

# Livingston City Commission Minutes

June 17, 2025 — 5:30 PM

City - County Complex, Community Room

https://us02web.zoom.us/j/89253787950?pwd=Gy4LhJHHZMrVG4K8lwMCF5R2RXdiKD.1

Meeting ID: 892 5378 7950

**Passcode: 231932** 

## 1. Call to Order

## 2. Roll Call

- Chair Schwarz
- Vice Chair Nootz
- Commissioner Kahle
- Commissioner Lyons
- Commissioner Willich

# City Staff Present

- City Manager Grant Gager
- Policy Analyst Greg Anthony
- Assistant Chief of Police Andrew Emanuel
- Planning Director Jennifer Severson
- Finance Director Paige Fetterhoff

## 3. Public Comment

Individuals are reminded that public comments should be limited to item over which the City Commission has supervision, control jurisdiction, or advisory power (MCA 2-3-202)

Public comment was offered by:



- Jay Kiefer expressed dissatisfaction with Livingston HealthCare, and also expressed concern about smart meters.
- Leslie Feigel invited the City to participate in the parade. She stated on Aug 26<sup>th</sup> they are doing a childcare summit. She also asked that we remember to send folks to the visitor center when we can.
- Linda Maher asked for a mic for the public comment speakers.

Vice Chair Nootz clarified that smart meters were brought back for a 2<sup>nd</sup> meeting to give the Commission more information. She also thanked Leslie for her comments and reminded that the City did give the Chamber \$8800 for different events. She hopes the Chamber can work with the City to use those funds.

#### 4. Consent Items

- A. APPROVAL OF MINUTES FROM JUNE 03, 2025, REGULAR MEETING PG.5
- B. APPROVAL OF CLAIMS PAID 5/29/25 6/11/25 PG.56
- C. CONSIDERATION OF OPEN CONTAINER SPECIAL EXCEPTION REQUEST FOR A PRIVATE EVENT ON JUNE 20, 2025 PG.67
- D. CONSIDERATION OF OPEN CONTAINER SPECIAL EXCEPTION REQUEST FOR THE LIVINGSTON ROUNDUP PARADE ON JULY 02, 2025 PG.75
- E. CONSIDERATION OF OPEN CONTAINER SPECIAL EXCEPTION REQUEST FOR THE HOOTENANNY ON JULY 17, 2025 PG.81
- F. APPROVAL OF CONVENTION AND VISITORS BUREAU ANNUAL BUDGET PG.88
- G. APPROVAL OF TOURISM BUSINESS IMPROVEMENT DISTRICT WORK PLAN AND BUDGET PG.120
- H. APPROVAL OF LIVINGSTON BUSINESS IMPROVEMENT DISTRICT WORK PLAN AND BUDGET PG.131
- I. APPROVAL OF AGREEMENT 20190 FOR ROPING ARENA LEASE PG.142
- J. APPROVAL OF AGREEMENT 20191 FOR REVOLVING LOAN FUND PG.149

Vice Chair Nootz pulled item J. She stated she has a conflict, since she works for MSU and this item relates to MSU.

Vice Chair Nootz motioned to approve consent items A – I, seconded by Commissioner Willich. Unanimously approved.

Commissioner Willich motioned to approve item J, seconded by Commissioner Kahle. Unanimously approved.



#### 5. Proclamations

# A. A PROCLAMATION OF THE CITY COMMISSION OF THE CITY OF LIVINGSTON, MONTANA, DECLARING JUNE 15-21, 2025 AS FIREFIGHTER STAND DOWN WEEK IN LIVINGSTON, MONTANA

**PG.160** 

Chair Schwarz read the proclamation.

The City Manager thanked LFR for all of their dedication in protecting the community, and hopes the community recognizes the importance of behavioral health and encouraged them to take their own stand down this week.

# B. A PROCLAMATION OF THE CITY COMMISSION OF THE CITY OF LIVINGSTON, MONTANA, RECOGNIZING JUNE 2025 AS PRIDE MONTH IN LIVINGSTON, MONTANA PG.162

Chair Schwarz read the proclamation.

The City Manager stated that the City values dignity and justice for all every day in everything they do, and he looks forward to Livingston Pride Coalition's float for the parade.

Commissioner Lyons thanked Chair Schwarz for reading the proclamation and expressed he is proud that we are doing that.

Commissioner Kahle expressed thanks that this has been in the packet the past few years in the month of June.

Vice Chair Nootz agreed with fellow Commissioners.

Chair Schwarz expressed that he means and lives by everything said in the proclamation.

# 6. Scheduled Public Comment

#### A. PRESENTATION FROM EXPLORE LIVINGSTON

Kris King gave a brief presentation from Explore Livingston to cover Consent Items F, G & H.

Vice Chair Nootz thanked Kris for coming and expressed really liking her images and graphics, and really thinks the data is interesting.



Chair Schwarz thanked Kris for her presentation.

## B. PRESENTATION OF INITIAL CONSIDERATIONS FROM ZONING CODE UPDATE PG. 164

The City Manager stated this item is a check in with SCJ Alliance who is working on the overhaul of the zoning provisions of the LMC. In August of 2024 the City contracted SCJ to perform that overhaul and update the zoning provisions. Throughout fall of 2024 and into this year, SCJ conducted, both online and in person, surveys of the community to gather input. Over the last several weeks they have worked with several of the focus groups that have been created as part of the project to review some of the input received through surveys. He introduced Mike Manning from SCJ to give a brief presentation.

Commissioner Willich announced a conflict of interest as his spouse is a property manager for short-term rentals that are owned by her family and commercial properties that are owned by her family.

Commissioner Lyons thanked Mike for the presentation. He asked about the Heritage overlay zone on page 169 of the packet and wondered about the Use Prioritization description.

Mike stated the feedback they received, especially in the survey, was to see movement away from big box and franchise style development. They wanted to retain more unique character to the commercial development.

Commissioner Lyons expressed curiosity as to how this overlay zone will create that type of outcome.

Mike stated the group will look into the policy writing if the Commission is interested in that.

Commissioner Lyons asked about page 170 regarding height limitation in RI and RII and he thought it looked like a reduction in height.

Mike stated they are attempting to make it more catered to the type of development that Livingston may see, which is why they included the 36 ft with 3-12 roof pitch.

Planning Director Severson stated it actually is not a reduction, and stated currently you can have a roof that is 27 feet or up to 34 feet with a 3-12 roof pitch. She continued to give a brief description of these numbers.

Commissioner Lyons asked about the renaming of NC and HC in the Reworked Zoning Districts slide, and wondered if they would be the same, but just with a different name.

Mike stated no, and stated the C1, or Light Commercial would serve more as a buffer, so thinking smaller scale commercial and less intense. He stated the C2 is the more intense commercial use.

Commissioner Lyons asked about C2 compared to CBD.

Mike stated the difference is location and the CBD will include all of downtown



Commissioner Kahle asked about something that Mike had said about feedback being that community members don't want any buildings taller than the Murray Hotel, and she didn't think the Murray was the tallest building in downtown.

The City Manager confirmed that the Wilmont Building is the tallest building downtown.

Commissioner Kahle reminded everyone that with this update they are not trying to make things harder for mobile home parks.

Planning Director Severson stated that is correct and they are putting a process and some rules in place for RMO zoned areas.

Commissioner Kahle clarified that the City doesn't have permitting requirements for STR's, but the County does.

Vice Chair Nootz asked how information was collected from the community about formula retail and what it looked like.

Mike stated they did give an example in the survey of big box retail, using Murdoch's, so folks would understand, and with that they asked if Livingston should encourage large-scale retail development, and if yes, where should they be located. More than 80% of respondents said no.

Vice Chair Nootz thought it was interesting the suggestion to allow STR's in all zones except Light Industrial, Industrial, Public or PUD.

Planning Director Severson stated that was one change she put in there, and stated she included the PUD location because she thought the Commissioner feedback was to have no short-term rentals in PUD.

Vice Chair Nootz stated that it was not really suggested by the Commission, but more the applicant for the PUD, and the applicant took into consideration what the community wanted as well, which was no STR's. She expressed interest in what the Commission would think about leaving this or removing it. She asked about the consideration for allowing parking structures downtown came from.

Mike stated the discussion surrounding potential for parking structures downtown came from the focus group.

Vice Chair Nootz shared that she has interest in understanding the rework zoning districts. She wondered what the reasoning was to change the density for MU.

The City Manager stated since NC, MU, and HC zones were originally created, they have been slightly changed in various ways over the years to the point where HC, NC and MUC have converged into very similar zones. The main differentiator being more auto oriented uses in HC, and higher density residential allowed in MU.



Vice Chair Nootz asked to hear about the differences between CBD and HC.

The City Manager stated that setbacks are the primary difference, and the dimensions table is where a lot of those main differences are.

Vice Chair Nootz expressed it would be a brand-new undertaking to develop a system to track STR's, then enforce whatever is passed. She is interested in knowing what it would take or cost the City to regulate STR's.

The City Manager stated that is something he could bring back to the Commission. He stated he came from a place that regulated STR's and that was paid for with the sales tax in that area, so in the absence of sales tax here in Livingston, they have looked at it internally and it would be a high permit rate to get 100% cost recovery on a program like that.

Commissioner Lyons stated that his major point of input is an interest in simplicity, and he stated they hear regularly from the development community about the challenges in navigating the regulatory environment. He feels they can answer that need and also answer the vision of future needs by creating a simpler set of zoning districts. He explained specific examples of why it should be simplified. He also thought they should be careful how they discourage big box retail.

Commissioner Kahle agreed that it would be nice to know what it would take to regulate STR's, and expressed agreement with Commissioner Lyons about simplicity in the zones.

Vice Chair Nootz stated that she does like the Livingston Historic Overlay simplification. She expressed that STR's should be considered outside of PUDs. Overall, she feels like they are moving in the right direction, but wants more information on short-term rentals and more clarity between zones like NC, HC, MU, and transition zones.

Chair Schwarz stated he is also concerned about big box retail, and wondered about putting in place a maximum square footage allowed.

Vice Chair Nootz motioned for a 10-minute break seconded by Commissioner Willich. Unanimously approved.

Public comment was offered by:

- Tara Eddy asked that they be careful about discouraging landlords and rentals, and said she does oppose any regulation on STR's.
- Patricia Grabow stated she thought there was a spousal conflict of interest for two other Commissioners whose spouses work at HRDC. She also expressed her thoughts that downtown is dependent on STR's and pointed out that STR's are regulated by the County.
- Katherine Daly who is the Park County Coalition Program Manager with HRDC shared her thoughts on requiring conditional use permits for manufactured home communities. She



thought the City already requires new manufactured home communities to undergo subdivision review.

Commissioner Kahle addressed the comments about conflict of interest and stated that she has never heard HRDC say they were against STR's. She participated in the housing action plan and there is a tool in there to look at STR's to study them and their effects on community. She stated there was also discussion about the importance of STRs.

Vice Chair Nootz clarified the HRDC was involved in the focus groups and they did give input on how to consider STR's. She also asked if Katherine from HRDC will be working with the City regarding housing policies.

The City Manager stated the evaluation of policy is included in the scope of work for the Housing Coordinator position.

#### 7. Action Items

A. RESOLUTION NO. 5161: A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LIVINGSTON, MONTANA, GIVING NOTICE THAT THE CITY COMMISSION HAS COMPLETED ITS PRELIMINARY BUDGET IN THE AMOUNT OF \$31,775,333 FOR THE FISCAL YEAR BEGINNING ON JULY 1, 2025, AND ENDING JUNE 30, 2026, (FY 2026), THAT THE BUDGET IS ON FILE AND AVAILABLE FOR PUBLIC INSPECTION AND ON THE INTERNET AT www.livingstonmontana.org, AND CALLING FOR A PUBLIC HEARING FOR APPROVAL OF THE FINAL BUDGET AND MAKING APPROPRIATIONS. PG.175

The City Manager stated this item sets the public hearing for the budget for 7/15/2025. He thanked Finance Director Fetterhoff for her work on this budget. He gave a brief presentation of the budget.

Commissioner Willich asked about tabs 18 and 19 which have line items for dump trucks and wondered if they are separate vehicles or shared.

The City Manager stated they are separate vehicles.

Commissioner Lyons asked for another explanation about a balanced budget.

The City Manager stated there are two types of revenues and two types of expenditures. There are ongoing and one-time. The general rule of thumb in public budgeting is that revenues should match expenditures, and ongoing expenditures should be funded by ongoing revenues, and one-time expenditures should be funded from one-time revenue or surplus of ongoing revenue. Within this budget, when reviewing ongoing revenue, it exceeds the ongoing expenditures, so if all of the one-time revenue were to disappear, we would still be able to fund the ongoing expenses with that ongoing revenue. However, because the general fund must also include all expenditures, we are using some of our fund balance that exceeds the GFOA recommended 16.6% level, and we are using some of that fund balance to fund capital purchases and capital projects. So, adding the ongoing expenditures to the one-time expenditures, that number does exceed the amount of ongoing



revenue. On paper it appears there is a slight imbalance in the general fund, but detailed in the executive summary it states we have ongoing revenues that exceed our ongoing expenditures.

Commissioner Kahle clarified that they were just voting tonight to move the budget forward, and not voting on anything in the budget. She expressed concern about potential conflict of interest for some Commissioners and wondered about separating out parts of the budget for voting purposes.

The City Manager stated that is correct, and the budget will come before the Commission on July 15<sup>th</sup> and he has talked with the City Attorney and they are able to separate out parts of the budget for voting.

Commissioner Kahle expressed appreciation for the budget and the process. She also pointed out office supplies in the Public Works Dept. that seemed really high in previous years.

Finance Director Fetterhoff explained that it was an accounting entry that we are required to record our administrative cost allocation. It used to be the administrative cost allocation was its own expense in each of those funds, and a couple of years ago the auditing standards on that changed, so at the end of the year she has to move administrative cost allocation into wages for the departments that are part of that allocation, then the other part has to go to supplies, which is how it's identified in an audit.

Vice Chair Nootz asked about 18-2 and the commerce grants.

The City Manager stated the HB 355 grants from the state are being used to address the unpaved road situation, and the rapid flashing beacons. It's state money that will fund a portion of each of those projects.

Vice-Chair Nootz asked about 19-6 and the Bennett Loop.

The City Manager stated that the Bennett Street water loop is an effort to unify the water system that exists south of Park Street with the one that exists north of Park Street. Currently, LHC sits on a deadend water main, and this would help to tie that in.

Vice Chair Nootz asked about 20-7 and making progress with I&I.

The City Manager stated this current year has been the year of design work, so both Bennett Street and I&I have been working through the design process in FY 25. FY 26 is the year that they will actually construct those improvements, and the I&I project will go into construction about the first week of August.

Vice Chair Nootz asked when they would start talking about the current Civic Center.

The City Manager stated that they are in the middle of some facility condition exploration at the Civic Center. He stated that in the next budget they will start some of that planning work.

Vice Chair Nootz asked if they can hear more plans for a railroad crossing.



The City Manager stated they have a short-term plan and long-term plan for this. The short-term plan is working with MDT and the railroad for the construction improvements. The long-term plan involves the evaluation of again a second grade separated rail crossing, and going through community input portion to make sure community is heard and they understand what the community needs and wants.

Commissioner Kahle motioned for a 5-minute break seconded by Vice Chair Nootz. Unanimously approved.

Vice Chair Nootz recalled past budget meetings before City Manager Gager was here, and how things have very much improved since his time here. She highlighted a few things that have greatly improved.

Commissioner Lyons agreed with what Vice Chair Nootz has said.

Commissioner Kahle also agreed with Vice Chair Nootz. She expressed that there has been a culture shift in the City, and that is not just because of the budget, but by how City Manager Gager leads. She likes that the budgets are straightforward and easy to understand.

Chair Schwarz stated the budgets now are much better and it shows in the lack of questions the Commission has to ask to understand the budget.

Commissioner Lyons stated that he sees this budget as a policy document, and it is reflective of the policy guidance that the Commission has given to the City Manager, and he appreciates this year's budget.

Vice Chair Nootz motioned to approve this item seconded by Commissioner Kahle. Unanimously approved.

# B. RESOLUTION NO. 5162: A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LIVINGSTON, MONTANA, OF IT'S INTENT TO ADJUST ALL RATES FOR ALL CUSTOMERS OF THE CITY OF LIVINGSTON WATER SYSTEM. PG.182

The City Manager stated this item notifies the community of the Commission's intent to adjust rates for all waters of the water system. That public hearing will be held 7/15/25. The recommended increase is 4.22% which would result in an average monthly increase of \$.84 to \$2.28 for most users depending on the amount of water that they use.

Vice Chair Nootz asked about the tiered rate structure and wondered if there will be a time when we are working for more water conservation measures that they might adjust the tiers, skewing the cost to be even higher for the highest volume users, knowing they also profit off the City water.

The City Manager stated yes, they do foresee a time where additional tiers will be placed on the rate schedule. He stated he can easily envision a tier that starts at about 100,000 gallons for commercial users.



Vice Chair Nootz wondered if other Commissioners were interested in seeing an added tier.

Commissioner Kahle asked how many of those commercial users there are that are 100,000 gallons or more.

The City Manager stated they looked at it recently and it's approximately 15.

Commissioner Lyons stated he thinks they are talking about a very different structure than what we currently have, and wants to be careful about equity. He generally agrees with Vice Chair Nootz, but he feels like it would be pretty tricky to implement.

Public comment was offered by:

• Patricia Grabow expressed opposition to the rate increase.

Commissioner Willich expressed not liking to raise rates and reminded that even Northwestern Energy raised rates.

Vice Chair Nootz stated that raising just by the rate of inflation is reasonable.

Chair Schwarz agreed with Vice Chair Nootz.

Commissioner Kahle motioned to approve this item seconded by Commissioner Lyons. Unanimously approved.

C. RESOLUTION NO. 5163: A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LIVINGSTON, MONTANA, OF ITS INTENT TO ADJUST ALL RATES FOR ALL CUSTOMERS OF THE CITY OF LIVINGSTON WASTEWATER SYSTEM. PG.189

The City Manager stated this item provides the community notice of the Commissions intent to adjust all sewer rates for consumers of the wastewater system. The recommended increase is 4.22% which is equal to the observed cost of inflation over the last 12 months. The estimated increase for users would be \$.97 to \$4.77 per month.

Commissioner Kahle asked about changing the average months for sewer and wondered if they will see it in this or elsewhere.

The City Manager stated the seasonality is dictated by the LMC, so it is an ordinance change that will be required to affect that calculation change. When this item is brought back, they will have a conversation about that.

Finance Director Fetterhoff clarified what happens on a customer service end with these bills transitioning from average to real rates.

Public comment was offered by:

Linda Maher thanked the Commission for considering changing the averaging months.



Commissioner Kahle stated that it takes electricity to move water around the community, and looking at the electric bill it makes sense that water and sewer rates have to go up.

Commissioner Kahle motioned to approve this item seconded by Vice Chair Nootz. Unanimously approved.

D. ORDINANCE NO. 3061 AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF LIVINGSTON, MONTANA, AMENDING SECTION 30.13 OF THE LIVINGSTION MUNICIPAL CODE ENTITLED OFFICIAL ZONING MAP OF THE CITY OF LIVINGSTON BY ZONING THE RECENTLY ANNEXED PROPERTY ADDRESSED AT 38 LOVES LANE AND LEGALLY DESCRIBED AS LOT 9 POR. LOT 9S OF ACREVILLE SUBDIVISION SE 1/4 OF SEC 23, T02S, R09E, P.M.M PARK COUNTY, MONTANA AS MIXED USE (MU). PG.196

The City Manager stated this item is to zone the parcel at 38 Loves LN. This property was annexed into the City in April of this year.

Planning Director Severson gave a brief presentation on this item.

Vice Chair Nootz expressed that she likes how it was described as to why the Planning Director chose MU for this parcel, and agrees that MU fits with the surrounding zones. She stated it is very clear and she appreciated Planning Director Severson walking them through her decisions.

Public comment was offered by:

 Patricia Grabow stated a group called This is My Land had a meeting and they approached the County Commission for a temporary freeze on any continued annexations until proper documentation can be provided.

The City Manager stated this property has already been annexed into the City of Livingston and action before them tonight is related to zoning.

Commissioner Willich expressed thoughts that the work looks good, and he recalled the last meeting during the annexation where there briefly talked about if this would be zoned NC or MU.

Commissioner Lyons expressed that the staff report was comprehensive and helpful and agrees that MU makes the most sense for this parcel.

Commissioner Kahle agreed this was a comprehensive analysis brought before them and MU seems to make sense at this location.

Vice Chair Nootz expressed thanks to Planning Director Severson for taking the ambiguity and subjectivity out of these decisions, and appreciated that she brings things to them in a simple way that is easy to understand.



Chair Schwarz gave a shout out to the Land Use Board for their work on this as well.

Commissioner Lyons motioned to approve this item seconded by Commissioner Willich. Unanimously approved.

E. ORDINANCE 3060: AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF LIVINGSTON, MONTANA, AMENDING CHAPTER 2, GOVERNMENT AND ADMINISTRATION, OF THE LIVINGSTON MUNICIPAL CODE, BY CREATING A PUBLIC PROPERTY AND WAYS ARTICLE AND ESTABLISHING CERTAIN REQUIREMENTS AND PROHIBITED ACTS. PG.226

The City Manager stated this item is the second reading and is before them due to a flagpole being placed on City property by a private organization and the constitutional first amendment issues the situation created. He is recommending a short addition to chapter 2.

Commissioner Lyons asked if there are specific federal regulations for flag flying.

The City Manager stated that it referenced the federal flag code, and rather than have the CFR reference, he went with the generic regulation.

Commissioner Kahle asked if they would want to consider adding a part about flying flags that relate to proclamations read by the Commission. She understands that tonight might not be the best time to discuss this topic due to the urgency that it goes through.

The City Manager stated the ordinance was drafted based on the input received in the second meeting in May where the Commission did discuss limiting it to the 4 flags listed in this draft.

Chair Schwarz expressed liking Commissioner Kahle's consideration, but thought it might be opening a can of worms.

Vice Chair Nootz also likes the consideration, but expressed that proclamations are not decided upon by the Commission because we are a Commission and not a mayor form of government.

Commissioner Kahle expressed thanks for the conversation.

Commissioner Lyons stated that Vice Chair Nootz's point is very strong and something he agrees with, but also appreciates Commissioner Kahle's consideration.

Vice Chair Nootz expressed that they could think of other ways to be inclusive.

Chair Schwarz reminded that with proclamations they are just read and not voted on, so they could be things the Commission doesn't necessarily agree with, but in our form of government they are only read and not voted on.

Commissioner Kahle expressed that this was a very important conversation for the public to hear tonight.



Commissioner Willich expressed understanding where Commissioner Kahle is coming from and feels there are lots of ways to express what people believe in or live by, but City property has to have some kind of limit.

Commissioner Willich motioned to approve this item seconded by Commissioner Kahle. Unanimously approved.

# 8. City Manager Comment

The City Manager stated he appreciates the Commissions time tonight and is happy to meet Commissions expectations regarding budget.

# 9. City Commission Comments

Commissioner Willich thanked City Manager Gager for his hard work and leadership.

Commissioner Lyons stated the river is running at 9000 CFS

Commissioner Kahle thanked fellow Commissioners for thoughtful conversation tonight.

Vice Chair Nootz addressed Sean from the Enterprise offering to show him previous budget things.

Chair Schwarz thanked City Staff and thanked Commission for a good meeting.

# 10. Adjournment

Commissioner Lyons motioned to adjourn the meeting seconded by Commissioner Kahle. Unanimously approved.

Calendar of Events

Supplemental Material

#### Notice

- Public Comment: The public can speak about an item on the agenda during discussion of that item by coming up
  to the table or podium, signing-in, and then waiting to be recognized by the Chairman. Individuals are reminded
  that public comments should be limited to items over which the City Commission has supervision, control,
  jurisdiction, or advisory power (MCA 2-3-202).
- Meeting Recording: An audio and/or video recording of the meeting, or any portion thereof, may be purchased by contacting the City Administration. The City does not warrant the audio and/or video recording as to content, quality, or clarity.
- Special Accommodation: If you need special accommodations to attend or participate in our meeting, please contact the Fire Department at least 24 hours in advance of the