

April 23, 2024

The Red Lodge City Council met in regular session on April 23, 2024 at 6:00 p.m. The meeting was called to order by Mayor Westwood, followed by the Pledge of Allegiance to the Flag.

ROLL CALL OF OFFICERS: Present: Mayor Westwood, Aldermen Conlee, Daniels, Keys, Miller, Ronning and Toupin.

DEPARTMENT HEAD ATTENDANCE: City Clerk – Loni Hanson and Public Works Director – Mike Maples

ADOPTION OF THE AGENDA- Motion by Conlee, second by Daniels to adopt the agenda as presented. On roll call vote all Aldermen present voted “Aye.” Motion carried.

MAYOR’S BUSINESS- Mayor’s Reports- Mayor Westwood said there has been a porta potty put up at the dog park and one will be put up at Coal Miners Park until the water can be turned on and Rotary Park and Field School Park.

Mayor Westwood said he also receive emails from a couple City Council members regarding finances. Mayor Westwood said he will be attending a conference in a couple weeks that will have discussion regarding City finances and budgets and hopes to bring back more on those.

Mayor Westwood said he has a meeting on Thursday on the Public Works Union contract. He asked the Council if they would like a rep on those meetings. Discussion was had among Council and Alderman Toupin was selected to be at those meetings.

Mayor Westwood said there will be a resolution coming forward in the future regarding the Eagles Nest property. He said he has been in conversations with the owner of the property and they are possibly interested in doing the same thing as the Rocky Fork Inn owners have done.

Mayor Westwood said the RFP for Planning Services is closed and we received three bids for that. Mayor Westwood said after looking through those RFPs that we received and determining the best fit for Red Lodge, he would like to get Council’s approval to hire WWC Engineering.

Motion by Conlee, second by Daniels to accept the Mayor’s selection of WWC Engineering for the City’s contracted planning services. On roll call vote all Aldermen present voted “Aye.” Motion carried.

Mayor Westwood said there will be a planning contract brought forward for the Council’s approval at the April 30th special meeting.

Presentations: EMS Levy Presentation- Torsten Prah, Assistant Chief for the EMS Division, gave a presentation on the proposed June 4th EMS county levy and the need for it.

Re-Addressing Project Presentation- Tom Kohley, GIS Coordinator/Rural Fire Worden for Carbon County, gave a presentation on the re-addressing project.

There was more discussion among the Council, Mayor and Tom Kohley regarding the re-addressing project.

Council agreed to have a motion to proceed with the re-addressing project for action at the May 14th Council meeting.

PUBLIC COMMENTS ON THE AGENDA- Beth Hutchinson, Red Lodge, said there will be disruption for ten years with addressing changes.

Bill Bullock, Red Lodge, said the County did a couple of readdressing projects when highways were realigned and he said they are doable, but to hold public meetings to get the information out there and it does take a process to do it. He also thanked the Public Works department for grading Kainu Avenue.

ACTION ITEMS- Set Special Council Meeting for April 30, 2024- Motion by Ronning, second by Conlee to set a special City Council meeting on April 30, 2024 at 6:00 p.m. On roll call vote all Aldermen present voted "Aye." Motion carried.

Resolution No. 3652, Resolution of Intent to Increase Stormwater Charges/Capital Improvements- Motion by Conlee, second by Toupin to approve Resolution No. 3652, a resolution of intention of the City of Red Lodge, Montana to increase the storm water charge by establishing a capital improvements charge for the storm water system. On roll call vote all Aldermen present voted "Aye." Motion carried.

Brandon Duffey, Great West Engineering, said this resolution starts the process of setting those rates and getting the bid awardment signed for the project.

RESOLUTION NO. 3652

RESOLUTION OF INTENTION OF THE CITY OF RED LODGE, MONTANA TO INCREASE THE STORM WATER CHARGE BY ESTABLISHING A CAPITAL IMPROVEMENTS CHARGE FOR THE STORM WATER SYSTEM

RECITALS

WHEREAS, the City of Red Lodge, Montana (the "City") has established a separate and distinct storm water system as a municipal utility (the "System"); and

WHEREAS, pursuant to Montana Code Annotated, Title 7, Chapter 7, Parts 42 and 43, and Title 7, Chapter 7, Part 44, M.C.A., the City is authorized to construct, better, improve and extend a storm water drainage system and issue revenue bonds to finance in whole or part the costs thereof; and

WHEREAS, the City Council (the "Council") of the City is further authorized and required by Title 7, Chapter 13, Parts 42 and 43, Title 7, Chapter 7, Part 44, and Title 69, Chapter 7, Part 1, M.C.A., to establish just and equitable rates, fees and charges and rentals for the services and facilities provided by a storm and surface water drainage system so as to make a storm water drainage system self-supporting; and

WHEREAS, following a public hearing held on November 24, 2020, the Council adopted Resolution No. 3573 on May 11, 2021 that approved imposing a storm and surface water drainage charge (the "Storm Water Charge") with two components: the maintenance charge (the "Maintenance Charge") and a capital improvement charge (the "Capital Improvement Charge"); and

WHEREAS, in Resolution No. 3573, the City established the Maintenance Charge component of the Storm Water Charge and provided that, as the City determines to move forward with improvements to the System, it will determine the amount and applicability of the Capital Improvement Charge by determining (1) those properties that are benefited by or burden the System as improved by the applicable phase of improvements, and (2) the costs of constructing and or financing construction of the particular phase of improvements; and

WHEREAS, the City is undertaking improvements to the System in three phases (collectively, the "Project"), at a total cost of approximately \$6,732,000, of which approximately \$3,807,000 is expected to be paid from

proceeds of storm water system revenue bonds, approximately \$245,000 has been or is expected to be paid from resort tax revenues, and approximately \$2,680,000 has been or is expected to be paid from ARPA and Montana Coal Endowment Program grant funds; and

WHEREAS, the City will need to establish, impose and collect Capital Improvement Charges sufficient to pay debt service on the proposed storm water revenue bonds and to meet required revenue bond coverage requirements; and

WHEREAS, under Section 69-7-101, Montana Code Annotated, the City has the power and authority to regulate, establish, and change, as it considers proper, rates, charges, and classifications imposed for utility services to its inhabitants and other persons served by the municipal systems. Rates, charges, and classifications must be reasonable and just.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City as follows:

Section 1. Intent to Adopt Resolution Establishing Capital Improvement Charges; Finding of Benefit. It is the intent of the City to establish a Capital Improvement Charge component of the Storm Water Charge.

Section 2. Proposed Increase in Storm Water Charge; Establishment of Capital Improvement Charge.

2.1. Benefit and Applicability

(a) Benefit. The City hereby determines that each lot, tract and parcel located within the Service Area (as defined in Ordinance No. 953) is benefitted by the Project.

(b) Applicability. Based on its determination that all lots, tracts and parcels within the Service Area are benefitted by the Project, the City hereby determines that it is reasonable and just to spread the Capital Improvement Charge across all lots, tracts and parcels within the Service Area.

2.2. Increase in Storm Water Charge; Amount of the Capital Improvement Charge. The Storm Water Charge consists of the sum of the Maintenance Charge and the Capital Improvement Charge. The City proposes to set the initial Capital Improvement Charge at \$10.40 per month for each lot, tract or parcel within the Service Area. The Maintenance Charge will continue in effect at \$3.39 per month for each lot, tract or parcel within the Service Area. As a result of establishing the Capital Improvement Charge, the Storm Water Charge is proposed to increase from a total of \$3.39 per month for each lot, tract or parcel within the Service Area to \$13.79 per month for each lot, tract or parcel within the Service Area.

Section 3. Billing. For administrative convenience only, the City places the Storm Water Charge on the property tax statements applicable to the properties being charged. Approximately one-half of the Storm Water Charge is collected with the November 30 property tax payments and approximately one-half of the Storm Water Charge is collected with the May 31 property tax payments. The Maintenance Charge component of the Storm Water Charge commenced July 2021 and first appeared on property tax bills due November 30, 2021. The Capital Improvement Charge is proposed to commence July 2024 and to first appear on property tax bills due November 30, 2024.

Section 4. Amount of Increase. The proposed Capital Improvement Charge is a new component of the Storm Water Charge. If the Capital Improvement Charge is established as proposed in Section 2.2, the Storm Water Charge for each lot, tract or parcel within the Service Area will increase by approximately 307%.

Section 5. Determination of Annual Budget for System. Each year the Council of the City shall determine the amount of money needed to pay the costs of the System, including but not limited to: (a) the payment of the reasonable expense of operation and maintenance of the System; (b) administration of the System; (c) the payment of principal and interest on any bonded or other indebtedness of the System; and (d) the

establishment or maintenance of any required reserves, including reserves needed for expenditures for depreciation and replacement of facilities, as may be determined necessary from time to time by the Council or as covenanted in the ordinance or resolution authorizing any outstanding bonds of the System. Based on the annual needs of the System, the Council will establish monthly or semi-annual rates and charges for the use or availability of the System.

Section 6. Further Rate Increases. Subsequent adjustments to either component of the Storm Water Charge or adoption of a new charge may be made by resolution of the Council duly adopted after a public hearing with notice thereof given as provided by law.

Section 8. Public Hearing. A public hearing on the establishment of the proposed rates and charges for the System will be held on May 28, 2024, commencing at 6:00 p.m. at the City Hall, 1 Platt Avenue North, in Red Lodge, Montana.

Section 9. Notice. The City Clerk-Treasurer is hereby authorized and directed to publish or cause to be published a copy of a notice of the passage of this resolution in the *Carbon County News*, a newspaper of general circulation in the City, on May 2, May 9 and May 16, 2024, and to mail or cause to be mailed a copy of said notice to all persons served by the System at least 7 days and not more than 30 days prior to the public hearing. The mailed notice must contain an estimate of the amount that the customer’s average bill will increase. The City Clerk-Treasurer is also authorized and directed to mail by first class, postage prepaid, notice the public hearing to the Montana consumer counsel.

Passed and approved this 23th day of April, 2024.

_____ Mayor

ATTEST: _____

City Clerk-Treasurer

Resolution No. 3648, Resolution to Enter into Agreement with All Nations Garden Club- Motion by Keys, second by Daniels to approve Resolution No. 3648, a resolution by the City Council of the City of Red Lodge, Montana, authorizing the City to enter into an agreement with the All Nations Garden Club of Red Lodge for the care and maintenance of Pride Park, a City owned property. On roll call vote all Aldermen present voted “Aye.” Motion carried.

RESOLUTION NO. 3648

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF RED LODGE, MONTANA, AUTHORIZING THE CITY TO ENTER INTO AN AGREEMENT WITH THE ALL NATIONS GARDEN CLUB OF RED LODGE FOR THE CARE AND MAINTENANCE OF PRIDE PARK, A CITY OWNED PROPERTY.

Whereas, the All Nations Garden Club has generously offered to assume some of the care and maintenance of Pride Park; AND

Whereas, the City has encouraged civic organizations to be involved with parks; AND

Whereas, it is in the City of Red Lodge's interests and goals to provide clean, well-kept park facilities; AND

Whereas, a memorandum of understanding (MOU) between the City of Red Lodge and the All Nations Garden Club was executed on February 9, 2023, but without the direction of Council;

NOW THEREFORE BE IT RESOLVED the City Council directs the Mayor to finalize this MOU Agreement and take necessary actions as needed to implement it.

PASSED AND APPROVED BY A MAJORITY OF THE RED LODGE CITY COUNCIL on this 23rd Day of April, 2024.

For the City of Red Lodge, Montana:

Dave Westwood, Mayor

Attest: _____

Loni Hanson, City Clerk

OTHER COUNCIL BUSINESS:

PUBLIC HEALTH AND SAFETY- Fireworks-Alderman Conlee said the committee has been working on the fireworks ordinance and possibly making them legal within the City limits on the 4th of July and whether it goes to the voters or does the Council just update the current ordinance. There was more discussion among Council members regarding fireworks.

Alderman Ronning said the fireworks ordinance will be brought forward at the May 14th Council meeting for public hearing and first reading.

Alderman Conlee said that Chief Srock was at their meeting and said the school board reached out to him regarding a school resource officer. Conlee said the school board is willing to pay 50% of the cost of the officer and the rest be paid by grants that are available to apply for.

There was also discussion among Council and the Mayor regarding annexation of the three subdivisions that the City currently supplies sewer services to.

ADMINISTRATION AND FINANCE- Alderman Ronning said the Admin and Finance Committee will be working on the business registration ordinance and short-term rental ordinance, making sure things are clearly defined in the ordinance.

Alderman Ronning said they also briefly discussed the fire department contract and budgeting timeline. She said they will also be bringing forward a resolution to start the petition process for annexing the City into the fire district.

LAND USE AND PLANNING- Alderman Conlee said the Land Use and Planning Committee discussed the resolution to create Rodeo Park and discussed event permits and the use of City owned land. She said they also discussed the difference between MOUs and leases.

PUBLIC WORKS- Resolution No. 3650, Adopt PER for Wastewater System- Mike Maples, PWD, said this resolution is adopting the preliminary engineering report for the wastewater system that in turn will help us become eligible for grant money.

Resolution No. 3651, Authorize Submission of MCEP Application- Mike Maples, PWD, said this resolution is authorizing the submission for a MCEP grant application to be used for wastewater improvements.

Alderman Toupin said they also discussed the Parks Board projects and Sustainability Board grants.

CORRESPONDENCE- Any correspondence was included in Council packets.

PUBLIC COMMENT ON ANY PUBLIC MATTER NOT ON THE AGENDA- Beth Hutchinson, Red Lodge, asked that the City formally bank sewer capacity for low-income housing.

Angie Hazelswart, Red Lodge, said she doesn't know what the State law is regarding fireworks, but if the City will be allowing it in town, would there be limits on the size of the fireworks allowed? She also talked about the STR scenarios that were discussed during the Admin and Finance committee today.

Meeting adjourned at 8:03 p.m.



Mayor

ATTEST:



City Clerk

Disclaimer: These minutes conform to the requirements of MCA Code 2-3-212. A full recording of the meeting and discussion may be found at www.cityofredlodge.net/meetings.