond last Fiscal Year. The East Downtown Infrastructure Improvements Project looks nice.



***Expenditures:***

- The Large Grant Programs will continue this year at an increased amount of \$225,000. This is available to accommodate large projects for businesses in the district. A small grant program has been added this fiscal year. The Façade and Technical Assistance grant programs are still available as well.

**Fund 2400 & 2401 – Light Districts #2 & 3**

***Revenues:***

- Not assessing in Fiscal Year 2020-2021 to help reduce to burden on our local businesses. As these funds have healthy cash balances that can support the monthly utility payments. Assessments will begin again for Fiscal Year 2021-2022.

***Expenditures:***

- Expenditures have increased slightly due to an increase in utility costs.

**Fund 2500 – Street Maintenance**

***Revenues:***

- The State is still responsible for street cleaning on Main Street. and South 1<sup>st</sup> Avenue
- The Street Maintenance assessment to the citizens of Laurel will be \$900,001.46 for street maintenance and \$18,031 for the sweeping district.
- The Street Maintenance Fund will continue to receive the R-O-W fees in the amount of \$360,173.

***Expenditures: -***

- There is \$200,000 budgeted for pothole repair and chip sealing.
- The Public Works Director has a list of streets that will be crack sealed and chip sealed. This project is budgeted at \$900,000
- The Street Maintenance Fund has a project budgeted to remove trees from the storm drains.



### Fund 2600 – Elena Park Maintenance District

#### *Revenues:*

- Elena Park Maintenance District will not be assessed this fiscal year due to excess cash reserves.

#### *Expenditures:*

- \$12,500 has been budgeted to plant boulevard trees within the maintenance district



### **Fund 2701 – Memorial/Endowment (Pool)**

#### ***Expenditures:***

- The entire amount of \$114,500 is available for expenditure, should the Council decide to pursue a water-related project.

### **Fund 2702 – Expendable Grant**

- Amount available for reconstruction on the north shore of the river is \$114,300.

### **Fund 2820 – Gas Tax**

#### ***Revenues:***

- The total revenue for the gas tax allotment this year is \$122,029, which is down from last year.
- There is concern over the stability of these funds due to COVID and reduced travel and reduced gas purchases. No monies will be spent from this fund until revenues have been received.

#### ***Expenditures:***

- A street project dependent upon received revenues.

### **Fund 2821 – HB 473-Gas Tax**

#### ***Revenues:***

- The revenues available from this gas tax fund are \$140,670.
- There is concern over the stability of these funds due to COVID and reduced travel and reduced gas purchases. No monies will be spent from this fund until revenues have been received.

#### ***Expenditures:***

- \$85,000 has been budgeted for misc. street maintenance project.
- A street project dependent upon received revenues.

### **Fund 2917 – Crime Victims Assistance**

- This fund has \$84,500 budgeted for a Crime Victims' Program. The City Prosecutor and Clerk/Treasurer talked with Yellowstone County to try to get an interlocal agreement set up for victim witness services, this was not able to happen. The new Prosecutor is eager to start a new program within the City of Laurel.

### **Fund 2928 – Transit Bus Grant**

#### ***Revenues:***

- The City's \$30,097 grant to manage the bus transit system has been renewed for this fiscal year.
- \$7,400 will be transferred from the General Fund to the Transit Fund for the City's match.
- The City has been awarded a Capital Equipment Assistance Grant in the amount of \$67,356.64 for a 13 passenger ADA cut away bus.

#### ***Expenditures:***

- \$30,000 has been budgeted for the bus drivers that are employed by the Adult Resource Alliance of Yellowstone County.
- \$30,000 has been budgeted for the purchase of a new transit bus if one becomes available.

### **Fund 2952 – Federal Equitable Sharing**

#### ***Revenues:***

- These revenues come from property confiscated by the Department of Justice during drug seizures. The property is sold, and the revenues are distributed to those agencies that are part of the DEA program. The use of the revenues received by the City is left to the discretion of the Police Chief.
- The revenues can no longer be budgeted per the Department of Justice Standard Operating Procedure for this fund.

#### ***Expenditures:***

- The expenditures for this fund can no longer be budgeted per the Department of Justice Standard Operating Procedure for this fund.

### **Fund 3400 – SID Revolving**

#### ***Expenditures:***

- The cash in this fund is held for purposes of possible defaults on SID property payments. If, for some reason, there is not enough cash in the SID Funds when debt service payments are due, the cash in this fund may be transferred to the Debt Service Fund (3500 funds) to make the payment.

### **Fund 3401 – SID 118 Reserve**

#### ***Expenditures:***

- The cash in this fund is held for purposes of possible defaults on SID No. 118 property payments. If, for some reason, a property owner defaults on their payment, the cash in this fund may be transferred to the Debt Service Fund 3508 to make the payment. SID No. 118 Reserve Fund may only be used for this purpose, and monies may not be transferred to any other SID Fund.

### **Funds 3503 – 3508 – SID Debt Service Funds**

- These funds will handle the debt service for SID's. Money is collected through the tax rolls as assessments to pay the SID bond payments.

### **Fund 3504 – SID 114**

- This loan has been paid off three years early due to the available cash balance in the fund.

### **Fund 4000 – Capital Improvement Fund /CIP**

#### ***Revenues:***

- The General Fund will not be transferring any funds to the CIP Fund this year.
- CHS has generously agreed to help the City fund new extrication equipment for the Fire Department. They will provide the City with \$10,000 annually for the next 5 years.

#### ***Expenditures:***

- The remainder of the payments for VOIP Installation and Audio Video Installation.

## Fund 4001 – Capital Improvement, Streets, Sidewalks and Parks

### *Revenues:*

- The Sidewalk Assessments will be received in this revenue. The amount this year is \$2,405.

### *Expenditures:*

- The sidewalk program will be expended out of this fund up to the available amount of \$76,500.

## Enterprise

## Funds



## Fund 5210 – Water Fund

### *Revenues:*

- SED Basin's are complete.
- The total anticipated revenue to be received is \$3,150,400.00.

### *Expenses:*

- Repainting the roof of the existing water Reservoir

- Purchasing Jet Rodder.

### **Fund 5310 – Sewer Fund**

#### ***Revenues:***

- The total anticipated revenue to be received is \$1,984,745.00.

#### ***Expenses:***

- H2S Remediation is ongoing. There has been difficulty finding a solution to this problem.

### **Fund 5410 – Solid Waste**

#### ***Revenues:***

- The total anticipated revenue to be received is \$917,525.
- The repayment of the loan for the FAP addition has been budgeted in the amount of \$25,000.

#### ***Expenses:***

- Two garbage trucks are budgeted to be purchased on a lease program if revenues allow.

### **7000 Funds – Trust and Agency Funds**

These funds are considered pass-through accounts. The City collects the revenues and disperses the revenue to other entities (agencies).

Should you have any further questions about this year's budget, feel free to contact Myself or Clerk/Treasurer Bethany Langve. We have strived again this year to utilize the public funds in the best interest of the citizens, and I hope that you feel we have succeeded.

August 31, 2020

Council Members...

Before you pass the proposed budget for FY 20/21, I would like to make a statement.

This last year has been very frustrating for the library in more ways than one, not counting dealing with the COVID-19 virus.

You as a group may be unaware of the following actions have been visited upon the library and its personnel over the last 12+ months.

You are not aware that a budget meeting had been arranged for April 1, 2019 but because the Board Chair was attending, was canceled because certain persons said, "I'm not comfortable meeting with him (Chair) here". Except for one year, at least one Board member has always attended the budget meetings on behalf of the library during my tenure as director.

You are not aware that at the May 2018 Library Board meeting the Clerk/Treasurer presented the Board with "the Mayor's budget of 29 mills (\$242,984,475) to spend as we want".

That same budget was undercut to 27.62 mills (\$231,337.98) because it was considered the more appropriate amount for the library.

I stood before you last September and begged you to NOT pass that budget but to give us the full 29 mills as promised. I was told that the Ambulance department needed the money more than we did. While I agree that the expense of the Emergency Services is necessary, that should be looked at as a long-term goal, not short term. Cutting funds from budgets that are already working in austerity mode will only make it harder for that department to meet the needs of its patrons (namely the library).

You were not aware that the library had asked for \$4.00 per hour pay increases in 2019 to bring staff up to an equitable pay level with other City employees. We have made this request numerous times over the last 8 years, but we've been offered small percentages instead. One CAO even went so far as to try to convince us library staff would get better raises with percentages rather than incremental amounts. In 2018 most of the library staff were being paid less than the janitor at City Hall. After some serious consideration it was decided that the staff would receive \$0.50 per hour pay increases last year. This resulted in a significant loss of budget for new books/materials and other items to run the library.

You are not aware that the library has been forced to spend about \$6,000 of its donation monies to supplement the crippled budget just to provide patrons with the items they needed or requested. I'm not talking only books here. I am also referring to patrons needing to print forms or statements, so they can file their taxes, complete homework assignments online and print for verification, legal documents that they would email to us to print and deliver curbside, just to name a few.

You are also not aware that over \$4,000 in funds were used from the Foundation that has been accumulating to make capital changes in the library such as new shelving or the possibility of adding on to our building because we have been denied in the past for the monies to cover these costs. This is primarily what a Foundation is all about, not to pay the day-to-day expenses of the library.

You are also not aware that \$7,500 in funds granted to the library to use for soffit & fascia repair was “taken away” from the library by the Mayor without any notice in 2019. This amount was granted to the library via the CIP funds in FY 17/18 and continued into FY 18/19. The soffit & fascia still need to be replaced and are in worse condition that they were at that time.

You may also not be aware that this director has spent over \$800 in money out of her own pocket to supplement needs at the library.

You may also not be aware that December 2019 library staff met with Union representatives to ask to join the local union. The Board voted to accept the union representation in January 2020.

You are not aware that this request was denied by the Mayor in August. The Union has now filed a petition with the State of Montana Board of Personnel Appeals on behalf of the library personnel.

In preparation for the union involvement, I prepared a budget that included wage increases for library staff that the Board and Director felt the Union could accept. Along with the wage increase also comes the increase in FICA, PERS, Workers Comp, and Unemployment Insurance. Health insurance also increased this year.

You are unaware that the library was somewhat thankful that COVID-19 helped us deal with the lack of funds to purchase more content and that patrons were forced to use digital content for the first couple of months of this virus. This also brought us an extraordinary amount of materials in donation from our residents, for which I say THANK YOU.

You are not aware that the final amount budgeted for books, DVDs, audios, etc. was only \$9,000 and that 1/3 of that was used to pay for the cost of our shared catalog so patrons could place holds and search for items from home and arrange for curbside pickup while we were closed.

Also included in the budget from last year were three items that have **NEVER** been taken from the library expenses directly: PERS, Insurance on buildings/improvements, and liability insurance. I’m not saying these shouldn’t come from the library account but that there should be added funds to cover these items rather than taking it from the already stretched budget.

You are not aware that if you pass only 27.61 mills for the library it will cut our budget by another \$3,000.

You are not aware that library staff had already been receiving the budgeted pay increases since July 1, 2020 and their pay will need to be cut effective immediately by \$3.50 per hour. I have already discussed this with the staff, so we are mentally preparing for this decrease.

If you allow the passage of the current library budget of 27.61 mills we will need to make further cuts to expenses to the library. We will have to depend upon more and more donations to pay for needed items. When we don’t have the funds to cover the cost of electricity or gas at the library, we will be forced to close our doors until funding is found. We can, and are, looking for grant monies but this is usually used to supplement the budget not supplant the funding.

There are more items that could be added to this statement, but we feel this is sufficient for now.

No matter what you do with our budget, we will keep going. We will keep providing the residents of Laurel with the items they feel they need whether it is by borrowing from another library, taking in donations or holding “bake sales” to supplement our revenue.

Thank you for what you have given us thus far.

Very Sincerely,

The Laurel Public Library Board of Trustees and Director.



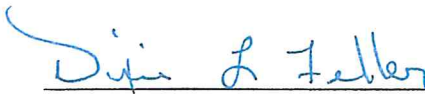
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Arthur Vogele, Chair



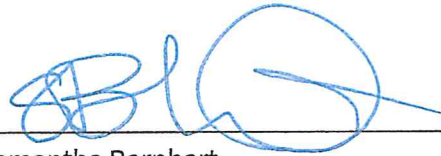
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Bill Hanson, Vice-Chair



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Dixie Feller, Federation Representative

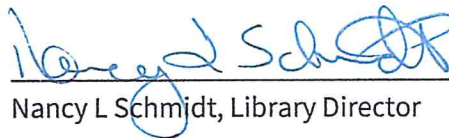


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Samantha Barnhart

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Vacant



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Nancy L Schmidt, Library Director



**File Attachments for Item:**

15. Council Workshop Minutes of February 16, 2021.

**MINUTES  
CITY OF LAUREL  
CITY COUNCIL WORKSHOP  
TUESDAY, FEBRUARY 16, 2021**

A Council Workshop was held via Zoom and called to order by Mayor Thomas Nelson at 6:31 p.m. on February 16, 2021.

**COUNCIL MEMBERS PRESENT:**

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

**OTHERS PRESENT:**

Nick Altonaga, Planning Director  
Kurt Markegard, Public Works Director  
Matt Smith, KLJ

**Public Input:**

There were none.

**General Items**

**Executive Review**

1. Resolution - A Resolution To Approve The Conditional Use Of Property For The Operation Of "Soda Station" A Beverage Kiosk On A Portion Of Property Located At 720 1st Avenue Within The City Of Laurel. (PH 2.23.2021)

Nick Altonaga, Planning Director, reviewed the attached Staff report.

It was questioned how traffic would flow through the area. It was clarified that the area is not paved currently. Once the kiosk is built, it will make more sense.

Amie Larsen, Soda Station, stated they understood that nobody wanted any traffic coming from 2<sup>nd</sup> Avenue. That was discussed during the meeting. Instead, the kiosk will be brought more into the lot so that when trucks are loading and unloading, there will be room. The kiosk will not be on the pavement. Once this site is built, they plan to be the structure at the very end where the cars are lined up. That drive will come into the lot more than it is right now. The paved area will remain clear for loading and unloading.

It was questioned if the people on 2<sup>nd</sup> Avenue complained about traffic coming in from 2<sup>nd</sup> Avenue. It was clarified the one complaint received was from someone closer to the corner of 1<sup>st</sup>

Avenue and steamed from when Dominos came in; delivery drivers were parked all over the street.

It was questioned if the temporary structure would be susceptible to high winds. It was clarified once all the equipment is in the structure, the build is very heavy. The structure will be similar to the ones located in Billings; neither location had issues in the recent windstorm. The business owner eventually wants to build a permanent building.

2. Resolution - A Resolution Of The City Council Selecting RDO Equipment As The Successful Bidder For The City's Purchase Of A Backhoe.

Kurt Markegard, Public Works Director, stated this resolution is to accept the bid for the new backhoe. The City went out for competitive bids. The bids were opened last Friday. There were two bids, one from RDO Equipment and the other was from Tractor and Equipment. Tractor and Equipment bid \$178,515 for a 450 CAT. RDO Equipment bid \$165,500 for a John Deer 710. The Utilities Departments will use this backhoe to maintain water and sewer lines. The John Deer had the correct digging depth with a larger bucket so it can load more. It will be able to dig down to the deeper sewer lines. So of the City's sewer lines are very deep. With aging infrastructure, this piece of equipment will be needed.

It was questioned why the City is going with John Deer vs. CAT. A Council Member mentioned their personal experience was that CAT held up better than John Deer did. They were simply built better and more sturdy.

The Public Works Director stated that they compared the specs for both loaders. He had suggested a new Holland that can crab crawl. Overall they found the John Deer to have more horsepower and be significantly cheaper. In the past, the City has taken the lowest reasonable bidder.

It was questioned if this was a budgeted item. It was clarified that they had budgeted \$150,000, but that was the best guess before receiving bids. The bid came in \$15,000 more. The Public Works Director stated he checked with the Clerk/Treasurer, and funds are available in the Water Fund. In the past, the City has needed to contract out for deeper digging situations. They are usually an emergent situation. Both of these backhoes met most requirements. The CAT was under the specified horsepower. John Deer met all specifications for less money.

It was questioned how the City would get replacement parts when needed for this backhoe. It was clarified that there is a local John Deer who can get parts when needed. The City is keeping its old backhoe as a backup when needed.

3. Resolution - A Resolution Of The City Council Approving A Task Order Between The City Of Laurel And KLJ Engineering Inc. To Authorize Service For The 2021 Pavement Maintenance Project.

Kurt Markegard, Public Works Director, stated this is the task order for the annual street maintenance program. They will determine what streets to do off the pavement rating system.

Matt Smith, KLJ, stated that they plan to do more chip and crack sealing of streets this year. The focus this year will be streets rated as a 7. The estimated budget for this project will be \$600,000.

The goal is to save streets from further deterioration. After all, the simple crack and chip seal streets are addressed will work into the more difficult streets. With oil and gas prices starting to increase, hoping to lock into a reasonable price rate before those prices start to go up. They need to measure the streets once the snow is gone, and then it can go out to bid. The goal is to have bids back towards the end of March or the beginning of April.

4. Resolution - A Resolution Of The City Council Approving A Task Order For KLJ Engineering Inc. To Authorize Them To Prepare An Updated Water System Preliminary Engineering Report (PER) For The City Of Laurel.

Kurt Markegard, Public Works Director, stated this task order is to update the Preliminary Engineering Report. This document will help identify water improvement projects. The City has updated the system since the last PER update. The goal is that this document will help the City apply for TSEP grants. The City can apply in April 2022 for the 2023 legislature. The City would apply for a new water reservoir. The current reservoir holds 4 million gallons. It is a steel tank from 1964. In the next five to seven years, the City needs to discuss painting the inside. In order to paint the inside the reservoir must be drained. That is nearly impossible to do currently.

Matt Smith, KLJ, stated the ultimate goal is to build a second tank as the City expands; that second reservoir will become critical. As new subdivisions come into the City, the City needs to make sure it has the capacity to handle the additional usage. Eventually, a PER for sewer will come down the pipeline.

A new reservoir may help with some of the water pressure issues in various areas of the City. Currently, the City uses booster stations to boost water pressure.

5. Resolution - A Resolution Of The City Council Creating Fees And Charges For Riverside Hall To Be Incorporated Into The City Of Laurel's Schedule Of Fees And Charges.

Mayor Nelson stated he had been asked to pull this agenda item. It will come forward in a more comprehensive package. A rental agreement, rules, and fees will all come together.

### **Council Issues**

6. Electronic Recycling Discussion.

Kurt Markegard, Public Works Director, stated he recently was sent a letter about a request to place electronic recycling at the transfer site. He spoke with the City Attorney, who suggested reaching out to MMIA about required insurance for this. It was questioned the value of the recyclables and whether the City should look at all companies in the area. The transfer site does have room for these bins.

Anthony Overcast, Green Technology Solutions, stated they are looking to set up four bins, each four feet in length. These bins are designed to sit out in the weather. They are 20 feet in length. People can drop off everything except tube TVs. They do carry insurance (\$2 million). They also have vehicle insurance for when they pick up the bins. This service is free of charge for the City.

Mayor Nelson stated the City is not near entering into an agreement at this time as some questions still need to be asked and answered. But it would be nice to keep these things out of the landfill.

Council noted it is fantastic that a recycler of this magnitude is willing to come into Laurel. Council is willing to explore the idea of having electronic recycling at the transfer site.

The Public Works Director stated he would work with Mr. Overcast to answer some of those questions this week. He had questions about signage and if people could drive up to them.

Mr. Overcast clarified there is a front door that people can open to drop items off.

### **Other Items**

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

7. Review Draft Council Agenda for February 23, 2021

Item 9 will be removed from next week's Council agenda.

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

All Council Members present will be at next week's meeting. Next week's meeting will be held in Council Chambers.

#### **Announcements**

There were no announcements made.

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

Respectfully submitted,



Brittney Moorman  
Administrative Assistant

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



## LAUREL CITY-COUNTY PLANNING DEPARTMENT

### STAFF REPORT

TO: Laurel City-County Planning Board / Zoning Commission  
FROM: Nicholas Altonaga, Planning Director  
RE: Conditional Use Permit – Soda Station – 714 1<sup>st</sup> Ave  
DATE: February 10, 2021

#### DESCRIPTION OF REQUEST

A Conditional Land Use application was submitted by Ann Pugmire on behalf of Soda Station to construct and operate a beverage kiosk on the rear portion of the property at 714 1<sup>st</sup> Avenue. An approval of a conditional land use is required to build and operate a beverage kiosk because this use is not described or defined within the zoning district it resides in.

Owner: FIRST AVENUE CENTER LLC  
Legal Description: RICCI MINOR SUB, S09, T02 S, R24 E, Lot 2, (13)  
Address: 714 N. 1<sup>st</sup> Avenue  
Parcel Size: 45,000 sqft.  
Existing Land Use: Dominos Pizza, rear of parcel is vacant.  
Proposed Land Use: Non-Alcoholic Beverage Stand/Kiosk (Soda and Pop)  
Existing Zoning: Community Commercial (CC), Community Entryway Zoning District (CEZD)

#### BACKGROUND AND PROCEDURAL HISTORY

- Planning Director spoke with the applicant in November of 2020 to discuss the requirements of the application and the process.
- An application was provided to the Planning Department on November 13, 2020
- The Applicant provided additional information to the Planning Department on December 6, 2020.
- A public hearing for the Conditional Land Use took place on December 16, 2020 Planning Board meeting.
- The Planning Board tabled the Conditional Land Use discussion until the January meeting to allow the applicant to be present and provide additional details.
- The Planning Board discussed the matter on January 20, 2021 with the applicant present.

- Planning Board voted to recommend approval of the Conditional Land Use with conditions.
- A public hearing for the Conditional Land Use is scheduled for the City Council Meeting on February 23, 2021.
- The public hearing requirements of 1762.030 have been met.

### **STAFF FINDINGS:**

The applicant is requesting approval of a conditional land use to construct and operate a beverage kiosk on the rear portion of 714 N. 1<sup>st</sup> Ave in Laurel. This use is not specifically delineated or defined within Chapter 17 of the Laurel Municipal Code. As such, a Conditional Land Use application is required. The following findings have been noted by the Planning Department after reviewing the Conditional Land Use application and supplementary documents.

- The location of the proposed beverage kiosk is zoned as Community Commercial (CC)
- The Purpose of Community Commercial zoning is primarily to “accommodate community retail, service and office facilities offering a greater variety than would normally be found in a neighborhood or convenience retail development.”
- The Applicant has contacted the neighboring property owner to discuss driveway access for site traffic flow.
- The Applicant has received approval for two parking spaces, with more allocated if necessary.
- The applicant has provided a concept site plan and photos of the proposed kiosk.
- The concept plan and proposed stand pictures do not appear as if they will negatively impact the surrounding neighborhood by changing community character, lighting, or noise.
- The only mention of kiosks in the Laurel Municipal Zoning Code is within the Off-Street Parking Code.

### **PLANNING BOARD AND GOVERNING BODY REVIEW CRITERIA:**

***“17.62.020 – Requirements” contains the review criteria for the Zoning Commission to discuss and recommend actions on conditional land uses. The text of this subchapter is included below.***

***No structure or land use may be used for any purpose other than those allowed within a zoning district as specified in the zoning ordinance unless either a variance has been granted (under Chapter 17.60 or 17.64 of this code) or a conditional land use permit therefor has been provided. The zoning commission may recommend and the city can require any information that will allow the decision makers to comprehensively evaluate and decide on applications for conditional uses brought before them. The zoning commission may recommend and the city can require, after consideration of the application for conditional use, those conditions under which such land use may be allowed to include but not be necessarily limited to the following:***

- A. ***Adequate ingress and egress with concern for vehicular and pedestrian safety and convenience, traffic flow and control, and emergency access as reviewed and approved by the city public works director;***
- B. ***Adequate off-street parking and loading with attention to vehicular and pedestrian safety and traffic flow;***
- C. ***Conditions that control, specify, or plan for the generation of odors, noise, hours of operation, signage, or impact on the neighborhood of natural systems;***
- D. ***Adequate landscaping, screening, mitigation of impact on adjacent property and buffering; and***
- E. ***Compatibility with adjacent and neighborhood land uses and Laurel's GMP.***

**STAFF SUGGESTED CONDITIONS:**

The Planning Director recommends the approval of the Conditional Land Use application to operate a non-alcoholic beverage kiosk on 714 N. 1<sup>st</sup> Ave. The Planning Director suggests the Planning Board/Zoning Commission and City Council consider adopting the following conditions of approval.

- 1. No land uses shall be established on site that are not specifically included in this approval.
- 2. Any land use not specifically included in this approval shall be considered a violation of the City of Laurel zoning ordinance.
- 3. New construction regarding the approved conditional use shall apply for building permits when applicable.
- 4. The approved land use shall comply with the zoning requirements of the district or districts the property falls within.
- 5. The approved land use shall comply to the City of Laurel Sign Code
- 6. The approved land use shall comply with the City of Laurel off-street parking requirements.
- 7. The Applicant shall apply for all necessary permits and licenses prior to operating the beverage stand.
- 8. The kiosk/stand will be constructed in the interior of the lot.
- 9. The applicant must begin construction on the future permanent structure within 12 months of the Conditional Land Use approval.
- 10. The applicant shall establish a bathroom agreement for kiosk employees with a nearby business.
- 11. The kiosk will be served by City Water and Sewer services.

**ATTACHMENTS:**

- 1. Conditional Land Use Application
- 2. Map of 714 N. 1<sup>st</sup> Ave with 150ft buffer
- 3. List of property Owners within 150ft of 714 N. 1<sup>st</sup> Ave
- 4. Minutes from January 17, 2021 Planning Board meeting.
- 5. Public Hearing Notice – December 16, 2021 Planning Board
- 6. Public Hearing Notice – February 23, 2021 City Council
- 7. Soda Station Kiosk Concept Site Plan & Images
- 8. LMC 17.20 – Commercial – Industrial use Regulations
- 9. LMC 17.26 – Community Entryway Zoning District
- 10. LMC 17.62 – Conditional Land Uses
- 11. Additional Comments/Information provided by the Applicant.



# CITY OF LAUREL, MONTANA CONDITIONAL USE APPLICATION

Date received: \_\_\_\_\_

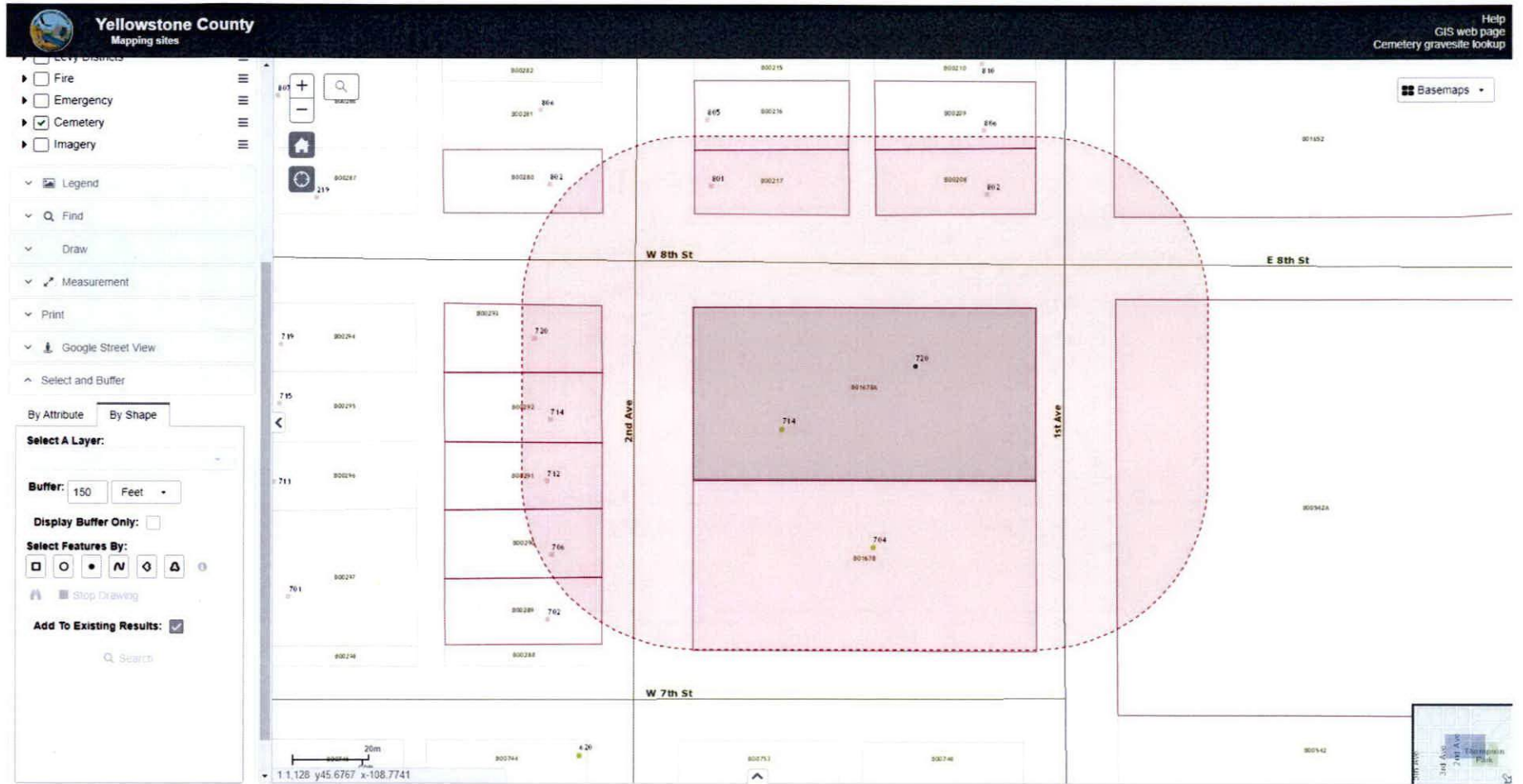
Twelve copies of this form, along with the appropriate fee, shall be submitted to the Planning Board Secretary on the first day of the month prior to the month in which the application shall be heard by the Zoning Commission. The Planning Board Secretary shall note the time of receipt, keep one copy, send one copy to the Planning Director, and forward the remainder to the members of the Zoning Commission. The Planning Board Secretary shall publish notice of a public hearing in the local newspaper at least 15 days prior to the Zoning Commission meeting at which the application will be considered; adjacent property owners of record within 150 feet of the application property shall also be notified by mail by the Zoning Commission. **The applicant or the authorized agent must attend the public hearing before both the Zoning Commission and the City Council.**

1. Name of Land Owner: 1st Ave Center LLC
2. Address: 720 1st Ave
3. Phone #: 406 670 7236
4. Legal Description of Property asking for Conditional Use:  
RICCI MINOR SUB, S09, T02S, R24E, LOT 2, (13)
5. Address of property or general location: 720 1st Ave. Laurel, MT 59044
6. Map Showing Property Location with Circle Drawn within 150' thereof: \_\_\_\_\_
7. List of Property Owners of Record within the 150' Perimeters. (Obtained from the County Clerk and Recorder's Office first (4<sup>th</sup> floor of County Courthouse) and the Department of Revenue Office second (14<sup>th</sup> floor of Wells Fargo Bank Building in downtown Billings).
8. Existing Zoning: Commercial
9. Specific Land being Requested: SE corner of lot - see attached photos
10. Reason for Request: To put a temporary Beverage Kiosk on property, called Soda Station
11. Scaled Drawing of the property showing the proposed use and improvements, adjacent land use, fences, driveways, etc.: attached pictures
12. Other Information as may be required by the City. \_\_\_\_\_
13. Review fee paid and date paid: \_\_\_\_\_ \$550 residential  
\_\_\_\_\_ \$1,100 commercial

After the public hearing for the conditional use, the Zoning Commission shall delay its recommendation to the City Council no longer than 30 working days. The City Council shall publish notice of and conduct a second public hearing before the Council, consider the recommendation of the Zoning Commission, and make its decision.

Scheduled before Planning Board: \_\_\_\_\_ Scheduled before City Council: \_\_\_\_\_  
Final Approval: \_\_\_\_\_

# Soda Station Kiosk – Overhead Map with 150ft Buffer



- City Districts
- Fire
- Emergency
- Cemetery
- Imagery
- Legend
- Find
- Draw
- Measurement
- Print
- Google Street View
- Select and Buffer
  - By Attribute
  - By Shape
  - Select A Layer:
  - Buffer: 150 Feet
  - Display Buffer Only:
  - Select Features By:
  - Stop Drawing
  - Add To Existing Results:
  - Search



Soda Station – List of Property Owners within 150ft of 714 N. 1<sup>st</sup> Ave

Owner Name	Tax Code	Legal Description	Address
CITY OF LAUREL	B00542A	S09, T02 S, R24 E, PARK IN NE4	E 8TH ST
SCHOOL DISTRICT #7	B01652	MORRIS SUBD 1ST FILING, S09, T02 S, R24 E, BLOCK 7, Lot 12 - 22, & LTS 11-20 BL*	203-208-210-300 E MARYLAND LN
FLOHR, CHAD &	B00289	FIRST AVE SUBD, S09, T02 S, R24 E, BLOCK 7, Lot 2, & N37.5 FT LT 1	702 2ND AVE
SCHREINER, ALICE E &	B00290	FIRST AVE SUBD, S09, T02 S, R24 E, BLOCK 7, Lot 3 - 4	706 2ND AVE
WRIGG, HELEN A & CARLIN K	B00291	FIRST AVE SUBD, S09, T02 S, R24 E, BLOCK 7, Lot 5 - 6	712 2ND AVE
KING, ROBERT J & BERNICE	B00292	FIRST AVE SUBD, S09, T02 S, R24 E, BLOCK 7, Lot 7 - 8	714 2ND AVE
REIBER, DOUGLAS	B00293	FIRST AVE SUBD, S09, T02 S, R24 E, BLOCK 7, Lot 9 - 10	720 2ND AVE
LAUREL OPPORTUNITIES LLC	B01678	RICCI MINOR SUB, S09, T02 S, R24 E, Lot 1, (13)	704 1ST AVE
FIRST AVENUE CENTER LLC	B01678A	RICCI MINOR SUB, S09, T02 S, R24 E, Lot 2, (13)	714 1ST AVE
WILLIS, DONNA M	B00280	FIRST AVE SUBD, S09, T02 S, R24 E, BLOCK 6, Lot 1 - 2	802 2ND AVE
ZIMMERMAN, JOE JR & ALETTA	B00208	FIRST AVE SUBD, S09, T02 S, R24 E, BLOCK 1, Lot 1 - 2	802 1ST AVE
SIEGEL, NANCY J	B00209	FIRST AVE SUBD, S09, T02 S, R24 E, BLOCK 1, Lot 3 - 4	806 1ST AVE
LAVELY, STEVEN R	B00216	FIRST AVE SUBD, S09, T02 S, R24 E, BLOCK 1, Lot 17 - 18	805 2ND AVE
BARRETT, JASON H & PAMELA LEE	B00217	FIRST AVE SUBD, S09, T02 S, R24 E, BLOCK 1, Lot 19 - 20	801 2ND AVE



**MINUTES  
CITY OF LAUREL  
CITY/COUNTY PLANNING BOARD  
WEDNESDAY, JANUARY 20, 2021  
5:35 PM  
CITY COUNCIL CHAMBERS**

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

1. Roll Call

The Chair called the meeting to order at 5:36pm

Jon Klasna  
Evan Bruce  
Roger Giese  
Dan Koch  
Judy Goldsby  
Ron Benner (Arrived at 5:37pm)  
Nick Altonaga (City of Laurel)

**General Items**

2. Approve Meeting Minutes: December 16, 2020

Dan Motioned to Approve the meeting minutes from the December 16 2020 meeting as presented  
Evan seconded.  
Motion Carried.

**New Business**

**Old Business**

3. Conditional Land Use: Soda Station Kiosk

Nick provided a summary of the previous planning board meeting and public hearing. The Applicant Annie Larson and associates were present (Cassie, Ed (owner of the property), and Randy (business owner, landlord for current location)).

Ron had concerns about the driveway and traffic direction. Suggested moving the stand to the interior of the lot

- The future plan is to build another full structure on the back of the lot, with a drive through off of 2<sup>nd</sup> Avenue. The Soda Station operation will then be located within the building.

Ron remembered a previous discussion at City Council about ingress/egress and the issues it poses.

- The plan with the second building is to have a parking lot to the west of the building, which will have the cars stacked for the drive-thru within the parking lot.

Roger: There is a lot of traffic at various times through that area. Is the kiosk moveable?

- The building will be tied to city services but is a temporary structure. Plan to have a water and sewer line to the future building.

Where is the current location?

- Off of Shiloh, with another location planned in the Heights.
- It will be a new building.

Plan to trench over to the kiosk, as if building 2 was already there.

Will the building have bathrooms?

- No, we have agreements with nearby businesses to utilize restrooms for employees at this time.

Judy: Status of garbage collection?

- The dumpster for the lot is behind the Chiropractor office/Dominos.

Discussion of timeline of getting the second building constructed.

- 6-12 months
- Will place an extra bin behind Town Pump to utilize.

Discussion of utilities

- There is one utility meter for the whole small complex. The tenants and owner pay the bill through that.

Ron discussed his worry about temporary businesses and kiosks that don't have to pay full taxes like other major brick and mortar operations.

- Cassie: The flip side of not paying full taxes/fees for full brick and mortar is a limited scope of operations.
- Plan to create up to 12 jobs within the community.
- Have gotten good feedback from Laurel high school students who like working at the existing Billings kiosk and are excited to work locally.

Judy: would the 2<sup>nd</sup> building be a full drive through and walk-in service?

- The structure would be mostly geared towards drive-thru but would have limited walk-in service.

Members discussed the different issues at hand and certain added conditions of approval.

Nick restated the conditions of approval:

- Moving the structure to the interior of the lot
- Must begin construction of future permanent structure within 12 months of Conditional Land Use approval.
- Establish a bathroom agreement with nearby business.
- Hook-up to city services (Water and Sewer)

Ron Motioned to approve the conditional land use application for the Soda Station beverage kiosk with the conditions included in the staff report as well as those additional conditions established by Planning Board.

Dan Seconded.

Motion Carried.

## **Other Items**

### 4. Uniquities Sign Review

Planning Board members reviewed the sign design and Laurel zoning code.

Ron Motioned to approve the Uniquities Sign as designed.

Jon Seconded.

Motion Carried.

### 5. Upcoming Projects

Discussion of Cherry Hills 3<sup>rd</sup> Filing.

Discussion of the status of Goldberg Sporting Estates.

Follow up with Dan Wells for Regal Community Park?

- Nick will be following up on the multiple issues that Planning Board and City Council have noted.

SE 4<sup>th</sup> Variance upcoming at February or March meetings.

Iron Horse Station 2<sup>nd</sup> Phase discussion. Should be finalized soon.

Nick will also be following up on the affordable housing project off 8<sup>th</sup> Ave.

## **Announcements**

### 6. Adjourn

The Chair adjourned the meeting at 6:35pm.

### 7. Next Meeting: February 17, 2021

**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.**

## **DATES TO REMEMBER**

## PUBLIC HEARING NOTICE

The Laurel City-County Planning Board and Zoning Commission will conduct a public hearing on a conditional land use application submitted by Annie Pugmire on behalf of Soda Station to operate a soda stand at 720 1<sup>st</sup> Avenue. This property is zoned Community Commercial (CC) and is within the Community Entryway Zoning district (CEZD). The Zoning Commission hearing is scheduled for **5:35PM on Wednesday, December 16, 2020 Via Zoom Meeting.** The meeting log-in details will be available on the meeting agenda. Additionally, the City Council has scheduled a public hearing and consideration of approval for the conditional use that is scheduled for **6:30 P.M. on Tuesday, January 12, 2021 Via Zoom Meeting.**

A Conditional Land Use Application is required to operate a soda stand at 720 1<sup>st</sup> Avenue because that type of use and structure is not described in Chapter 17.20 – Commercial – Industrial Use Regulations. The conditional land use permitting process is intended to provide a detailed and comprehensive review of the proposed use and ensure that the interest of the public, the community, and surrounding neighborhood are protected. Conditional uses that are granted by the city are site specific and run with the land. Land use changes not specifically included in the approval of the conditional use are a violation of the city zoning ordinance.

Public comment is encouraged and can be provided at the public hearings on December 16<sup>th</sup> and January 12<sup>th</sup>. Public comment can also be made via email to the Planning Director, or via letter to the Planning Department office at 115 West 1<sup>st</sup> Street Laurel, MT 59044. A copy of the conditional use application and supporting documentation is available for review upon request at the Planning Department office. Questions regarding this public hearing may be directed to the Planning Director at 628-4796 ext. 5, or via email at [cityplanner@laurel.mt.gov](mailto:cityplanner@laurel.mt.gov).



## PUBLIC HEARING NOTICE

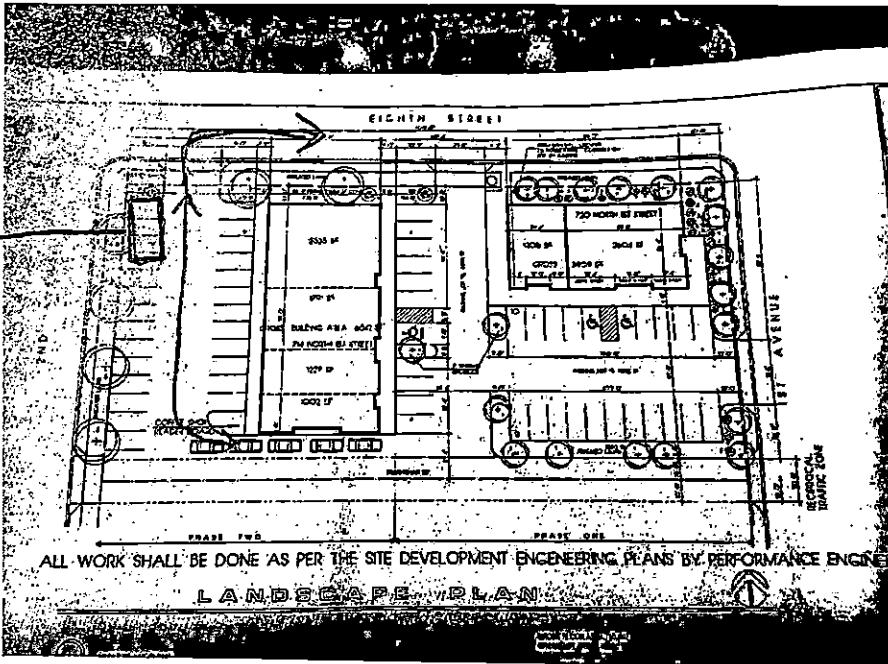
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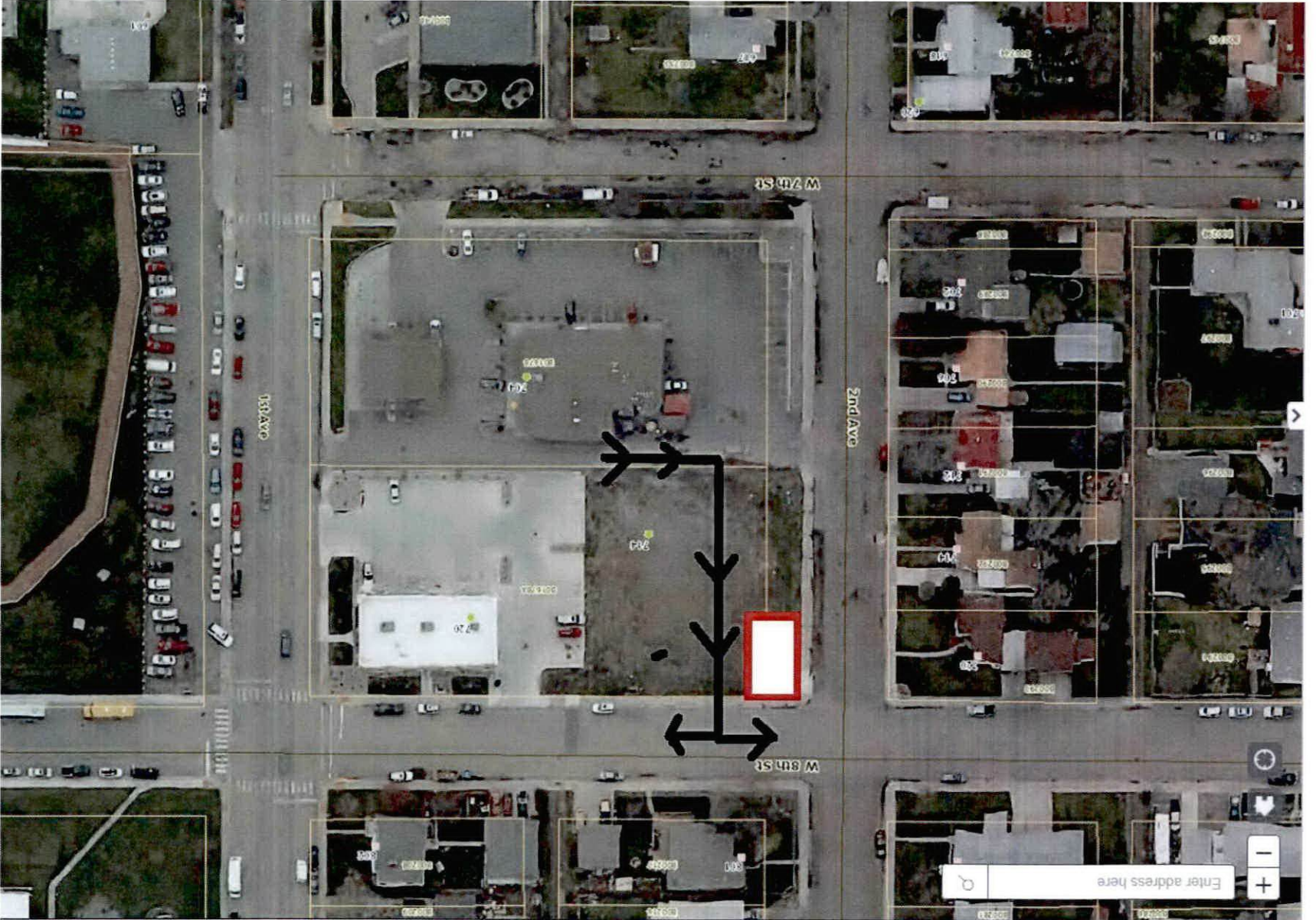
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• Bathroom Agreement with  
Don Jones at Dickey's BBQ

Temp spot for Soda Station kiosk





17.20.010 - List of uses.



Table 17.20.010 designates the special review (SR) and allowed (A) uses as governed by commercial — industrial use regulations.

	AG	RP	NC	CBD	CC	HC	LI	HI	P
Accessory buildings or uses incidental and customary to a permitted residential use and located on the same parcel as the permitted residential use	A	A	A	A	A	A	A	A	A
Airports	A								A
Alcoholic beverages manufacturing and bottling (except below):							A	A	
1,500 to 5,000 31-gallon barrels per year				SR	SR	SR	A	A	
Less than 1,500 gallon barrels per year				A	A	A	A	A	
Ambulance service			A	A	A	A	A	A	
Antique store				A	A	A	A		
Appliance - (household) sales and service			A	A	A	A	A		
Assembly halls and stadium					SR	SR	SR		SR
Assembly of machines and appliances from previously prepared parts					SR	SR	SR		SR
Auction house, excluding livestock				SR	SR	A	A	A	
Auction, livestock	SR								
Automobile sales (new and used)				A	A	A	A		
Automobile - commercial parking enterprise				A	A	A	A	A	
Automobile and truck repair garage				A	A	A	A	A	
Automobile service station			A	A	A	A	A	A	
Automobile wrecking yard									SR
Bakery products manufacturing					SR	A	A	A	
Bakery shops and confectioneries			A	A	A	A	A		
Banks, savings and loan, commercial credit unions			A	A	A	A	A		
Barber and beauty shops			A	A	A	A	A		
Bed and breakfast inns	A		A		A	A			
Bicycle sales and repair			A	A	A	A	A		
Blueprinting and photostating			A	A	A	A	A		
Boarding and lodging houses	A		A		A	A			
Boat building and repair						A	A	A	
Boat sales new and used					A	A	A	A	
Boiler works (manufacturing servicing)									A
Boiler works (repair and servicing)							A	A	
Book and stationery store			A	A	A	A	A		
Bottling works							A	A	
Bowling alleys				A	A	A	A		
Brick, tile or terra cotta manufacture									A
Bus passenger terminal buildings local and cross country				A	A	A	A		
Bus repair and storage terminals						A	A	A	
Camera supply stores			A	A	A	A	A		
Camps, public					SR	A			A
Car washing and waxing					A	A	A		
Car wash - coin operated			A	A	A	A	A		
Cement, lime and plastic manufacture									A
Ceramics shop		SR	A	A	A	A	A		
Chemical and allied products manufacture									A
Child care facilities	A		A		A	A			
Churches and other places of worship including parish houses and Sunday school building	A	SR	A	A	A	A	A	A	
Clinic, animal	A		A	A	A	A	A		
Clinics, medical and dental		SR	A	A	A	A	A		
Clothing and apparel stores			A	A	A	A	A		
Coal or coke yard									A
Cold storage					A	A	A		
Colleges or universities			A	A	A	A			A
Commercial recreation areas			SR	A	A				A



**17.20.010 - List of uses.**

Table 17.20.010 designates the special review (SR) and allowed (A) uses as governed by commercial – industrial use regulations.

	AG	RP	NC	CBD	CC	HC	LI	HI	P
Commercial food products, storage and packaging						SR	A	A	
Communication towers (commercial)	A	A	A	A	A	A	A	A	SR
Concrete mixing plants and manufacturing of concrete products							A	A	
Construction contractors:									
Office			A	A	A	A	A	A	
Open storage of construction materials or equipment						SR	A	A	
Community residential facilities:									
Adult foster family care home	A		A		A	A			
Community group home	A		A		A	A			
Halfway house	A		A		A	A			
Youth foster home	A		A		A	A			
Youth group home	A		A		A	A			
Nursing, homes, convalescent homes, orphanages, and charitable institutions	A		A		A	A			
Crematorium						SR	A	A	SR
Creameries, dairy products manufacturing							A	A	
Creosote manufacturing or treatment plants								A	
Department stores				A	A	A	A		
Drug stores			A	A	A	A	A		
Dry kiln								A	
Dwellings: single-family Manufactured home Class A, Class B, Class C	A	A	A	A	A				
two family			A	A	A				
multiple family			A	A	A				
row housing			SR	SR	SR				
Eating and drinking establishments:									
Cocktail lounge, restaurants, bars and taverns				SR	SR	SR	SR		
Restaurants (without the sale of alcoholic beverages)				A	A	A	A		
Drive-in restaurants					SR	SR	SR		
Extractive industries - excavations of sand and gravel		SR					SR		
Farm implements, sales and service						A	A	A	
Fat rendering or production of fats and oils								SR	
Feedlots – livestock	A							SR	
Feed and seed processing and cleaning for retail purposes									
Feed and seed - farm and garden retail sales					A	A	A		
Fertilizer manufacturing								SR	
Fertilizer wholesale sales						SR	SR	A	
Fertilizer - retail sales					A	A	A		
Florist, wholesale sales	SR				A	A	A		
Florist, retail sales			A	A	A	A	A		
Flour mills							SR	SR	
Food products manufacturing, storage and processing						SR	SR	A	
Food stores (retail only)				A	A	A	A		
Food stores (retail only) - 3000 sq. ft.			A	A	A	A	A		
Foundry								A	
Frozen food lockers					A	A	A		
Fuel oil, gasoline and petroleum products bulk storage or sale						A	A	A	
Furnace repair and cleaning					A	A	A	A	
Furniture and home furnishings, retail sales			A	A	A	A	A		
Furriers, retail sales and storage			A	A	A	A	A		
Gambling establishments				A	A	A	A		
Garbage, offal and animal reduction or processing							SR		
Garbage and waste incineration								SR	
Gas storage								SR	

17.20.010 - List of uses.

Table 17.20.010 designates the special review (SR) and allowed (A) uses as governed by commercial — industrial use regulations.



	AG	RP	NC	CBD	CC	HC	LI	HI	P
Gases or liquified petroleum gases in approved portable metal containers for storage or sale						A	A	A	
Grain elevators	A					SR	SR	A	
Greenhouses	A				A	A	A	A	
Hardware, appliance and electrical supplies, retail sales				A	A	A	A		
Hatcheries	A						SR	SR	
Heliports				SR		SR	SR	SR	SR
Hobby and toy stores			A	A	A	A	A		
Hospitals (for the care of human patients)			A	A	A	A		A	
Hospital, animal		A		SR	SR	A	A	A	
Hotels				A	A	A			
Industrial chemical manufacture except highly corrosive, flammable or toxic materials								SR	
Irrigation equipment sales and service					A	A	A	A	
Jails and penal institutes									A
Janitor service				A	A	A	A		
Jewelry and watch sales			A	A	A	A	A		
Kennels – commercial	A				SR	A	A		
Laboratories for research and testing						SR	A	A	
Landfills - reclamation or sanitary									A
Laundries, steam and dry-cleaning plants							A	A	
Laundries, steam pressing, dry-cleaning and dyeing establishments in conjunction with a retail service counter under 2500 sq. ft. in size			A	A	A	A	A		
Laundries, pick up stations			A	A	A	A	A		
Laundries, self-service coin operated			A	A	A	A	A		
Libraries, museums, and art galleries			A	A	A	A	A		A
Lock and gunsmiths			A	A	A	A	A		
Lodges, clubs, fraternal and social organizations provided that any such club establishment shall not be conducted primarily for gain				A	A	A			
Lumber yards, building materials, storage and sales						A	A	A	
Machine shops						SR	A	A	
Manufacturing - light manufacturing not otherwise mentioned in which no excessive fumes, odors, smoke, noise or dust is created						SR	A	A	
Heavy manufacturing not otherwise mentioned or blending or mixing plants						SR	SR		
Meat processing - excluding slaughter plants						SR	A		
Meat processing, packing and slaughter								SR	
Medical marijuana cultivation facility or cultivation facility							A	A	
Medical marijuana dispensary or dispensary							A		
Metal fabrication						SR	SR	A	
Motorcycle sales and repair				A	A	A	A		
Mortuary			A	A	A	A	A		
Motels and motor courts				A	A	A			
Music stores			A	A	A	A	A		
Office building, professional government and private office buildings in which no activity is carried on catering to retail trade and no stock of goods is maintained for sale	SR	SR	A	A	A	A	A	A	SR
Office equipment, supplies and service			A	A	A	A	A		
Optician and optical supplies and sales			A	A	A	A	A		
Oxygen manufacturing and/or storage								A	
Paint and body shops				A	A	A	A	A	
Paint and retail sales			A	A	A	A	A		
Parking, public		SR	A	A	A	A	A	A	A



**17.20.010 - List of uses.**

Table 17.20.010 designates the special review (SR) and allowed (A) uses as governed by commercial — industrial use regulations.

	AG	RP	NC	CBD	CC	HC	LI	HI	P
Parks, playgrounds, playfields and golf courses, community center buildings - operated by public agency, neighborhood or homeowner's association	A	SR							A
Pawn shops				A	A	A	A		
Pet shops			A	A	A	A	A		
Photographic studios		SR	A	A	A	A	A		
Planing or saw mills								A	
Post-secondary school	A	A	A	A	A	A			A
Prefabricated building materials assembly and manufactures						SR	A	A	
Preschool	A	SR	SR	SR					
Printing, publishing, reproduction and lithography				A	A	A	A	A	
Processing of previously slaughtered meats, including cutting, wrapping, and freezing by freezer and locker provisioners					A	A	A	A	
Public utilities service installations	SR	SR	SR	A	A	A	A	A	SR
Public utilities storage yard						A	A	A	SR
Radio and TV broadcasting stations				A	A	A	A	A	
Radio and TV tower						A	A	A	SR
Railroad yard							A	A	
Real estate office			A	A	A	A	A		
Rental service store and yard					A	A	A		
Repair and servicing of industrial equipment and machinery						A	A	A	
School, commercial			A	A	A	A			A
Scrap yards - storage and processing								A	
Secondhand stores and/or antique store				A	A	A	A		
Sheet metal shops and processing							A	A	
Shoe repair				A	A	A	A	A	
Sign manufacturing, painting and maintenance						A	A	A	
Sign									
Billboards	SR					SR	SR	SR	
On premises	A	SR	A	A	A	A	A	A	
Off premises	SR			SR	SR	SR	SR	SR	
Slaughterhouse	SR							SR	
Sporting goods sales				A	A	A	A		
Storage, compartmentalized storage for commercial rent							SR	SR	
Storage and warehouse and yards							SR	A	
Stone cutting, monuments manufacturing and sales							SR	A	
Sugar and sugar beet refining								SR	
Swimming pools or beaches, public									A
Taxi stands				A	A	A	A		
Theaters, cinema, opera houses				A	A	A			
Drive-in theaters						SR			
Tire recapping and retreading						A	A	A	
Trailer and recreational vehicle sales area					A	A	A		
Travel trailer park (transient)						SR			
Truck terminals, repair shops, hauling and storage yards						A	A	A	
Water and sewage treatment plant	A								A
Wholesale and jobbing establishments						SR	A	A	
Woodworking shops, millwork						SR	A	A	
Zoo, arboretum	SR								A

(Ord. No. 009-01, 3-17-09; Ord. No. 009-07, 7-7-09; Ord. No. 011-01, 2-15-2011; Ord. No. 0-14-03, 8-5-2014)

### 17.16.010 - List of uses.

Table 17.16.010 designates the special review (SR) and allowed uses (A) in residential districts.

Table 17.16.010

	RE 22,000	R 7,500	R 6,000	RLMF	RMF	RMH	PUD	SR	RT
Accessory building or use incidental to any permitted residential use customarily in connection with the principal building and located on the same land parcel as the permitted use		A	A	A	A	A	A	A	A
Animals (see zoning district description for specifics)								A	
Automobile parking in connection with a permitted residential use		A	A	A	A	A	A	A	A
Bed and breakfast inn		SR	SR	SR	SR	SR	SR	SR	SR
Boarding and lodging houses		SR	SR	SR	SR	SR	SR	SR	SR
Cell towers (see Sections 17.21.020—17.21.040)									
Cemetery		SR	SR	SR	SR	SR	SR	SR	
Child care facilities									
Family day care home		A	A	A	A	A	A	A	A
Group day care home		A	A	A	A	A	A	A	A
Day care center		SR	SR	SR	SR	SR	SR	SR	SR
Churches and other places of worship including parish house and Sunday school buildings		SR	SR	SR	SR	SR	SR	A	SR
Communication towers (see Sections 17.21.020—17.21.040)									
Community residential facilities serving eight or fewer persons		A	A	A	A	A	A	A	A
Community residential facilities serving nine or more persons		SR	SR	SR	SR	SR	SR	SR	SR
Orphanages and charitable institutions		SR	SR	SR	SR	SR	SR	A	SR
Convents and rectories		SR	SR	SR	SR	SR	SR	A	SR
Crop and tree farming, greenhouses and truck gardening									
Day care facilities		SR	SR	SR	SR	SR	SR	SR	SR
Kennels (noncommercial)		A	A	A	A	A	A	A	A
Dwellings Single-family		A	A	A	A	A	A	A	A
Two-family			A	A	A		A		
Multifamily				A	A		A		
Manufactured homes									
Class A						A			
Class B						A			
Class C						A			
Row Housing				SR	SR		A		
Family day care homes		A	A	A	A	A	A	A	A
Greenhouses for domestic uses		A	A	A	A	A	A	A	A
Group day care homes		A	A	A	A	A	A	A	A
Home occupations		A	A	A	A	A	A	A	A
Parking, Public		SR	SR	SR	SR	SR	SR	SR	SR
Parks, playgrounds, playfields, and golf courses community center buildings—operated by public agency, neighborhood or homeowners' associations		A	A	A	A	A	A	A	A
Planned developments							A		
Post-secondary school		A	A	A	A	A	A	A	A
Preschool		SR	SR	SR	SR	SR	SR	SR	SR
Public service installations		SR	SR	SR	SR	SR	SR	SR	SR
Schools, commercial		SR	SR	SR	SR	SR	SR	SR	SR
Schools, public elementary, junior and senior high schools		A	A	A	A	A	A	A	A
Towers (see Sections 17.21.020—17.21.040)									



## Chapter 17.62 - CONDITIONAL LAND USES

### 17.62.010 - Purpose.

The purpose of conditional land uses is to provide for specific uses, other than those already allowed in each zoning district, which may be compatible uses in the district under certain safeguards or conditions. The conditional land use permitting process is intended to provide a detailed and comprehensive review of such proposed, compatible developments and to insure the interest of the public, the community, and the larger neighborhood area are protected. Conditional uses, once granted by the city, are sight specific and run with the land. Land use changes not specifically included in the approval of a conditional use are a violation of the city zoning ordinance.

(Ord. 03-4 (part), 2003)

### 17.62.020 - Requirements.

No structure or land use may be used for any purpose other than those allowed within a zoning district as specified in the zoning ordinance unless either a variance has been granted (under Chapter 17.60 or 17.64 of this code) or a conditional land use permit therefor has been provided. The zoning commission may recommend and the city can require any information that will allow the decision makers to comprehensively evaluate and decide on applications for conditional uses brought before them. The zoning commission may recommend and the city can require, after consideration of the application for conditional use, those conditions under which such land use may be allowed to include but not be necessarily limited to the following:

- A. Adequate ingress and egress with concern for vehicular and pedestrian safety and convenience, traffic flow and control, and emergency access as reviewed and approved by the city public works director;
- B. Adequate off-street parking and loading with attention to vehicular and pedestrian safety and traffic flow;
- C. Conditions that control, specify, or plan for the generation of odors, noise, hours of operation, signage, or impact on the neighborhood of natural systems;
- D. Adequate landscaping, screening, mitigation of impact on adjacent property and buffering; and
- E. Compatibility with adjacent and neighborhood land uses and Laurel's GMP.

(Ord. 03-4 (part), 2003)

### 17.62.030 - Application process.

Twelve copies of the conditional use application form and required review fee shall be submitted to the planning board secretary thirty working days prior to the regularly scheduled zoning commission/planning board meeting at which the application will be considered. The planning board secretary shall note the time of receipt, keep one copy, send one copy to the city planner, and forward the remainder to the members of the zoning commission.

- A. The zoning commission shall publish notice of public hearing in the local newspaper at least fifteen days prior to the zoning commission meeting at which the application will be considered; adjacent property owners of record within one hundred fifty feet of the application property shall also be notified by mail by the zoning commission. The applicant or

the authorized agent must attend the public hearings before both the zoning commission and the city council.

- B. The conditional use application shall include twelve copies of:
1. Conditional use application form;
  2. Legal description of the property;
  3. Address or general location of property;
  4. Existing zoning;
  5. Specific land use being requested;
  6. Reason for request;
  7. Scaled drawings of the subject property, proposed use, existing buildings and improvements, adjacent land use, fences, etc.;
  8. Other information as may be needed by the zoning commission;
  9. Name, address and telephone number of owner of record;
  10. Name, address and telephone number of agent of owner of record;
  11. List of current property owners adjacent to and within one hundred fifty feet of the parcel for which a conditional use permit is sought;
  12. Review fee.
- C. After the public hearing for the conditional use, the zoning commission shall delay its recommendation to city council no longer than thirty working days. The city council shall publish notice of and conduct a second public hearing before the council, consider the recommendation of the zoning commission and make its decision.

(Ord. 03-4 (part), 2003)

**File Attachments for Item:**

16. Council Workshop Minutes of April 20, 2021.

**MINUTES  
CITY OF LAUREL  
CITY COUNCIL WORKSHOP  
TUESDAY, APRIL 20, 2021**

A Council Workshop was held in Council Chambers and called to order by Mayor Tom Nelson at 6:30 p.m. on April 20, 2021.

**COUNCIL MEMBERS PRESENT:**

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

**OTHERS PRESENT:**

Karen Courtney, Building Official/Code Enforcement  
Stan Langve, Police Chief

**Public Input:**

Leslie Atkins, 7 3<sup>rd</sup> Avenue, stated that she owns the building on the corner of Main Street and 3<sup>rd</sup> Avenue. She is requesting that Council change the parking on 3<sup>rd</sup> Avenue to angled parking. She has received input from her tenants that the parking is awful. She took this request to LURA and was told she needed to bring the issue before Council. She also stated that a study has been done already and that the City Manager has it.

Mayor Nelson stated this item will be brought forward at an appropriate Workshop and have Staff present.

Donna Williams, 623 Elm, stated she moved here a year ago from California. At that time, she was informed they could have chickens in their backyard. When she went to buy them, she found out that she is half a block from the County line and is unable to house chickens on her property. She stated that a family who has 3 or 4 children could butcher the chickens to feed the children if needed. Mayor Nelson stated the discussion on chickens is on this agenda and asked that Ms. Williams speak during that portion of the meeting.

**General Items**

**Executive Review**

1. Resolution - A Resolution Of The City Council Authorizing The Mayor To Sign A Contract With All Seasons Roofing For Repairs And Installation Of Roofing Materials At The Fire, Ambulance And Police (FAP) Building And The Library.

This quote was initially brought to the Budget/Finance Committee but was pulled because it needed a small service contract as it includes labor and warranty. There was only one roofing company willing to bid on the project. The roof is a rubber roof, and most roofers do not deal with the repair. Ice damming is tearing up the roof.

2. Ordinance - An Ordinance Amending Certain Chapters Of Title 15 Of The Laurel Municipal Code Relating To The City's Miscellaneous Requirements For Homes, Buildings And Construction. (1st Reading)

Karen Courtney, Building Official, stated that she had brought Titles 13, 14 and now brings forward Title 15, miscellaneous requirements for homes, buildings, and construction. Parts of this chapter have been moved to other chapters where they fit more appropriately. There was duplicated and conflicting language that was cleaned up. The language for fence permits and floodplains has been cleaned up. Typos have been corrected. This Title still referenced codes no longer in existence.

Abatement of buildings was using a 1997 code that cannot be bought anymore. It now reflects what Great Falls is using. It is a fresher code and not antiquated. Section 15.50 moved to Title 13. Section 15.60 regarding trailer courts referenced an old MCA that has been redone.

It was questioned if chain-linked fence needed a permit. It was clarified that all fences being installed would need a permit. Quick maintenance does not require a permit. Change of location or type will need a permit. The City has always required a permit.

It was questioned if there were anyone was living in trailers, not in a court. It was clarified that trailers on the streets are not occupied. Trailer houses need to be in a designated court. Camp trailers fall under nuisance and parking. There is enforcement in this ordinance. There are ways to address them parked on the street or an area not zoned for a trailer home.

It was questioned if our camping area will need to be licensed. It was clarified that the State and DHHPS regulate campgrounds.

### **Council Issues**

3. Resolution No. R19-07

Mayor Nelson stated Resolution No. R19-07 was tabled indefinitely back in March of 2019. Council needs to bring it back to the table and vote it down. This is a formality at this point.

It was questioned if Council would see this at next week's meeting. It was clarified that Council would need to bring it back to the table. It was further clarified that this item was tabled at Mr. Brown's request. Shortly thereafter, they entered into negotiations and a lawsuit. This item was taken care of during the settlement of that lawsuit. The resolution is moot.

#### 4. Discussion on Chickens.

Council noted that citizens have brought forward interest in allowing chickens. They also stated that there needs to be a serious discussion about all the pros and cons before making any decisions. Council also noted that the biggest concern would be a community following the rules. One example is how well residents follow the two-dog limit in City limits. Having strong measures in place to hold people accountable is essential when discussing the issues around chickens.

Mayor Nelson clarified that citizens could only have two dogs. If they have more than two, they would need a small kennel license for a fee of \$50.00. It was questioned how many could some have with a small kennel license. Mayor Nelson stated he would check and report back to Council.

It was noted how neighbors would get along should one have chickens and the other has cats, will these cause problems. It was clarified that if chickens are kept in predator-proof cages, this shouldn't be an issue.

Megan Keys, 420 7<sup>th</sup> Avenue, thanked Council for bringing up chickens as a discussion item. She stated predator-proof enclosures are a way to keep the cats away from the chickens. If predators cannot get in, the chickens cannot get out. She stated she was part of writing the proposal that DJ Poolet brought forward. She stated she thought a permit could help keep the chickens in check and if people aren't following the rules, then deal with them on an individual basis. She again thanked Council for their time.

Donna Williams, 623 Elm, stated that previously she had wild chickens and no roosters. She had made a coop house that was fully enclosed and had a roof on it. They had 12 chickens and never lost one chicken. She emphasized that people would need to follow the rules and cannot keep them wild in their back yard. She is willing to go to any extent via the law to do it the right way and not the wrong way.

Kris Keys, 420 7<sup>th</sup> Avenue, stated they had purchased a coon proof coop. He stated his nephews live out of town and have goats, chickens, and a turkey. His 3-year-old son loves to pick out the eggs. He was raised in Billings, and his friends have that option, and he would like that option as well. They would like to have chickens to see if they would like to move more rural. His son talks about chickens and goats and wants that kind of life.

Council stated they were willing to look into allowing chickens. It was questioned how those options might be explored. It was further questioned if having Code Enforcement do some foundation work instead of creating a committee. Mayor Nelson clarified that if Council is interested in chickens, he can ask Code Enforcement to bring forward a draft ordinance on allowing chickens that Council could review and discuss further.

Police Chief Langve stated that he had chickens growing up approximately 30 years ago. They were out of town and had a lot more room. Looking at this both as the Chief of Police and as a resident. Health and human safety are always a significant concern. Chicken poop can be very

potent. It's the residents who don't follow the rules that become in the issue. The cost is the biggest issue. Currently, the calls for service and crimes reported are both up 31% as compared to 2020. His department has been very busy. The hope is to bring back the parking and barking Officer. And include code enforcement, all nuisance issues in their duties. It is a very time-consuming process. The City cannot have chickens running around. The question is, what happens when a fence falls over, and there are chickens on the loose. What happens in an abuse case where the animals are seized? The City is obligated to care for those animals until the case is resolved. If residents are allowed to have six chickens, what are they doing with the waste? What about the noise? Chickens will run loose around neighborhoods; will this affect property values. There may be an HOA with new subdivisions. Chickens are considered livestock. Will residents be allowed to butcher chickens on their property? Some people may find this highly offensive. There is no retirement plan for hens who stop laying; what happens as the chicken's age? Will residents push for other livestock to be allowed, such as ducks, goats, mini pigs, etc. Bottom line, if you want to own livestock, you need to live in the county. However, chickens can be good for insect control. There will be more calls for service. On the personal side, chicks are fun to have around but are an unnecessary nuisance at this time. Chickens are also susceptible to predators. There is a mountain lion that lives north of town. Council would need to consider the abatement of wildlife.

One Council Member stated they had a friend who wanted chickens. They live trapped 16 skunks in their yard. Chickens will draw out predators.

It was questioned how the coops could keep predators from digging under the fence to get to the chickens.

Council agreed if they move forward with allowing chickens, there will need to be stiff fines if people do not follow the rules. It was noted that Billings does allow chickens. Laurel could mirror what Billings allows. It does not seem to be causing too many issues.

Council noted that there are definite pros and cons to allowing chickens within City limits. Council would like to see something a little more put together before discussing further. Right now, it is too vague to see what the final ordinance might look like. They did note that it is worth investigating further once there is more information, can have an educated discussion in the future.

Council reiterated that there need to be strict rules. They gave the example of the trailer park on E. Maryland. They agreed there need to be hefty fines associated with not following the rules.

Mayor Nelson reiterated that it is Council's job to do the heavy lifting making legislation, and it is his job to make sure things that Council passes are followed. It is his job to work with Staff to bring forward the needed documents. He stated he would have Staff look at different ordinances that allow for chickens and outline what an ordinance might look like. It will be a basic outline. It will be included where that information was pulled from as well. Included will also be a brief paragraph listing what other communities have run into by allowing chickens. We will have a further debate in the future.

Karen Courtney, Building Official/Code Enforcement, stated she had experience with chickens at her previous employment. Most owners were responsible; however, in one instance, she burned her lungs because of the ammonia. Those animals had to be confiscated and had no place to put them. The only place they had to put them was in the City shops.

Laurel has 280 dog licenses this year. There are more than 280 dogs in the City of Laurel. While we want to believe that everyone will do good, it just simply is not the case. In the case of chickens, City Staff will come into contact with chicken waste either by Code Enforcement or Solid Waste. Staff cannot prove who placed the waste in a garbage can.

The City has animal units, sat down, and within City limits, residents can have one chicken. We would need to rewrite another section of the code to address this. This will also affect zoning outside City limits.

### **Other Items**

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

5. Draft Council Agenda for April 27, 2021.

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

Council Member Wilke stated he was unsure if he would be able to attend next week's meeting.

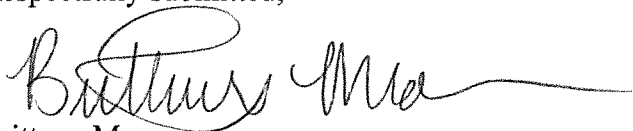
### **Announcements**

City Clean up is scheduled for May 1<sup>st</sup> and 2<sup>nd</sup>.

Council was reminded of the Elected Officials portion of Institute should they choose to attend.

The council workshop adjourned at 7:41 p.m.

Respectfully submitted,



Brittney Moorman  
Administrative Assistant

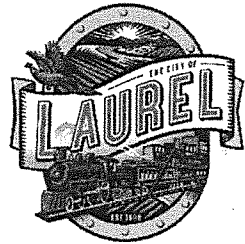
**NOTE: This meeting is open to the public. This meeting is for information and discussion of the Council for the listed workshop agenda items.**



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

# City of Laurel

P.O. Box 10  
Laurel, Montana 59044  
<https://cityoflaurelmontana.com/>



Office of Building Official

## Staff Report

### RE: Discussion of Allowing Chickens to be kept within City Limits

Staff is in opposition to passing an ordinance pertaining to keeping chickens “Yard hens” within the city limits of Laurel. This is not a simple addition to the code as many may believe.

Currently the zoning only allows livestock units within Residential Tracts. If yard hens were allowed within city limits and we followed the adopted livestock units, most residential lots within town would only be allowed 1 chicken.

Code Enforcement and Law Enforcement currently does not have the personnel to enforce nor facilities to house at large, confiscated, or abandoned animals.

It was brought up that there could be fees to those who wish to keep yard hens, with current permit and licensing fees there are several people who do not meet the requirements of Code. Furthermore, the man hours of following up on each property to ensure they have a current permit would add further workload on current officers.

Concerns of predators coming into city limits. Argument of cooping up chickens at night will not prevent predators from trying to get in. North of town there has been reports of a mountain lion, one reported sighting was on West 9<sup>th</sup> Street near the church. Skunks have been coming into the area of Cherry Hills and coops do not prevent them from breaking into coops.

Previous experience with this type of ordinance is although we would hope everyone would be responsible owners, many do not understand fully what it requires to keep coops clean and take proper care of fowl, others are not responsible animal caregivers causing issues with smell. I had to address an irresponsible owner once and the ammonia caused burning to my lungs and respirators were required after that when entering these properties. I have also been on complaints where the hens were no longer producing, and the owner decided it was time to cull them from the flock and slaughtered in backyard to the dismay of their neighbors.

For those owning the chickens Department of Livestock requires annual reporting and livestock fees for each chicken. The reporting of permits issued may be required to be reported to the DOL much like the Building Permits having to be reported weekly to the State Department of Revenue.

**File Attachments for Item:**

17. Council Workshop Minutes of May 4, 2021.

**MINUTES  
CITY OF LAUREL  
CITY COUNCIL WORKSHOP  
TUESDAY, MAY 04, 2021**

A Council Workshop was held in Council Chambers and called to order by Mayor Tom Nelson at 6:31 p.m. on May 4, 2021.

**COUNCIL MEMBERS PRESENT:**

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

**OTHERS PRESENT:**

Karen Courtney, Building Official/Code Enforcement  
Kurt Markegard, Public Works Director  
Matt Smith, KLJ  
Ryan Welsh, KLJ

**Public Input:**

There were none.

**General Items**

**Executive Review**

1. Resolution No. R21- Awarding Weave Consulting the Contract for the City of Laurel's Lion's Park Improvements Project and to Authorize the Mayor to Sign all Documents Relating to the Project on the City's Behalf.

Kurt Markegard, Public Works Director, stated this contract is for the Lions Park Improvements. The Laurel Lions raised \$95k towards the improvements on the park. Laurel Community Foundation took in all donations for this project. They also have \$62k from the DOJ from the Exxon money. The City went out to bid and had three bidders on the project. Weave was the lowest responsible bidder.

Matt Smith, KLJ, stated this award would be for the new fishing dock with concrete access to the dock and improve the trail around the pond. This does include adding riprap along the east side of the pond. They are starting to lose it during windstorms and want to protect that bank as much as possible. The Markegard family donated the concrete for the riprap; it just needs to be hauled and placed. It was an additive alternative. The asphalt trail was bid at \$65k; other bids were more reasonable in cost. The total for this project is \$149,708.69.

It was questioned why the resolution listed the total cost as \$141k. It was clarified that the resolution would be amended to include the riprap portion. It was decided that the City didn't want the wear and tear on its vehicles to haul the riprap. In the end, it would have cost the City approximately the same amount.

It was questioned if the funds raised by the Lions, the DOJ, and donations would be covered if all costs were covered. It was clarified that the Lions are still working on additional donations should the cost be more than what is raised. Rotary is looking at building more benches to go around the pond. It is a great community asset.

It was questioned how wide the path is going to be around the pond. It was clarified it would be 8 feet in width.

Matt Smith has chosen to donate his time to ensure this project moves forward and keep the project under budget.

Council thanked the Markegard family, Matt Smith, and KLJ for their donations to make sure this project moved forward. City crews also did a lot of the prep work for this project

2. Resolution No. R21- Awarding Hardrives Construction the Contract for the City of Laurel's 2021 Pavement Maintenance Project and to Authorize the Mayor to Sign all Documents Relating to the project on the City's Behalf.

Kurt Markegard, Public Works Director, stated each year, they do the pavement maintenance plan. This is the Pavement Maintenance for 2021. Residents were assessed on their tax bills to be able to do these projects.

Ryan Welsh, KLJ, stated that the City would be doing more crack and chip sealing this year. This year we will be finishing up the streets identified as 7 to 8 on the Pacer study. The goal is to save the existing asphalt. Three bids came in for this project. Two of the bids were within \$300 of each other. Wharton came in significantly under the other two. They asked to resubmit the bid. The recommendation that the City release their bid and award to Hardrives for \$329,329.50. The engineer's estimate for this project was over \$500k. When estimating this project the, he used last year's numbers plus 30% and a 15% contingency. The numbers came in lower than last year.

The Public Works Director stated they would come back with a change order if additional funds were available for street maintenance. They would add more streets at that time.

The crack sealing will be done around the end of May and will be given 30 days to let it cure. Chip and fog sealing will be done by September 1<sup>st</sup> unless more streets are added.

The Public Works Director has asked that KLJ begin on the 2022 Street Maintenance. This past year was unique as we had to wait to see what the tax revenues came in at. They need to have those numbers figured out by August; they need to start now. Last year Council passed an ordinance that will change how street maintenance is assessed.

Council noted that they had voted two years ago to raise the maintenance assessment. They noted that this year it is lower than before. It was questioned if that assessment would increase as we move into streets that are more deteriorated. It was clarified that is correct. Next will be structural overlays and, finally, total replacement. Not sure what the assessments will look like in the future. Another option is to have a Commercial Street District. For example, SE 4<sup>th</sup> will need more maintenance than a residential street. They cannot allow cracks to open up on those streets. Will have an estimate to

Council by August. There are three methods of revenue that can be used on the streets. Those are street assessments, gas tax, and SIDs. The City can go out for a bond if needed. The last time a general obligation bond was passed was in 1986.

3. Resolution - A Resolution of the City Council Approving a Task Order Between the City of Laurel and KLJ Engineering Inc. to Authorize Service for the Lindy Lane Sewer Line Replacement.

Kurt Markegard, Public Works Director, stated this is a task order asking KLJ to redesign the main sewer line under Laurel Frontage Road. The pipe was connected to in 2006. At the time, it was unclear the condition of the pipe that ran under the interstate. To their surprise, the sewer line was replaced in 1964 when the interstate went in and is in far better condition than expected. The expected cost to replace the line under the interstate was about 1 million. There is a section that was not replaced when they connected the line in 2006. It is a clay pipe, and it is starting to collapse. They videoed the pipe and saw a 114-foot crack. The section that needs to be replaced is just south of the interstate to the manhole. Half of the City's sewer goes through this line. It is a 30-inch line. It is one of the largest sewer manholes we have in the City. This section is estimated to be from the 1930s.

Ryan Welsh, KLJ, stated that they saw a single long crack in this pipe when they videoed the line. The pipe is made of clay tile, so it grows and expands as the temperature changes. The joints are off-center as the pipe makes a bend. All homes east of Montana Avenue are connected to this line. The City will have to bypass while this line is replaced. The City will need DEQ permits for the work. Via the PER, it was expected to cost \$68k in today's prices; they estimate \$100k or more. Since January, pipes have doubled in cost.

In 2008 they found the manhole that was put in 1964 that was never recorded on maps. The City needs to start replacing clay lines throughout the City.

It was questioned what the timeframe is to complete this project. It was clarified that construction should take approximately three weeks. It was further questioned how they reroute the sewer while work is being done. It was clarified that they connect a pump and a bypass around the worksite. It takes approximately a week to set up the bypass pump. However, the time the sewer is on bypass should only be about a week to maybe a week and a half.

4. Resolution - Small Service Contract - Paving around Lions Park

Matt Smith, KLJ, stated when they opened bids for Lions Park, the cost for Weave was less than half the cost. The Public Works Director decided to solicit bids for the asphalt work around the pond. It was less than \$50k. They got two quotes. Wharton Asphalt came in at \$10k. It worked better to separate from the contract. Weave was going to have to subcontract this portion of the project out anyways.

Kurt Markegard, Public Works Director, stated the Lions wanted accessibility for the pond. They needed to either find a way to come up with the extra needed for the total project bids, let the project die, or find another way to make things work. In hindsight, paving contractors done do fishing peers, and general contractors don't do paving. These should have been separate from the beginning.

5. Ordinance No. O21-03: An Ordinance Amending Certain Chapters Of Title 15 Of The Laurel Municipal Code Relating To The City's Miscellaneous Requirements For Homes, Buildings And Construction. (2nd Reading)

Karen Courtney, Building Official/Code Enforcement, stated this ordinance is updating Title 15. References have been updated, and any duplication has been removed. The portion on trailer parks references the Department of Health and Human Services. Their definitions are listed in MCA.

### **Council Issues**

### **Other Items**

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

6. Draft Council Agenda of May 11, 2021.  
There were no suggested changes.

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

Council Member Wilke stated he might be sent out of town for work. He is unsure if he will be at next week's meeting.

### **Announcements**

Mayor Nelson stated he would try bringing the chickens discussion back to the first Workshop in June. Staff will work to answer Council's questions before then.

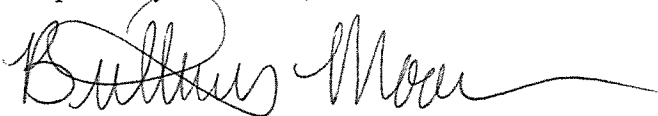
Mayor Nelson stated he asked the Public Works Director to see if the YMCA could open the pool this year. However, the YMCA cannot staff all of their own pools as they cannot find any help. The pool cannot be opened this year. There are requirements for individuals to be lifeguards, and those requirements do take time.

There is an advertisement out for summer help. So far, no applications have been received. Many local businesses are running into the issue of increasing demands with decreasing staff.

Cemetery Commission will have its next meeting on May 18, 2021, at 5:00 p.m. in Council Chambers.

The council workshop adjourned at 7:32 p.m.

Respectfully submitted,



Brittney Moorman  
Administrative Assistant

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

**File Attachments for Item:**

18. Council Workshop Minutes of May 18, 2021.

**MINUTES  
CITY OF LAUREL  
CITY COUNCIL WORKSHOP  
TUESDAY, MAY 18, 2021**

A Council Workshop was held in Council Chambers and called to order by Mayor Tom Nelson at 6:30 p.m. on May 18, 2021.

**COUNCIL MEMBERS PRESENT:**

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

**OTHERS PRESENT:**

Kurt Markegard, Public Works Director  
Matt Smith, KLJ  
Nick Altonaga, Planning Director  
Bethany Langve, Clerk/Treasurer

**Public Input:**

Lacy Thompson, 1215 12<sup>th</sup> Street Circle, stated that she is interested in proposing pickleball courts in Laurel. Pickleball is the fastest-growing sports across the nation, and she would like to bring it to our community. She talked with the Park Board, and they seemed to have some interest. She would work on grants and fundraising, but before moving forward wanted an ok from Council that they would consider her request. She has a meeting with Jon Rutt to get donations set up with the Laurel Community Foundation. The courts look like a tennis court but smaller. They do have a 6-to-10-foot fence around them. She would want to either do two or four courts, depending on funding.

Mayor Nelson stated she would need to follow up with Park Board.

**General Items**

1. Northwestern Energy Power Plant Update

Lisa Perry, Community Relations Manager with Northwestern Energy, gave a brief presentation on the attached press release. With her was also Jim Williams, Director of Thermal and Wind Generation, and Debbie Singer, Manager of Key Accounts, to answer any questions that Council may have.

It was questioned if the acquisition of 33 acres a partnership between NWE and CHS. It was clarified that they had purchased the land from CHS. It was further questioned how they did not have to speak to City/County Planning to propose this project. It was clarified that they would



need to clean up the property's zoning, but they have to own the property before they can clear up the zoning issues.

It was questioned if they would use City utilities like water and sewer. It was clarified that is NWE's intent. They will engage the City in that conversation as they move forward.

### **Executive Review**

2. Resolution - Resolution Authorizing The Mayor And City Clerk To Utilize Available Revenue In The City's Water Fund To Prepay And Retire DNRC Loan WRF-09138.

Bethany Langve, Clerk/Treasurer, stated that in reviewing the current status of the Water Fund, she spoke with the Utilities Plant Superintendent about retiring some of Water's loans. She also spoke with the Public Works Director, who agreed it was a good idea to retire some loans. The City is considering expanding out to the new interchange. A new school will be built eventually. There are lots of possibilities. This loan was taken out in 2009. The original amount of the loan was \$500k. It was for improving two filters and included an underdrain. The interest rate on this loan is 2.5%, and by retiring it now, the City will save approximately \$26,051.85 in interest and administration feeds.

3. Resolution - Resolution Authorizing The Mayor And City Clerk To Utilize Available Revenue In The City's Water Fund To Prepay And Retire DNRC Loan WRF-03048R.

Bethany Langve, Clerk/Treasurer, stated this loan was from 2003. The original amount of the loan was \$2.5 million. It is the loan for the 2003 intake. It has a 4% interest rate. In 2013 it dropped to a 2.25% interest rate, which is a savings of \$9,337.57. There is \$333,238.13 left on this loan. After retiring this loan, Water has two debt serves left—one for the new intake and one for the SED basins.

4. Resolution - Resolution Authorizing The Mayor And City Clerk To Utilize Available Revenue In The City's Sewer Fund To Prepay And Retire DNRC Loan SRF-10234.

Bethany Langve, Clerk/Treasurer, stated the Sewer Fund is in the same position as the Water Fund. She would like to get some debts off the books. In 2010 the Sewer Fund took a loan for \$359,300 with a .75% interest rate. To pay this loan off early will save the City \$6072.25. This loan was taken to upgrade lift stations. The loan only had \$167,546.23 remaining.

5. Resolution - A Resolution Approving The Agreement Between The City Of Laurel And The Laurel Airport Authority, Said Agreement Relating To Fire Protection

Mayor Nelson stated that the Fire Chief was unable to attend tonight's meeting. This agreement is the same as in past years. There is a 2% increase to the contract this year.

6. Resolution - A Resolution Approving Agreements Between The City Of Laurel And Laurel Fire District No. 8 Relating To Fire Protection.

As explained under the previous agenda item. This contract has a 3% increase.

7. Resolution - A Resolution Approving Agreements Between The City Of Laurel And Laurel Fire District No. 5, Said Agreements Relating To Fire Protection

As explained under the previous agenda item. This contract has a 3% increase.

8. Resolution - A Resolution Approving An Agreement Between The City Of Laurel And Yellowstone Boys And Girls Ranch, Relating To Fire Protection.

As explained under the previous agenda item. This contract has a 2% increase.

9. Resolution - A Resolution Approving Agreements Between The City Of Laurel And The Laurel Urban Fire Service Area ("LUFSA") Said Agreements Relating To Fire Protection

As explained under the previous agenda item. This contract has a 3% increase.

Fire District No. 7 has no board to approve the assessment. Like last year the County will eventually release the funds they have collected. Chief Peters has tried to assist in filling that board, but they still do not have any members.

10. Resolution - Small Service Contract True North Contracting.

Mayor Nelson stated this small service contract should have come to Council but instead went to the Budget/Finance Committee.

Kurt Markegard, Public Works Director, stated that this small service contract repairs the street on West Avenue and S. 4<sup>th</sup> Street. A hydrant was replaced and needed to replace the curb and gutter. There were many complaints about this area being closed. The hydrant repair restored fire protection to the area.

11. Resolution - 5th Avenue Waterline Re-Route Project

Kurt Markegard, Public Works Director, stated a mainline runs up 5<sup>th</sup> Avenue to the old and new reservoirs. This water main goes under some homes. It is a 12-inch concrete line. Approximately 8 to 10 years ago, homeowners petitioned the Public Works Director to have the line removed. First, however, needed the ability to shut down the line in case of a break. So they did cut in a valve.

Ryan Welsh, KLJ, stated there would be a connection on 11<sup>th</sup> Street and 5<sup>th</sup> Avenue, jogging over to 4<sup>th</sup> Avenue and then jogging back over. There is a 12-inch line coming down from Valley Drive that will be connected as well. There were six bidders on the project. The bids ranged from \$900k to \$1.4 million. The engineer's estimate was \$1.3 million. Western Municipal Construction was the lowest bidder. They had a miscalculation in their bid that was 30 dollars in the City's favor. Their bid was \$902k. There will be a public forum to discuss how this project will move forward. There is a cast iron line that runs up Valley Drive. That line will be able to

replace once this work is complete. The residents won't notice any issues during this replacement. The goal is to build a new reservoir in the near future. The streets in this area will be overlaid. The County would like to have their section of this project overlaid as well. Their cost is \$27k.

It was questioned when was the anticipated start date. It was clarified mid to late June.

It was questioned if they would be widening that section of W. 12<sup>th</sup> street. It was clarified that it would be an issue widening the road due to the ditch being there. There are ongoing discussions. One cost-saving measure they choose for this project was to place the pipe in the dirt north of the existing road between 4<sup>th</sup> Avenue and Valley Drive. There are 60 feet of right of way there, and we don't want to destroy what is already there. They are adding fire hydrants as well. The fire hydrants are designed behind the future curb and gutter.

It was questioned if the abandoned line will be capped or filled with concrete. It was clarified that the ends would be capped. It was further questioned if they were worried about the pipe collapsing in the future. It was clarified that they do not anticipate the line to collapse.

#### 12. Resolution - MOU - 5th Avenue Reroute and 2021 Pavement Maintenance with Yellowstone County.

The 2021 Pavement Maintenance program identified some streets with portions in County and portions in City that needed chip and crack sealing. Also, the County portion of the 5<sup>th</sup> Avenue Reroute Project. Spoke with the County about participating in this year's project. The County Commissioners signed off on the MOU this morning.

#### 13. Resolution - Yellowstone River Water Crossing Project

Kurt Markegard, Public Works Director, stated this waterline goes across the Yellowstone River Bridget. About ten years ago, the electric line that keeps the line from freezing. It froze and broke. At the time, they couldn't find funds to fix the line at that time. The Park Board and the Mayor wanted to get the waterline replaced. There were two bidders, COP Construction and Western Municipal Construction. COP Construction came in at \$281k. COP Construction put the bridge in for the State; at that time, the City paid for the waterline to be installed. When the water line froze, they pulled a 3-inch pipe through the 4-inch pipe. There is not much water pressure in Riverside Park. The fire hydrant barely spills water year-round.

Ryan Welsh, KLJ, stated there is a lot of expansion and contraction in this line. It will be a 4-inch insulated line. Because of the insulation, it will look approximately 8 inches in diameter. There will be 4 or 5 contraction joints as there can be 60 inches of contraction; the water in the line will keep it stable. There will be a heating tracer wire to keep the temps from freezing as well. It is expected to take about 30-days to complete the project. Getting the pipe will be the longest portion of the project as the pipe needs to be insulated after it is ordered because there are two vendors. One vendor makes the pipe, and the second insulate the pipe.

It was questioned what the funding source for this project was. It was clarified they initially wanted to use the Exxon dollars. There was the option to use Park funding but would have left a \$140k shortfall. So instead, they will use Water Funds for this project and use the Park Funds for other projects. It is essential to have water in the campground for fire protection.

14. Resolution - A Resolution Approving Amendment No. 1 To The Previously Approved Task Order Authorizing Kadrmars, Lee & Jackson, Inc. To Provide Additional Services For The City Of Laurel's H2s Remediation Improvements Project.

Kurt Markegard, Public Works Director, stated this task order addresses the sewer line from the village lift station from going septic. Tried a pilot study, chemicals, etc. And nothing has worked. So they tried using ozone which seemed to start working. So they would like to put an Ozonator. This amendment is to cover the additional fee increase. This has been a three-year process trying to find something that will work. They would like to go to bid this summer. It would include a manhole close to Main Street where they can put the sewer underground. Have been dealing with these issues for 11 years.

Ryan Welsh, KLJ, stated we need to treat at the discharge point so the smell will go away. It is creating sulfuric acid and eating up all of the electrical panels. Hoping this will convert the H2S to something less corrosive. Because this is a forced main, there is no air in the line. Gravity-fed lines have air and keep things in check. The sewage in the forced main takes a considerable amount of time to move down the pipe. It may only move a few feet each time the lift station turns on.

15. Resolution - A Resolution Of The City Council Approving A Task Order Between The City Of Laurel And KLJ Engineering Inc. To Authorize Service For The City Capital Improvements Plan (CIP).

Mayor Nelson stated he was aware of two past CIP's. One from 2003 and one from 2008. Both went on a shelf and sat. This is a plan for the City. Cities need a CIP in order to apply for grants. A few grants will be available in the next few years that the City could apply for. It is expected to take approximately 90 days to complete. He wants a resolution that required Council to look at the CIP each year.

Ryan Welsh, KLJ, stated earlier in tonight's meeting that there was a discussion about retiring debts. Those debts corresponded with the same timeframes as the past City CIP's. Without a current CIP, it can be challenging to obtain funding. It is similar to the Pacer Study that was done on the streets. Each year the plan can be reviewed for any significant changes.

Mayor Nelson gave the example of the Park Master Plan. Because the City had a plan in place and had shovel-ready projects, we were awarded most of the funds we had applied for.

16. Resolution - A Resolution Of The City Council Authorizing The Mayor To Sign A Contract With Canyon Electric For Electrical Work For The City's Building Commonly Known As "Jaycee Hall" Located In Riverside Park.

Kurt Markegard, Public Works Director, stated this small service contract originated out of Park Board. They wanted to get the building, commonly known as Jaycee Hall, open for rentals. When the Jaycees moved out, an organization wanted to rent out the main hall and one of the rooms. He had gone down to inspect the building and found some major electrical issues. There was no emergency lighting or exit signs. The light switches were not located at the correct height. There was also electrical wire exposed.

The City received two quotes. Contacted Canyon Electric to get a quote, who came back with a quote for \$13,736. Ace Electric came back with an open-ended quote that was significantly higher. The building has been gone through thoroughly. This small service contract will be paid out of the Exxon funds. Once the building is brought up to code, it can be rented out. Park Board has worked hard to discuss renting out the space, the rules, regulations, etc. Unfortunately, that work came to a halt until the electrical issues can be fixed.

Mayor Nelson stated one thing that brings people to a community is the amenities the community offers. If the City does not grow, it will become stagnant.

The City has spent very little on that building while the Jaycees rented it. They did maintain the building well. They did the best they could. He stated he would also like to see the American Legion building restored to be rented out. The YMCA has wanted to do river floating and rent a space for the kids.

It was stated that in the Master Park Plan, there were champions for the buildings listed. It was questioned whatever happened to that. It was further stated that Council would like to see this move forward.

#### 17. Resolution - LURA Grant – Atkins

Nick Altonaga, Planning Director, stated the LURA approved a façade grant totaling \$9k. Anything over \$5k must come to Council. This is a replacement for part of their façade that fell in a windstorm. They also did some sidewalk repairs. The applicant has previously applied for grants.

Council stated they love to see the improvements that have gone into this building. It was questioned why the values are listed in red on the spreadsheet. It was clarified that the sheet was built a while ago and indicated the amount needs to be reviewed. The Planner did check LURA's budget before sending over this grant.

#### **Council Issues**

#### **Other Items**

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

18. Draft Council Agenda of May 25, 2021.

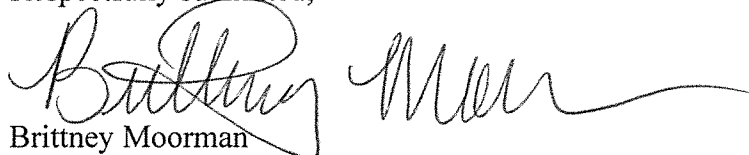
#### **Attendance at Upcoming Council Meeting**

#### **Announcements**

A Council Member stated they received a call from Louis Metzger at 601 W. 8<sup>th</sup> Street. He stated he was putting in a sidewalk in his backyard. His cable line was buried 1.5 inches into the ground and was severed. This Council Member stated they had run into this issue themselves and asked why those cables are buried so shallowly—asked if Council could discuss at the next Workshop.

The council workshop adjourned at 8:01 p.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Brittney Moorman". The signature is written in black ink and is positioned above the printed name and title.

Brittney Moorman  
Administrative Assistant

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



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## News Article

# NorthWestern Energy enters contracts for 325 megawatts of dispatchable capacity resources to serve Montana customers

Apr 20, 2021

Butte, Mont. – April 20, 2021 – NorthWestern Energy has entered into multiple contracts for projects to acquire 325 megawatts of dispatchable capacity resources: procurement and construction agreements for a 175 megawatt natural gas plant; a pending agreement to purchase capacity from a 50 megawatt battery storage project; and a power purchase agreement for 100 megawatts of predominantly hydroelectric resources.

The contracts were entered into after NorthWestern Energy completed its competitive solicitation process for long-term capacity resources issued in January 2020.

This will reduce NorthWestern Energy's capacity deficit, decrease risk associated with market volatility and potential lack of availability, and provide increased reliability for our Montana customers. The additional capacity to produce energy will address more than half of NorthWestern Energy's deficit in its supply portfolio serving Montana. The deficit is becoming more critical as some regional coal plants and other capacity resources are being shut down, compromising reliability during extreme weather conditions, including multi-day events, when energy demand is high.

NorthWestern Energy's independent, third-party request for proposals evaluator, Aion Energy, received 180 proposals representing a wide variety of technologies from 21 bidders. NorthWestern Energy has selected three resources from the proposals submitted in response to the company's request for proposals:

- NorthWestern Energy's Laurel Generating Station will be a new 175 megawatt, reciprocating internal combustion engine (RICE units), natural gas plant in Laurel, Montana.
- Powerex Corp., a subsidiary of BC Hydro, has entered into a five-year power purchase agreement with NorthWestern Energy for 100 megawatts of capacity and energy products originating predominately from hydroelectric resources.
- Contract pending on an Energy Storage Project that will be a 50 megawatt battery storage system utilizing lithium-ion technology.

"This selection of diverse projects will provide critically needed flexible capacity from a combination of thermal and renewable resources," said NorthWestern Energy Vice President Supply and Montana Government Relations John Hines.

The selected resources provide diversity in ownership and technology, including owned and market-based resources and the largest battery-storage project within Montana.

"This resource portfolio addresses a key portion of our immediate need for generation capacity while also allowing us to make progress toward our goal of an energy supply portfolio in Montana that reduces the carbon intensity of our electric generation

90% by 2045,” said NorthWestern Energy Chief Executive Officer Bob Rowe.

NorthWestern Energy expects to submit an application for approval of the Laurel Generating Station and the 20-year contract for the pending Energy Storage Project to the Montana Public Service Commission on or about May 14, 2021. We anticipate the regulatory process to take approximately 9 months.

The \$250 million Laurel Generating Station is expected to be available to serve customers by Jan. 3, 2024.

For the 175 megawatt natural gas-fired RICE plant near Laurel, Caterpillar Power Generation Systems, LLC, a subsidiary of Caterpillar, Inc. will supply the RICE units and Burns & McDonnell Engineering Company, Inc. was selected as the Engineering, Procurement, and Construction (EPC) contractor. Burns & McDonnell has a solid reputation as a superior EPC contractor, particularly for RICE facilities.

The Caterpillar RICE units are highly reliable and efficient with low emissions. The selected engines are capable of rapid ramping and multiple daily starts and stops. These units have the flexibility to provide power on-demand, baseload power, flexible capacity, and regulation services. These characteristics will facilitate the integration of existing and new intermittent renewable energy resources into our portfolio.

The 50 megawatt battery energy storage system, is expected to be available to serve NorthWestern Energy’s Montana customers by the end of 2023.

“The energy storage project will provide the opportunity to store some excess energy from the grid to use when customer demand is high,” NorthWestern Energy Director Long-Term Resources Bleau LaFave said. “Today, NorthWestern Energy most frequently has excess energy on the grid from wind resources. Now we will have the opportunity to store a portion of that excess energy to improve matching the generation with customer demand and higher market pricing.”

“The five-year 100 megawatt power purchase agreement with Powerex, the marketing entity for BC Hydro, will provide our customers with capacity mainly from the BC Hydro system starting in Jan. 1, 2023” said LaFave. “Our Montana customers require this capacity as soon as it is available. This market product can be delivered on our existing transmission assets.”

NorthWestern Energy is still short of the capacity resources needed to produce energy reliably at the times when our Montana customers require it the most.

“The 2020 RFP process provided an opportunity to see what projects and technology are available,” said NorthWestern Energy President and Chief Operating Officer Brian Bird. “NorthWestern Energy’s new Laurel Generating Station will be able to provide on-demand capacity for long durations. With that asset added to our Montana portfolio, NorthWestern Energy can consider other, shorter duration capacity projects in future RFPs.”

“Developing a diverse portfolio of resources capable of producing the energy our Montana customers need any time they need it is the responsible path forward as we all work together toward an affordable, reliable and cleaner energy future,” said Rowe.

Follow us on Facebook or on Twitter (@NWEinfo).

#### **About NorthWestern Energy (NYSE: NWE)**

NorthWestern provides electricity and / or natural gas to approximately 743,000 customers in Montana, South Dakota, and Nebraska. We have generated and distributed electricity in South Dakota and distributed natural gas in South Dakota and Nebraska since 1923 and have generated and distributed electricity and distributed natural gas in Montana since 2002. More information on NorthWestern is available on the company’s website at [www.northwesternenergy.com](http://www.northwesternenergy.com).

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**Investor Relations Contact:**

Travis Meyer

**Media Contact:**

Jo Dee Black



**File Attachments for Item:**

19. Budget/Finance Committee Minutes of May 11, 2021.

**Minutes of City of Laurel  
Budget/Finance Committee  
Tuesday, May 11, 2021**

**Members Present:**    **Emelie Eaton**                                **Bruce McGee**  
                                  **Richard Klose**    **Scot Stokes**

**Others Present:**    **Mayor Nelson**  
                                  **Bethany Langve, Clerk/Treasurer**  
                                  **Judge Kerr**

The meeting was called to order by the Committee Chair at 5:31pm.

**Public Input:** *Citizens may address the committee regarding any item of business that is not on the agenda. The duration for an individual speaking under Public Input is limited to three minutes. While all comments are welcome, the committee will not take action on any item not on the agenda.*  
There was no public input.

**General Items –**

1. Review and approve the April 27, 2021 Budget and Finance Committee meeting minutes. Richard Klose moved to approve the minutes of the April 27, 2021 Budget and Finance Committee meeting. Scot Stokes seconded the motion, all in favor, motion passed.
2. Review and Approve purchase requisition – There were no purchase requisitions presented to the Committee.
3. Review and recommend approval to Council, Claims entered through 05/07/2021. The claims and check register had previously been reviewed by the Committee. Richard Klose made a motion to approve the claims entered through 05/07/2021. Bruce McGee seconded the motion, all in favor, motion passed.
4. Review and approve the June 2020 Financial Statements. There were no questions or comments. Bruce McGee made a motion to approve the June 2020 Financial Statements. Scot Stokes seconded the motion, all in favor, motion passed.
5. Review and approve the July 2020 Financial Statements. There were no questions or comments. Bruce McGee made a motion to approve the July 2020 Financial Statements. Scot Stokes seconded the motion, all in favor, motion passed.
6. Review and approve the August 2020 Financial Statements. There were no questions or comments. Bruce McGee made a motion to approve the August 2020 Financial Statements. Scot Stokes seconded the motion, all in favor, motion passed.
7. Review and approve the April 2021 Utility Billing Adjustments. There were no questions or comments. Emelie Eaton made a motion to approve the April 2021 Utility Billing Adjustments. Bruce McGee seconded the motion, all in favor, motion passed.
8. Review and approve Payroll Register for pay period ending 05/02/2021 totaling \$205,114.91. Bruce McGee made a motion to recommend approval of the payroll register for pay period ending 05/02/2021 totaling \$205,114.91. Scot Stokes seconded the motion, all in favor, motion passed.

**New Business –**

9. CARES Funding Discussion – The Committee asked if the departments were being asked to request CARES money during budget time. The Mayor stated the CARES funds must be spent from the fund which they were originally expended from. The Committee asked if there are any

plans regarding spending the CARES funds? The Mayor stated the Ambulance Department needs sleeping quarters, the Police Department needs a remodel, and the Fire Department needs two vehicles. He stated there are other funds coming from the State as well. Judge Kerr stated she was in attendance to get clarification on the CARES funds and if any of the money would come to the City Court. The Mayor stated most of the money was paid out of the General Fund due to the Fire, Ambulance and Police departments, and most of that was the Police Department wages. The Mayor stated if reimbursement could be provided to the Court he would look into it. He stated there would be other opportunities down the road as well.

10. Claims Review Schedule Beginning with 7/13/2021 –
- |                           |                         |
|---------------------------|-------------------------|
| 7/13/2021 – Scot Stokes   | 7/27/2021 – Bruce McGee |
| 8/10/2021 – Emelie Eaton  | 8/24/2021 – Scot Stokes |
| 9/14/2021 – Richard Klose | 9/28/2021 – Bruce McGee |

**Old Business –**

11. The Committee requested the Meal Pay and Drill Pay Resolutions be moved to the next agenda since there were no updates.
12. The Committee stated Dan McGee had been given all of the information, regarding the Cemetery land, to the City Planning Director, and the Mayor and City Clerk would have to Sign and file it.

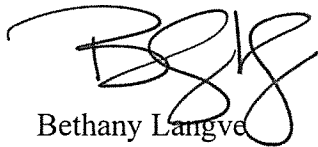
**Other Items –**

13. Review the Pay Period Ending 05/02/2021 Comp/Overtime Report. The Committee reviewed the comp/overtime reports and had no questions or comments.
14. Clerk/Treasurer Update – The Clerk/Treasurer stated she had no updates at this time other than she was preparing for budget time.
15. Mayor Update – The Mayor stated the newest officer was earning his keep. The Mayor stated on the 30<sup>th</sup> of April the Safety Officer and the Fire Marshall attempted to have a fire drill at City Hall. When they did it was discovered, there was no fire alarm. It was also discovered there are no smoke or carbon monoxide detectors in City Hall. Not only are there none in City Hall but there are none at the FAP, WWTP, WTP and the Library. The Mayor stated he is going to have to work with City Staff to remedy this.

**Announcements –**

16. The next Budget and Finance Committee meeting will be held on May 25, 2021 at 5:30pm.
17. Scot Stokes will be reviewing the claims for the next meeting.

Respectfully submitted,



Bethany Langve  
Clerk/Treasurer

**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:**

20. Budget/Finance Committee Minutes of May 25, 2021.

**Minutes of City of Laurel  
Budget/Finance Committee  
Tuesday, May 25, 2021**

**Members Present:** Scott Stokes  
Emelie Eaton  
Bruce McGee  
Richard Klose  
Mayor T. C. Nelson

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

**General Items**

1. Review and Approve purchase requisitions. There were none presented to the committee.
2. Review and recommend approval to Council, Claims entered through 5/21/2021. Scott Stokes had reviewed the Claims Detail report and the check register for accuracy. He had one question about a \$1,200 purchase made by the Ambulance Department. It was explained that the purchase was for water bottles to keep moral up for the volunteers. Scot subsequently made a motion to recommend approval of the claims entered through 5/21/2021. Richard Klose seconded the motion, all in favor, motion passed.
3. Review and approve Payroll Register for pay period ending 5/16/2021 totaling \$193,827.66. Richard Klose made a motion to recommend approval of this claim totaling \$193,827.66. Since the amount matched the register, Bruce McGee seconded the motion, all were in favor and the motion passed.

**New Business –**

4. Pay increase for Police Reserves. Emelie Eaton had recently attended the graduation ceremony for the reserves. It was announced at that time that the Reserves receive \$60 twice a year as a stipend for their clothing. Emelie subsequently verified with Bruce McGee, who is a Police Reservist, that sum is correct. She contacted the Chief of Police and acknowledged that this matter was under his purview but that she felt it would be in order to at least allow the committee to discuss whether an increase would be possible in the 2021-2022 budget. Chief Langve was in attendance at the Budget and Finance meeting and stated that he felt the minimum the Reservists should be receiving should be \$75 a month because the Police Officers have stated to him it costs approximately \$1,500 to completely outfit themselves. He further stated that if they only received \$450 annually (approximately \$37.50 monthly) the officers could equip themselves over time and save for a bullet resistant vest. He stated there are currently 14 reservists, which is an abnormally high number. There was general discussion about the status of the reserves. The question was asked of the Mayor that if Chief Langve included such a request in his upcoming budget, would there be opposition to such an increase. The Mayor said he would be willing to talk with the Chief and he could look into the constraints to increasing the Reservists' stipend. The committee stated it would be willing to back an increase.

**Old Business –**

5. Meal Pay – Drill Pay resolutions. Chair Eaton pointed out that back in November, 2020 Resolutions had been written and submitted to the committee and then reportedly passed on to the City Attorney to have the funds dispersed properly. It was now May and there had been no action on this

matter even though the committee had been told it would be finalized in April. The Mayor stated he had not been able to speak with the City Attorney.

6. Update from Mayor regarding Cemetery Parking Lot. Richard Klose from the American Legion stated there was no activity on this matter. A committee member then inquired as to whether the American Legion was planning to put a standard surface on this parking lot or if it would be surfaced something like the handicapped parking lot next to the high school bleachers in Thompson Park. Richard Klose stated the Legion intended to give the cemetery parking lot a standard surface coverage.

#### **Other Items –**

7. Review Comp Overtime Report from PPE 5/16/2021. Everything looked to be in order. A question was asked regarding a new item on the police reports from the FRA (Federal Railroad Administration).

8. Clerk Treasurer Update – not in attendance, no update available.

9. Mayor Update –

A. The Mayor stated he would be speaking to Department Heads individually again this year regarding perceived needs.

B. The Mayor stated the City is looking into purchasing a new vehicle for City employees to use to travel to conventions or seminars. He stated the need arose because the City vehicle currently available is not precisely road worthy and there is a lack of rental cars or if there are vehicle available it is cost prohibitive. Scot Stokes abstained from further on record discussion since it was mentioned that the City was looking into purchasing a Ford Escape which Scot had knowledge of.

C. The Mayor stated the City would be looking at repairing Vehicle 7 which had sustained \$38,000 in damages. The question was asked why the insurance company had not totaled the vehicle. There was discussion on repair versus replacement of this police vehicle.

D. The Mayor stated the Fire Department was looking to purchase two vehicles. They have abandoned purchasing an F350 as none can be found and are looking at an F250. The Mayor stated that the Motel 6 being built by Walmart will be 4 stories and it is important to get a ladder truck.

E. The Mayor stated he was anxious to get KLJ working on developing a CIP master plan. Not only would it help with annual Departmental requests for big ticket items but it is needed to qualify for most grants.

#### **Announcements –**

10. The next Budget and Finance meeting will be held on June 8, 2021 at 5:30 p.m.

11. Bruce McGee will be reviewing the claims for the next Budget & Finance meeting. The Chair reviewed the schedule that had been printed as part of the May 11, 2021 minutes and stated it would be reprinted for everyone's convenience in these minutes.

6/8/2021 Bruce McGee    6/22/2021 Emelie Eaton    7/6/2021 Richard Klose

7/20/2021 Scott Stokes    8/10/2021 Emelie Eaton    8/24/2021 Scot Stokes

9/14/2021 Richard Klose    9/28/2021 Bruce McGee

The meeting was adjourned at 6:16 p.m.

Respectfully submitted,

Emelie Eaton  
Budget and Finance Chair

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

DRAFT

**File Attachments for Item:**

21. Budget/Finance Committee Minutes of June 8, 2021.





**AGENDA  
CITY OF LAUREL  
CITY COUNCIL MEETING  
TUESDAY, JUNE 22, 2021  
6:30 PM  
COUNCIL CHAMBERS**

NEXT RES. NO.  
R21-48  
  
NEXT ORD. NO.  
O21-04

**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. Once again, each speaker is limited to three minutes.*

*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**

1. Approval of Minutes of May 25, 2021.

**Correspondence**

2. Fire Monthly Report - May 2021
3. Ambulance Monthly Report - May 2021
4. Police Monthly Report - May 2021
5. Building Department Monthly Report - May 2021
6. Re-appointment of Jonathan Klasna to the Laurel City/County Planning Board Letter.
7. Laurel Airport Authority Minutes of May 4, 2021.

**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.*

8. Claims entered through June 18, 2021.
9. Approval of Payroll Register for PPE 5/30/2021 totaling \$202,116.20.
10. Approval of Payroll Register for PPED 6/13/2021 totaling \$197,219.20.
11. Clerk/Treasurer Financial Statements for the month of September 2020.
12. Clerk/Treasurer Financial Statements for the month of October 2020.
13. Council Workshop Minutes of August 18, 2020.
14. Council Workshop Minutes of September 1, 2020.
15. Council Workshop Minutes of February 16, 2021.
16. Council Workshop Minutes of April 20, 2021.
17. Council Workshop Minutes of May 4, 2021.

18. Council Workshop Minutes of May 18, 2021.

## **Ceremonial Calendar**

### **Reports of Boards and Commissions**

19. Budget/Finance Committee Minutes of May 11, 2021.
20. Budget/Finance Committee Minutes of May 25, 2021.
21. Budget/Finance Committee Minutes of June 8, 2021.
22. Tree Board Minutes of May 2, 2021.
23. Emergency Services Committee Minutes of March 29, 2021.
24. Emergency Services Committee Minutes of May 24, 2021.

### **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**

25. Appointment of Karl Dan Koch to the City/County Planning Board for a two-year term ending 6/30/2023.
26. Appointment of Roger Geise to the City/County Planning Board for a two-year term ending 6/30/2023.
27. Appointment of Richard Klose to the Cemetery Commission for a two-year term ending 6/30/2023.
28. Appointment of David Gauslow to the Cemetery Commission for a two-year term ending 6/30/2023.
29. Appointment of Jim Irwin to the Emergency Services Committee.
30. Appointment of Kate Manely to the Library Board for a five-year term ending 6/30/2026.
31. Appointment of Paul Kober to the Park Board for a remainder of a four-year term ending 12/31/2022.
32. Appointment of Walter Widdis to the Tree Board for a three-year term ending 6/30/2024.
33. Appointment of Paul Kober to the Tree Board for a three-year term ending 6/30/2024.
34. Resolution No. R21-48: A Resolution Of The City Council Authorizing The Mayor To Sign A Contract With Green Technology Solutions To Provide Electronics Recycling Drop Off Bins And Related Services At The City's Container Site.

### **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.**

### **DATES TO REMEMBER**

**File Attachments for Item:**

22. Tree Board Minutes of May 2, 2021.

Minutes  
City of Laurel  
Tree Board  
5/2/21 9:30 AM

Council Conference Room

Attending: LuAnne Engh, Walter Widdis, Dale Ahrens, Matt Wheeler

1. Public Input
  - a. No public attending
  
2. General Items
  - a. April minutes approved –
  - b. Laurel Arbor Day May 4, 2021 Thomson Park “Stay Wild”
    - Great day with lots of fun
    - Croissant sandwiches were a bid hit with the students, thought many brought cold lunches and we had 35 left over
    - Two trees were planted – Brandon Elm one purchased through the school account and one through the city account.
    - A third tree (\$200 value) wasn’t used so there is credit at River Ridge
    - Vendors were great, the students were so appreciative and no one really wanted to leave.
    - T-shirts. Several vendors and a few of the committee members wore the shirts but about half didn’t get worn that day. If we should order shirts next year, we should set an expectation for their purpose.
    - Dale has sent a thank you to Walmart and NEW, LuAnne will send a thank you to the Fireman and the vendors received thank you gifts.
  
3. New Business - none
  
4. Old Business
  - a. Tree Trimming -

b. Downtown trees – So many are dead or removed. We have 13 locations that should be replaced. If the trees are gone the stumps are still in the ground.

5. Other Items

- a. Volunteer hours - Please keep your hours.
- b. South Park is on track for Summer construction of the dock/walkways. They are short \$30K to finish the walkways with the dock.

6. Announcements

- a. Next meeting –June 17th– 9:30

LuAnne Engh, Chairman

**File Attachments for Item:**

23. Emergency Services Committee Minutes of March 29, 2021.



**CITY OF LAUREL**  
**EMERGENCY SERVICE COMMITTEE MEETING**  
**MONDAY, March 29, 2021**  
**6:00 PM**  
**COUNCIL CHAMBERS**

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

### **General Items**

1. Approval of any past meeting minutes.
  - February 22, 2021
  - October 26, 2020
  - September 28, 2020
  - June 22, 2020

### **New Business**

2.

### **Old Business**

3. Updates from Ambulance Director, Fire and Police Chief or representatives
4. Safety Mill Levy Discussion continued. See City Council Workshop minutes from March 2, 2021 Mayor's answer to the question about the Safety Mill Levy for the Ambulance Service.

### **Other Items**

### **Adjournment**

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**DRAFT MINUTES  
EMERGENCY SERVICES COMMITTEE MEETING  
May 24, 2020 6 p.m.  
COUNCIL CHAMBERS**

**COMMITTEE MEMBERS PRESENT:**

\_X\_Bruce McGee Chair  
\_X\_Irv Wilke Co Chair  
\_\_\_\_\_ Bill Mountsier

\_X\_Richard Klose  
\_X\_Heidi Sparks  
\_X\_Taryn Massa

**OTHERS PRESENT:**

Fire Chief Peters  
Police Chief Langve  
Ambulance Director Gurcheik

**Public Input:** None

**Emergency Services Reporting:**

Department updates and reports made by Police Chief Langve followed by Fire Chief Peters see attached.

**General Items:**

1. Approval of the Minutes for Febuary 22, 2020, October 26, 2020, September 28,2020 and June 22, 2020. Motion to approve by Council member Heidi Sparks and Second by Council Member Richard Klose; motion approved 5-0

**Old Business:**

1. None



**File Attachments for Item:**

24. Emergency Services Committee Minutes of May 24, 2021.

**DRAFT MINUTES**  
**EMERGENCY SERVICES COMMITTEE MEETING**  
**May 24, 2020 6 p.m.**  
**COUNCIL CHAMBERS**

**COMMITTEE MEMBERS PRESENT:**

Bruce McGee Chair  
 Irv Wilke Co Chair  
 Bill Mountsier

Richard Klose  
 Heidi Sparks  
 Taryn Massa

**OTHERS PRESENT:**

Fire Chief Peters, Police Chief Langve, Ambulance Director G (not present)

**Public Input:** None

**General Items:**

1. Approval of the Minutes for February 22, 2020, October 26, 2020, September 28, 2020 and June 22, 2020. Motion to approve by Council member Heidi Sparks and Second by Council Member Richard Klose; motion approved 5-0

**Old Business:**

1. **Emergency Services Reporting:** Department updates and reports made by Police Chief Langve followed by Fire Chief Peters see attached reports.

2. Update on Safety Mill Levy before any advancement the mayor's desire to see the CIP for the city is finished. From Chairman's McGee's question to the Mayor from the March 2, 2021 Council Meeting, explained to the emergency services committee members. This item to remain on the future agenda's under old business.

**Other Items**

Chairman McGee's anticipation for Reserve Police Officers pay being an item of discussion in the next Budget and Finance Committee meeting scheduled for May 25, 2021.

**Adjourned:** Motion to Adjourn made by Council Member Heidi Sparks, Second by Council Member Wilke motion passed 5-0.



# Laurel Police Department

215 W. 1<sup>st</sup> Street Laurel, Mt. 59044 ▪ Phone 406-628-8737 ▪ Fax 406-628-4641

**Chief of Police Stanley J Langve**

## Emergency Services Report 5-24-21

Total calls for service year to date: 3,687

Crimes reported in jurisdiction year to date: 491

CFS April 25<sup>th</sup> through May 25<sup>th</sup>: 853

This represents a 10% increase of total CFS over the last 2-year average.

Attached is a break down of calls for service. 118 traffic stops.

Suspect wrecked out a patrol vehicle at the end of a pursuit, expediting repairs and hope to have it back into service prior to the 4<sup>th</sup> of July holiday weekend.

Fentanyl overdose deaths are increasing. There is a major influx of the drug in the area.

May 15<sup>th</sup> we graduated one new Laurel Reserve Officer. Begin recruitment for reserves in a few months.

Meet and greet went well for K-9

Hoping to get a full-time parking/ nuisance / animal control position.

May 20<sup>th</sup> we had a FBI audit. They were very impressed with our records and implementation of security protocols. This speaks very highly of TAC's Susan Canape, Brenda Sell and Captain Pitts, as well as the entire dispatch staff. Captain Pitts has done a lot to implement security protocol to be compliant with the state and federal requirements. It is not cheap but if we were to be out of compliance and were the victim of ransomware, we would be liable for the cost. Not to mention if confidential or personal information was released.

	A	B	C	D	E
1	[CFS Date/Time]2021-04-26 00:00' and '2021-05-24 23:59' [Primary Incident Code				
2					
3	<b>Code : Description</b>				
4			<b>Totals</b>		
5	10-15 : With Prisoner	0	0		
6	: Abandoned Vehicle	2	2		
7	: Agency Assist	58	58		
8	: Alarm - Burglary	14	14		
9	: Alarm - Fire	5	5		
10	AMB : Ambulance	81	81		
11	: Animal Complaint	11	11		
12	: Area Check	7	7		
13	: Assault	1	1		
14	: Bad Checks	0	0		
15	: Barking Dog	4	4		
16	: Bomb Threat	0	0		
17	: Burglary	0	0		
18	: Child Abuse/Neglect	5	5		
19	: Civil Complaint	13	13		
20	: Counterfeiting	0	0		
21	: Criminal Mischief	7	7		
22	: Criminal Trespass	8	8		
23	: Cruelty to Animals	2	2		
24	: Curfew Violation	9	9		
25	: Discharge Firearm	1	1		
26	: Disorderly Conduct	9	9		
27	: Dog at Large	22	22		
28	: Dog Bite	0	0		
29	DUI : DUI Driver	13	13		
30	: Duplicate Call	2	2		
31	: Escape	0	0		
32	: Family Disturbance	12	12		
33	: Fight	5	5		
34	FIRE : Fire or Smoke	12	12		
35	: Fireworks	0	0		
36	: Forgery	0	0		
37	: Found Property	7	7		
38	: Fraud	1	1		

	A	B	C	D	E
39	: Harassment	3	3		
40	: Hit & Run	6	6		
41	: Identity Theft	1	1		
42	: Indecent Exposure	0	0		
43	: Insecure Premises	2	2		
44	: Intoxicated Pedestrian	4	4		
45	: Kidnapping	0	0		
46	: Littering	2	2		
47	: Loitering	1	1		
48	: Lost or Stray Animal	16	16		
49	: Lost Property	5	5		
50	: Mental Health	7	7		
51	: Missing Person	3	3		
52	: Noise Complaint	3	3		
53	: Open Container	0	0		
54	: Order of Protection Violation	3	3		
55	: Parking Complaint	17	17		
56	: Possession of Alcohol	0	0		
57	: Possession of Drugs	2	2		
58	: Possession of Tobacco	0	0		
59	: Privacy in Communications	2	2		
60	: Prowler	0	0		
61	: Public Assist	67	67		
62	: Public Safety Complaint	4	4		
63	: Public Works Call	15	15		
64	: Report Not Needed	0	0		
65	: Robbery	0	0		
66	: Runaway Juvenile	1	1		
67	: Sexual Assault	0	0		
68	: Suicide	1	1		
69	: Suicide - Attempt	1	1		
70	: Suicide - Threat	4	4		
71	: Suspicious Activity	99	99		
72	: Suspicious Person	8	8		
73	: Theft	22	22		
74	: Threats	7	7		
75	: Tow Call	0	0		
76	: Traffic Accident	14	14		

	A	B	C	D	E
77	: Traffic Hazard	4	4		
78	: Traffic Incident	25	25		
79	: TRO Violation	1	1		
80	: Truancy	0	0		
81	T/S : Traffic Stop	118	118		
82	: Unattended Death	0	0		
83	: Unknown - Converted	0	0		
84	: Unlawful Transactions w/Minors	0	0		
85	: Unlawful Use of Motor Vehicle	1	1		
86	: Vicious Dog	4	4		
87	: Warrant	17	17		
88	: Welfare Check	13	13		
89	<b>Totals</b>	814	814		



# Laurel Fire Department

Report for the Month of \_\_\_\_\_

Apr-21

	Calls	Hours
Structure Fires	1	8
Wildland Fires	9	166
Extrications	10	320
Other Rescues		
Alarms	5	38
Medical Assist.	8	68
Severity Staffing		
Other calls	5	51
	38	651
	Totals	
Fire Prevention		
Total Training		361
Total Maintenance		60
Community Service		
<b>Total</b>		<b>1072</b>

Mutual Aid to worden for Grass fire- 2 DNRC trucks and T-2 responded with 5 firefighters-64 hours.  
175 calls YTD

### Structure Firefighting

Conduct all levels of Structure Firefighting to include entry and attack, ventilation, salvage, overhaul, and investigation.

A structure fire is a fire involving the structural components of various types of residential, commercial or industrial buildings.

### Wildland Firefighting

Wildfire, brush fire, bush fire, desert fire, forest fire, grass fire, hill fire, peat fire, vegetation fire.

### Extrications

Rescue victims entrapped in automobiles, machinery, farm equipment, buildings, and trenches.

### Other Rescues

Rope Rescue, Water Rescue, Ice Rescue

### Alarms

Any false alarms or malfunctions.

### Other Calls

EMS assist, Industrial or Aircraft firefighting, Vehicle Fire, Hazmat, Spills, Public safety, Investigations, gas leaks, Carbon Monoxide problems, etc.

**File Attachments for Item:**

25. Appointment of Karl Dan Koch to the City/County Planning Board for a two-year term ending 6/30/2023.





**CITY OF LAUREL**

**BOARDS, COMMISSIONS, AND COMMITTEES**

**REAPPOINTMENT FORM**

Date: 4-29-21

Name of Member: KARL DAN KOCH

I presently serve on the PLANNING BOARD and wish  
(Board/Commission/Committee)  
to be considered for reappointment to another term.

Signature: *Karl Dan Koch*

Date: 4-29-21

Please submit this form to: Council Secretary  
City of Laurel  
P.O. Box 10  
Laurel, MT 59044

**File Attachments for Item:**

26. Appointment of Roger Geise to the City/County Planning Board for a two-year term ending 6/30/2023.



**CITY OF LAUREL**

**BOARDS, COMMISSIONS, AND COMMITTEES**

**REAPPOINTMENT FORM**

Date: 6-15-21

Name of Member: Roger Gese

I presently serve on the City County Planning Board and wish  
(Board/Commission/Committee)  
to be considered for reappointment to another term.

Signature: Roger Gese

Date: 6-15-21

Please submit this form to: Council Secretary  
City of Laurel  
P.O. Box 10  
Laurel, MT 59044

**File Attachments for Item:**

27. Appointment of Richard Klose to the Cemetery Commission for a two-year term ending 6/30/2023.



**CITY OF LAUREL**

**BOARDS, COMMISSIONS, AND COMMITTEES**

**REAPPOINTMENT FORM**

Date: 04-23-2021

Name of Member: RICHARD A. KLOSE SR

I presently serve on the CEMETERY COMMISSION and wish  
(Board/Commission/Committee)  
to be considered for reappointment to another term.

Signature: Richard A. Klose Sr

Date: 04-23-2021

Please submit this form to: Council Secretary  
City of Laurel  
P.O. Box 10  
Laurel, MT 59044

**File Attachments for Item:**

28. Appointment of David Gauslow to the Cemetery Commission for a two-year term ending 6/30/203.



**CITY OF LAUREL**

**BOARDS, COMMISSIONS, AND COMMITTEES**

**REAPPOINTMENT FORM**

Date: April 30, 2021

Name of Member: David A Gausson

I presently serve on the Cemetery Board and wish  
(Board/Commission/Committee)  
to be considered for reappointment to another term.

Signature: David A Gausson

Date: 4-30-2021

Please submit this form to: Council Secretary  
City of Laurel  
P.O. Box 10  
Laurel, MT 59044

**File Attachments for Item:**

29. Appointment of Jim Irwin to the Emergency Services Committee.





803 Us Highway 212 S  
Laurel, MT  
59044-8731

Dear Mayor Nelson,

I have recently moved into the refinery manager role at the Laurel Refinery. I am a native Montanan with a desire to be an active part of the Laurel community. Pat Kimmet spoke highly of the Emergency Services Committee. I am writing this letter to request your consideration in adding me to this committee.

Feel free to contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jim Irwin', written in a cursive style.

Jim Irwin

VP Refining  
Energy RPT – Laurel

(406)628-5370

**File Attachments for Item:**

30. Appointment of Kate Manely to the Library Board for a five-year term ending 6/30/2026.



# Laurel Public Library

720 West 3rd St. • P.O. Box 68 • Laurel, MT 59044

(406) 628-4961 • [library@laurelpubliclibrary.org](mailto:library@laurelpubliclibrary.org) • [www.laurelpubliclibrary.org](http://www.laurelpubliclibrary.org)

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May 28, 2021

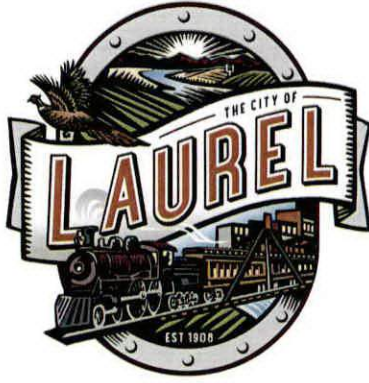
Mayor Nelson and Council Members,

Two letters of interest for the open position on the Library Board of Trustees have been submitted to the library for Board recommendation and approval. Mr. Hanson has decided to retire from the Board after serving for more than 7 years. To give someone else a chance to serve, he had turned in his notice to the Board of Trustees at their May 11, 2021 meeting.

Both Kate Manley and Gail Norman have been long-term residents of Laurel and avid users of the library. It is the recommendation of the Board of Trustees that Kate Manley be appointed to the Board for the next term ending June 30, 2026. They also ask that you keep Gail Norman as a possible replacement for anyone that may need to resign their appointment in the future.

Thank you,

Nancy L Schmidt  
Director/Board Secretary  
Laurel Public Library



**CITY OF LAUREL**

**BOARDS, COMMISSIONS, AND COMMITTEES**

**REAPPOINTMENT FORM**

Date: 5/11/2021

Name of Member: Bill Hansen

I presently serve on the Library Board <sup>do not</sup> and <sup>✓</sup>wish  
(Board/Commission/Committee)  
to be considered for reappointment to another term.

Signature: William M. Hansen

Date: 5/11/2021

Please submit this form to: Council Secretary  
City of Laurel  
P.O. Box 10  
Laurel, MT 59044

Kate Manley  
1018 Seventh Ave.  
Laurel, MT 59044  
406-839-7866  
Email: [katemanley22@gmail.com](mailto:katemanley22@gmail.com)

Laurel Public Library  
720 W 3<sup>rd</sup> St.  
Laurel, MT 59044

Attn: Nancy Schmidt

Dear Nancy,

When I ran into Geralyn a couple of weeks ago, I told her that I was no longer working, and asked her about volunteer opportunities. She mentioned that there was an opening on the library board and suggested that I send a letter of intent. I see on your website that the protocol is to send a letter to you, and then you will forward to the mayor.

I attended MSUB (called Eastern Montana College, then) and have a minor in library science. I worked as a salesman for Western Publishing Company for about a year and was management at Barnes & Noble Booksellers for 20 years. I volunteered several summers for the Reading Rocks program in the Billings city parks and have decent computer skills.

If you think I would be a good addition to your Library Board, please forward my letter. I can be reached at the above phone and email.

Sincerely,



Kate Manley

1706 Pinyon Dr  
Laurel, MT 59044

March 15, 2021

Laurel Public Library  
720 W 3rd Street  
Laurel, MT 59044

To whom it may concern:

As a very active patron of the Laurel Library, I am interested in decisions regarding its operation and activities.

While I cannot promise to attend every single meeting, I will do my best to be present at most of them. It would be interesting to learn about the budget, book selections, computer usage and other library procedures of interest to our community.

Thank you for your consideration to become a future trustee. It would be my pleasure to interview with the library director if further information is needed.

Sincerely,

A handwritten signature in cursive script that reads "Gail Norman". The signature is written in black ink and is positioned below the word "Sincerely,".

Gail Norman

**File Attachments for Item:**

31. Appointment of Paul Kober to the Park Board for a remainder of a four-year term ending 12/31/2022.

Paul J. Kober  
1008 E 8th Street  
Laurel, MT. 59044

June 1, 2021

To Whom It May Concern:

I am interested in serving on the Laurel Tree Board and Laurel Park Board.

I have been a member of the Lion's Club and Rotary Club since 2000.

Thank you for your consideration of this request.

Sincerely,

Paul J. Kober



**File Attachments for Item:**

32. Appointment of Walter Widdis to the Tree Board for a three-year term ending 6/30/2024.



**CITY OF LAUREL**

**BOARDS, COMMISSIONS, AND COMMITTEES**

**REAPPOINTMENT FORM**

Date: 5/12/21

Name of Member: Rester Walter E. Wilder

I presently serve on the Tree Board and wish  
(Board/Commission/Committee)  
to be considered for reappointment to another term.

Signature: Walter Wilder

Date: 5/12/21

Please submit this form to: Council Secretary  
City of Laurel  
P.O. Box 10  
Laurel, MT 59044

**File Attachments for Item:**

33. Appointment of Paul Kober to the Tree Board for a three-year term ending 6/30/204.

Paul J. Kober  
1008 E 8th Street  
Laurel, MT. 59044

June 1, 2021

To Whom It May Concern:

I am interested in serving on the Laurel Tree Board and Laurel Park Board.

I have been a member of the Lion's Club and Rotary Club since 2000.

Thank you for your consideration of this request.

Sincerely,

Paul J. Kober

**File Attachments for Item:**

34. Resolution No. R21-48: A Resolution Of The City Council Authorizing The Mayor To Sign A Contract With Green Technology Solutions To Provide Electronics Recycling Drop Off Bins And Related Services At The City's Container Site.

**RESOLUTION NO. R21-48**

**A RESOLUTION OF THE CITY COUNCIL AUTHORIZING THE MAYOR TO SIGN A CONTRACT WITH GREEN TECHNOLOGY SOLUTIONS TO PROVIDE ELECTRONICS RECYCLING DROP OFF BINS AND RELATED SERVICES AT THE CITY'S CONTAINER SITE.**

BE IT RESOLVED by the City Council of the City of Laurel, Montana,

Section 1: Approval. The Independent Contractor Service Contract ("Contract") recommended by the Mayor and Staff, is attached hereto and incorporated herein and by adoption of the resolution, hereby approved.

Section 2: Adoption and Execution. The Mayor and City Clerk are hereby authorized to execute the Contract on the City's behalf.

Introduced at a regular meeting of the City Council on June 22, 2021, by Council Member \_\_\_\_\_.

PASSED and APPROVED by the City Council of the City of Laurel, Montana, This 22<sup>nd</sup> day of June 2021.

APPROVED by the Mayor this 22<sup>nd</sup> day of June 2021.

CITY OF LAUREL

\_\_\_\_\_  
Thomas C. Nelson, Mayor

ATTEST:

\_\_\_\_\_  
Bethany Langve, City Clerk/Treasurer

Approved as to form:

\_\_\_\_\_  
Sam S. Painter, Civil City Attorney

## **INDEPENDENT CONTRACTOR SERVICE CONTRACT**

This Contract is made and entered into this 22 day of June 2021, between the City of Laurel, a municipal corporation organized and existing under the laws of the State of Montana whose address is P.O. Box 10, Laurel, Montana 59044, hereinafter referred to as “City” and Green Technology Solutions, whose address is 350 South Billings Blvd, Suite 2A, Billings, Montana 59101, hereinafter referred to as “Contractor”.

### **SECTION ONE DESCRIPTION OF SERVICES**

A. Purpose. City enters in this contract with Contractor as an independent contractor to perform for City the services described in the document entitled Official Green Technology Solutions Proposal, which is attached hereto as Exhibit “A” and by this reference made part of this contract.

B. Effective Date and Term. This contract is effective upon the date of its execution by both Parties and approval by the City Council. The term of the contract is one (1) year from the date of signing. The parties may extend the contract for additional like terms by mutual agreement, through a signed writing executed by the City’s Mayor and Contractor’s designated representative.

C. Scope of Work. Contractor shall perform his/her work and provide services in accordance with the specifications and requirements of this contract, applicable industry standards, and Exhibit “A.”

### **SECTION TWO CONTRACT PRICE**

Payment. City agrees to provide Contractor access to and space for placement of a minimum of three and maximum of eight green electronics recycling drop off bins as detailed in Exhibit A. Contractor agrees to pick up full bins as appropriate. Contractor is entitled to all green waste collected in its bins and as further described in Exhibit A. There is no cash payment required for the City or Contractor under this contract.

### **SECTION THREE CITY’S RESPONSIBILITIES**

City shall provide Contractor access and adequate space at the City’s Container site. Further, City agrees to notify Contractor when pick up is required.

### **SECTION FOUR CONTRACTOR’S WARRANTIES AND RESPONSIBILITIES**

A. Independent Contractor Status. The parties agree that Contractor is an independent contractor for purposes of this contract and is not to be considered an employee of the City for any purpose hereunder. Contractor is not subject to the terms and provisions of the City’s personnel policies or handbook and shall not be considered a City employee for workers’ compensation or any other purpose. Contractor is not authorized to represent the City or otherwise bind the City in any dealings, agreements or sub-contracts in any dealings between Contractor and any third parties. The City is interested solely in the results of this contract. Contractor is solely responsible for all work and work product under this contract, including techniques, sequences, procedures, and means. Contractor shall maintain all

equipment and materials utilized for this contract. Contractor shall supervise and direct the work to the best of his/her ability pursuant to the terms and conditions contained in Exhibit A.

B. Wages and Employment. Contractor shall abide by all applicable State of Montana Rules, Regulations and/or Statutes in regards to prevailing wages and employment requirements. Contractor shall comply with the applicable requirements of the Workers' Compensation Act. Contractor shall maintain workers' compensation coverage for all members and employees of his/her business, except for those members who are exempted as independent contractors under the provisions of §39-71-401, MCA.

C. Unless otherwise specified by the terms of this Agreement, all materials and equipment used by Contractor shall be usable and of suitable grade for their intended uses.

D. All workmanship and materials shall be of a kind and nature acceptable to the City.

E. Contractor has examined the facilities and/or has made an examination/inspection. Contractor has knowledge of the services or project sought under this Contract and he/she further understands the site conditions to be encountered during the performance of this Contract. Contractor has knowledge of the types and character of equipment necessary for the work, the types of materials needed and the sources of such materials, and the condition of the local labor market.

F. Contractor is responsible for the safety of the work and shall maintain all lights, guards, signs, temporary passages, or other protections necessary for that purpose at all times.

G. All work is performed at Contractor's risk, and Contractor shall promptly repair or replace all damage and loss at its sole cost and expense regardless of the reason or cause of the damage or loss; provided, however, should the damage or loss be caused by an intentional or negligent act of the City, the risk of such loss shall be placed on the City.

H. Contractor is responsible for any loss or damage to materials, tools, work product or other articles used or held for use in the completion or performance of the Contract.

## **SECTION FIVE INDEMNITY AND INSURANCE**

Contractor shall indemnify, defend and save City, its officers, agents and employees harmless from any and all losses, damage and liability occasioned by, growing out of, or in any way arising or resulting from any intentional or negligent act on the part of Contractor or its agents or employees. Contractor shall maintain insurance as provided in Exhibit A.



**SECTION SIX  
COMPLIANCE WITH LAWS**

Contractor shall comply with all federal, state, local laws, ordinances, rules and regulations. Contractor shall either possess a City business license or shall purchase one, if a City Code requires a business license.

**SECTION SEVEN  
NONDISCRIMINATION**

Contractor agrees that any hiring of persons as a result of this contract must be on the basis of merit and qualification and further that Contractor shall not discriminate on the basis of race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability or national origin.

**SECTION EIGHT  
DEFAULT**

If either party fails to comply with any term or condition of this Contract at the time or in the manner provided for, the other party may, at its option, terminate this Contract and be released from all obligations if the default is not cured within ten (10) days after written notice is provided to the defaulting party. Said notice shall set forth the items to be cured. Additionally, the non-defaulting party may bring suit for damages, specific performance, and any other remedy provided by law except for punitive damages. The Parties hereby waive their respective claims for punitive damages. These remedies are cumulative and not exclusive. Use of one remedy does not preclude use of the others. Notices shall be provided in writing and hand-delivered or mailed to the parties at the addresses set forth in the first paragraph of this Contract.

**SECTION NINE  
TERMINATION**

Either party may terminate the contract for their convenience upon thirty days written notice sent postage prepaid, to the addresses provided herein.

**SECTION TEN  
GOVERNING LAW AND DISPUTE RESOLUTION**

The Parties agree that the laws of the State of Montana govern this Contract. The Parties agree that venue is proper within the Courts of Yellowstone County, Montana. If a dispute arises, the Parties, through a representative(s) with full authority to settle a dispute, shall meet and attempt to negotiate a resolution of the dispute in good faith no later than ten business days after the dispute arises. If negotiations fail, the Parties may utilize a third party mediator and equally share the costs of the mediator or file suit.

**SECTION ELEVEN  
ATTORNEY FEES**

If any action is filed in relation to this agreement, the unsuccessful party in the action shall pay to the successful party, in addition to all sums that either is ordered to pay, a reasonable sum for the successful party's attorney's fees and all costs charges and expenses related to the action.

**SECTION TWELVE  
ENTIRE AGREEMENT**

This Contract and its referenced attachment and Exhibit A contain the entire agreement and understanding of the parties and supersede any and all prior negotiations or understandings relating to this project. This contract shall not be modified, amended, or changed in any respect except through a written document signed by each party's authorized respective agents.

**SECTION THIRTEENTH  
ASSIGNMENT OF RIGHTS**

The rights of each party under this Contract are personal to that party and may not be assigned or transferred to any other person, firm, corporation, or other entity without the prior, express, and written consent of the other party.

**SECTION FOURTEEN  
SEVERABILITY**

Each provision, section, or subsection of this Contract shall stand separate and independent of every other. In the event that a court of competent jurisdiction shall find any provision, section, or subsection of this contract to be invalid, the remaining provisions, sections, and subsections of this contract shall remain in full force and effect.

**SECTION FIFTEEN  
PARAGRAPH HEADINGS**

The titles to the paragraphs of this contract are solely for the convenience of the parties and shall not be used to explain, simplify, or aid in the interpretation of the provisions of this agreement.

SIGNED AND AGREED BY BOTH PARTIES ON THE 22<sup>ND</sup> DAY OF JUNE 2021.

CITY OF LAUREL

CONTRACTOR

\_\_\_\_\_  
Thomas C. Nelson, Mayor

\_\_\_\_\_  
Anthony Overcast

ATTEST:

Employer Identification Number

\_\_\_\_\_  
Bethany Langve, Clerk/Treasurer

\_\_\_\_\_

# Official Green Technology Solutions Proposal

## Proposal Overview:

Green Technology Solutions has approached The City of Laurel about providing electronics recycling drop off bins at the Laurel Container Site. Below is the official GTS offer to the city in regards to bin quantity, bin delivery, bin servicing, etc.

## Drop Off Bins:

The above stated container site will be provided with a minimum of four Green Technology Solutions green electronics recycling drop off bins. GTS can provide additional bins at the site upon request (up to 8 bins per location). An optional vehicle battery recycling pallet is available by request. The dimensions of the bins are 48" x 48" x 48" and have an estimated capacity of 500-1000 pounds of electronics/batteries per bin (estimated between 1,000-2,500 pounds at the site). Each bin has been waterproofed and sealed to ensure that the inside compartment is wind and water resistant.

## Items Accepted:

Below is a brief list of items accepted:

1. Desktops, laptops, servers
2. Keyboards, mice, speakers
3. Flat screen TV's (plasma, LCD, LED)
4. Flat screen monitors
5. Cords, cables, chargers
6. Cell phones, tablets, other mobile devices
7. Computer parts/misc. parts
8. Old ink/toner
9. Every type of battery (\*including vehicle batteries)
10. routers/switches
11. commercial/office equipment
12. Industrial equipment
13. DVD players, VCR's, Blu-Ray players, etc.
14. Radios, clocks, and other similar devices

15. Small kitchen appliances (microwaves, toasters, blenders, etc.)

16. \*anything with a cord or batteries that isn't a CRT or projection TV

\*for questions on additional items please visit [www.greenmt.net](http://www.greenmt.net) or give us a call at (406) 206-5376

#### Items Rejected:

GTS will not accept any of the following items at the bin:

1. CRT monitors, CRT TV's, and Projection TV's
  - a. Due to the EPA and DEQ regulations GTS will be unable to accept any CRT's for processing at this time.
2. Paint, chemicals, and other hazardous waste
3. Old medications
4. medical/biological waste
5. Bulk scrap metal/large appliances \*industrial/misc. commercial equipment is accepted on a case by case basis
6. Devices that contain freon
7. General recyclables such as plastic, paper, cardboard, etc.
8. CFL bulbs and tubes (\*LED bulbs and LED tubes are accepted)

#### Bin Delivery:

GTS will deliver the recycling bins to the container site for free. The bin delivery dates are dependent on the lead times to build the bins (expect 3 weeks from the initial order date).

#### Electronics Pickups and Fees:

GTS will pick up from the container site for free. Once notified, GTS will pick up the contents of each bin within 3 business days. These pickup times are dependent on weather conditions.

#### Who Can Use the Bins:

The GTS drop off bins are open to the public during regular business hours of the container site. Due to this service being free, GTS would like the site to be open to both businesses and households at no charge.

#### Liability Insurance/Bin Repairs and Damage:

Each GTS bin will be fully insured under the GTS \$2 million general liability policy. In the event that a bin is vandalized/damaged GTS will implement all repairs necessary on the next pickup date for free.

To Sum it All Up:

1. GTS will provide 4-5 bins at the Laurel Container Site
2. Each bin will be fully insured under the GTS \$2 million general liability policy
3. GTS will deliver the bins for free
4. GTS will pick up the contents of the bins for free
5. GTS will maintain/implement all repairs necessary on the bins for free
6. GTS will accept almost every type of electronic device (CRT's/projection TV's are not accepted)
7. GTS will accept every type of battery including vehicle batteries

Additional Services Provided for Free:

GTS is one of the few recyclers that destroys every hard drive we receive. As a result, all hard drives GTS receives at the container site will be securely destroyed for free at our main 350 S Billings Blvd. Suite #2A facility (\*includes drives still in desktops, laptops, servers, DVR's, and satellite boxes)

Addition Information:

For more information please call (406) 206-5376 or email us at [info@greenmt.net](mailto:info@greenmt.net)