

**MINUTES  
OF THE BILLINGS CITY COUNCIL  
REGULAR BUSINESS MEETING  
June 24, 2024**

The Billings City Council met in regular session in the Council Chambers located on the second floor of the Police Facility, 220 North 27th Street, Billings, Montana, at 5:30 P.M.

**CALL TO ORDER:** Mayor Cole

**PLEDGE OF ALLEGIANCE:** Mayor Cole

**INVOCATION:** Councilmember Boyett

**ROLL CALL:**

Present: Councilmember Kendra Shaw, Ward I  
Councilmember Ed Gulick, Ward I  
Councilmember Roy Neese, Ward II  
Councilmember Jennifer Owen, Ward II  
Councilmember Denise Joy, Ward III  
Councilmember Bill Kennedy, Ward III  
Councilmember Scott Aspenlieder, Ward IV – late arrival (6:10 PM) via Zoom  
Councilmember Mike Boyett, Ward V  
Councilmember Tom Rupsis, Ward V  
Mayor William Cole

Absent/Excused: Councilmember Daniel Tidswell, Ward IV

**Staff**

Present: Chris Kukulski, City Administrator  
Kevin Iffland, Assistant City Administrator  
Gina Dahl, City Attorney  
Denise Bohlman, City Clerk  
Andy Zoeller, Finance Director  
Jennifer Duray, Deputy Public Works Director  
Anna Vickers, Planning Manager  
Lora Mattox, Transportation Planning Coordinator  
Hunter Kelly, Planner

**MINUTES:**

- May 28, 2024 – Pending
- June 10, 2024 - Pending

**COURTESIES:**

Councilmember Joy thanked the Mayor and Councilmembers Shaw and Boyett for attending the “Mobilize the Magic City” ribbon-cutting and North Park. She encouraged all to see the new art displays.

Councilmember Kennedy invited Councilmember to a reception for Veterans on June 25th at the Northern Hotel, where attendees will learn more about Hoodies for Veterans program and others.

**PROCLAMATIONS:**

There were no proclamations.

**COUNCIL REPORTS:**

There were no Council reports.

**ADMINISTRATOR REPORTS - CHRIS KUKULSKI**

Mr. Kukulski noted Spectrum was having streaming service difficulties and the meeting would not be available on FaceBook, YouTube or on the City's website, or Channel 7's website, but could be viewed on Spectrum and TDS Fiber cable channels.

Mr. Kukulski advised that for Regular Agenda Item 2, there would be 2 presenters, Connor Marshall and Jackson Sheppard with Kamaka Responsible Development. That item was a public hearing only. No Council action was necessary.

And finally, there were no exparte communications after 3 P.M. to the Mayor and Council concerning items on the agenda.

**PUBLIC COMMENT on "NON-PUBLIC HEARING" Agenda Items: 1 ONLY. Speaker sign-in required.** (Comments are limited to three (3) minutes or as set by the Mayor. Please sign the roster at the cart located at the back of the Council chambers or at the podium. Comments on items listed as public hearing items will be heard ONLY during the designated public hearing time for each respective item. For items not on this agenda, public comment will be taken at the end of the agenda.)

No public comment was given.

1. **CONSENT AGENDA**

Mayor Cole separated Consent Agenda Item 1G for discussion.

Councilmember Rupsis separated Consent Agenda Item 1H for discussion.

Councilmember Neese separated Consent Agenda Item 1C for discussion.

**Motion:** I move to approve the items of the Consent Agenda as submitted, with the exception of Items 1C, 1G and 1H.

Moved by Councilmember Gulick

Seconded by Councilmember Joy

**APPROVED 9-0**, Councilmembers Aspenlieder and Tidswell absent/excused

A. Mayor Cole recommends that Council confirm the following appointments:

1.

	Name	Board/Commission	Term	
			Begins	Ends
1	Tammy Schwabe	Human Relations Commission*	06/24/24	12/31/24
2	Carissa Welsh	Human Relations Commission*	06/24/24	12/31/26
3	Jeanelle Wassmer	Human Relations Commission	06/24/24	12/31/28
4	Stacey Robinson	Yellowstone Soil Conservation	07/01/24	06/30/27

\*1 Unexpired term of Angela Matta

\*2 Unexpired term of Brian Schnitzer

Councilmember Boyett asked that a list of board vacancies be provided to the Councilmembers to help with recruitment.

Moved by Councilmember Gulick

Seconded by Councilmember Joy

**APPROVED 9-0**, Councilmembers Aspenlieder and Tidswell absent/excused

**B. Bid Awards:**

1. **2024 Deice Truck.** (Opened 6/4/24) Recommend I-State Truck Center.

Moved by Councilmember Gulick

Seconded by Councilmember Joy

**APPROVED 9-0**, Councilmembers Aspenlieder and Tidswell absent/excused

**C. Landfill Use Agreements** with Yellowstone County, City of Laurel, City of Powell, MacKenzie Disposal, Republic Services, Stillwater County, and Two Tough Guys Services.

Councilmember Neese inquired about the 8.2% increase on the Yellowstone County agreement, yet the County had only experienced a 1.2% increase in population. The other agreements paid on the tonnage or actual use. He was concerned about the true-up from year to year.

Jennifer Duray, Deputy Public Works Director, responded that Yellowstone County's arrangement in the past has been to be charged an annual estimate, rather than charge each County resident individually. There has not been a true-up at the end of each year nor is there a clause for it in the agreement. Historically, costs appear to equalize and Ms. Duray provided the means of calculating usage. Actual weight from County users is known at the end of the year.

**Motion:** I move to approve landfill use agreements with Yellowstone County, City of Laurel, City of Powell, MacKenzie Disposal, Republic Services, Stillwater County, and Two Tough Guys Services.

Moved by Councilmember Joy

Seconded by Councilmember Shaw

Councilmember Neese indicated his support of the motion but would work with staff to make changes to a future agreement that required reconciliation of Yellowstone County's account, annually, to veer away from estimates.

**APPROVED 9-0**, Councilmembers Aspenlieder and Tidswell absent/excused

**D. Amendment No. 1** to MDT Maintenance and Construction Agreement.

Moved by Councilmember Gulick

Seconded by Councilmember Joy

**APPROVED 9-0**, Councilmembers Aspenlieder and Tidswell absent/excused

**E. Professional Services Agreement** with DOWL for W.O. 24-26: Stormwater Master Plan, Phase I.

Moved by Councilmember Gulick

Seconded by Councilmember Joy

**APPROVED 9-0**, Councilmembers Aspenlieder and Tidswell absent/excused

**F. Perpetual Right-of-Way Easement** from Patterson Land & Livestock Co. for construction of the Briarwood Boulevard 16-inch Water Main Extension.

Moved by Councilmember Gulick

Seconded by Councilmember Joy

**APPROVED 9-0**, Councilmembers Aspenlieder and Tidswell absent/excused

**G. Resolution 24-11207** authorizing the Lease Purchase Financing and Historical Tax Credit Investment for the new City Hall.

Mayor Cole voiced concerns about the resolution's language about staff's signing authority to non-binding agreements. City Attorney, Gina Dahl, noted the staff memo referred to Council approving an agreement but the correct term would have been Council approving a resolution and the draft resolution had the correct language and she explained the details of the term sheet to Council.

Councilmember Neese addressed the percentages and amounts to be paid were very high. Andy Zoeller, Finance Director, responded he had no concerns that the deal would go through and negotiations continued. The \$200,000 for legal fees of the lender that concerned Councilmember Neese would be paid, by Council-approved resolution, by the City whether it came to fruition or not. Several lending agencies were solicited and 2 responded with First Interstate Bank providing the best terms.

Adam Markwood with Wishneff and Associates, commented via Zoom, and supported Mr. Zoeller's comments that First Interstate Bank's offer was solid.

**Motion:** I move to approve a resolution authorizing the lease purchase financing and historical tax credit investment for the new city hall.

Moved by Councilmember Shaw

Seconded by Councilmember Boyett

**APPROVED 9-0**, Councilmembers Aspenlieder and Tidswell absent/excused

**H. Resolution** approving Municipal Court Judges' salary increase.

Councilmember Rupsis indicated he opposed the approval of the resolution because he did not agree with the budgeting method of taking funds from one department to pay for salaries in another department. Councilmember Owen agreed and would not vote in favor.

**Motion:** I move to approve a resolution approving Municipal Court Judges' salary increase.

Moved by Councilmember Kennedy  
Seconded by Councilmember Shaw

Councilmember Neese voiced his opposition to the motion.

Councilmember Joy supported the motion advising that the budget had experienced many changes, this included, and it passed without much objection.

Councilmember Boyett was opposed to the motion because the funds would be taken from the Legal Department.

A show of hands vote was taken.

**FAILED 4-5**, Councilmembers Gulick, Neese, Owen, Boyett and Rupsis opposed; Councilmembers Aspenlieder and Tidswell absent/excused

**I. Second/Final Reading Ordinance 24-5887** amending BMCC, Article 22-800, Storm Sewers.

Moved by Councilmember Gulick  
Seconded by Councilmember Joy  
**APPROVED 9-0**, Councilmembers Aspenlieder and Tidswell absent/excused

**J. Bills for the Weeks of:**

**1. May 20, 2024**

Moved by Councilmember Gulick  
Seconded by Councilmember Joy  
**APPROVED 9-0**, Councilmembers Aspenlieder and Tidswell absent/excused

**2. May 28, 2024**

Moved by Councilmember Gulick  
Seconded by Councilmember Joy  
**APPROVED 9-0**, Councilmembers Aspenlieder and Tidswell absent/excused

**REGULAR AGENDA:**

Councilmember Aspenlieder joined the meeting at 6:10 P.M., via Zoom, at the beginning of the Regular Agenda.

**2. PUBLIC HEARING** for Low-Income Multifamily Housing Project - Aurora Apartments.  
No Council action required.

Jackson Sheppard, President of Kamaka Responsible Development, gave a brief presentation of the proposed Section 42 housing project at 3605 Grand Avenue. The housing project was eligible for 4% tax credits and was similar to the Jackson Court housing project. These units will consist of 1, 2, and 3 bedroom options.

Councilmember Owen inquired about security and safety in the building design.

Councilmember Kennedy inquired about rental rates and the non-taxability of the property due to its tax credit status.

Councilmember Rupsis clarified that 60% of AMI in Billings was \$53,760 for a family of four, not \$100,000. Jared Johnson with Kamaka clarified that the \$100,000/year was the basis where the 60% AMI was derived to meet the federal standards.

No public testimony was given during the public hearing. No Council action was taken.

**3. PUBLIC HEARING AND RESOLUTION 24-11209** amending Resolution 21-10986 to correct phasing boundaries in Ridgeline Subdivision. Staff recommends approval.

Councilmember Aspenlieder announced he would abstain from the vote as his company was the agent on the project.

Hunter Kelly, Planner, provided a brief presentation. He explained that the area was previously annexed into the City in August of 2021. In June 2023, the Final Plat was approved for Ridgeline Subdivision. In April 2024, the Montana Department to Revenue contacted Planning staff regarding Lot 2 as a multi-district. The boundaries to the lot had it partially in the County and partially in the City and the boundaries needed to be adjusted. The subdivision was being annexed in phases, which made it unique. By making the adjustment to the boundaries of Lot 2 would bring it entirely into the City's limits.

Council clarified the area to be added to Lot 2 and that the Annexation Waiver would not require revisions.

No public testimony was given during the public hearing.

**Motion:** Having conducted a public hearing, considered written and spoken public testimony, I move to approve a Resolution amending Resolution 21-10986 to correct phasing boundaries in Ridgeline Subdivision, as recommended by staff.

Moved by Councilmember Shaw

Seconded by Councilmember Neese

**APPROVED 10-0**, Councilmember Aspenlieder abstained; Councilmember Tidswell absent/excused

**4. PUBLIC HEARING AND RESOLUTION 24-11210** approving and adopting Public Works right-of-way fees for FY25-FY26. Staff recommends approval.

Jennifer Duray, Deputy Public Works Director, provided a presentation and explained the proposed right-of-way fees for FY24, FY25 and FY26 for excavation, surface and other permits at a 9.1% increase for FY25 and 4% for FY26. The fees are charged to cover administration and inspection services and she explained all that was considered for those services, including employee wages and benefits, office supplies and charges to implement services from other General Fund departments. Fees are reviewed every 2 years and are based on a cost-recovery system.

No public testimony was given during the public hearing.

**Motion:** Having conducted a public hearing, considered written and spoken public testimony, I move to approve a Resolution approving and adopting Public Works right-of-way fees for FY25-FY26, as recommended by staff.

Moved by Councilmember Boyett

Seconded by Councilmember Gulick

**APPROVED 9-1**, Councilmember Kennedy opposed; Councilmember Tidswell absent/excused

**5. PUBLIC HEARING AND RESOLUTION 24-11211** setting FY25 Street Maintenance District Assessments. Staff recommends approval.

Jennifer Duray, Deputy Public Works Director, provided a presentation and explained the necessity for the street maintenance district in the downtown area where property owners wanted additional sweeping and snow removal. The proposed addition was 1.6% for FY25. Ms. Duray reviewed the budget amendments that impacted the street maintenance district; 1. Reduction in Public Works share of entitlement by \$300,000 for FY25; and 2. Allocate \$100,000 of entitlement funding for Skyway Driving planning study. She offered 2 alternative resolutions. The first alternative resolution was proposed during the budget process for a 6.6% increase which would not maintain cost of service levels and will cut PAVER by \$400,000. The second alternative resolution was the preferred alternative and recommended by staff, had a 9.2% increase to maintain the cost-of-service level. She reviewed the current PAVER funding cycle against the recommended cycle and Billings was not close to the recommended cycle for overlays and chip sealing of its streets.

No public testimony was given during the public hearing.

**Motion:** Having conducted a public hearing, considered written and spoken public testimony, I move to approve a Resolution setting FY25 Street Maintenance District Assessments, Alternative 2, as recommended by staff.

Moved by Councilmember Shaw  
Seconded by Councilmember Joy

Councilmember Neese spoke in opposition of the motion.

**Amendment to the Motion:** I move to approve Alternative Resolution 1.

Moved by Councilmember Neese  
Seconded by Councilmember Owen

Councilmember Gulick spoke to discussions had during the budgeting process and would not support the Amendment.

Chris Kukulski, City Administrator, noted that according to the Public Works streets maintenance current schedule, street improvements would not be seen for some areas until 2033. He mentioned that every \$1 spent on maintenance avoided \$5 in replacement costs later.

Councilmember Neese reminded Council that BARSAA funds were saved to be used for the Inner Belt Loop and then a grant was awarded that allowed for the completion of the Inner Belt Loop and the construction of the Skyline Trail. The \$2.6 million BARSAA funds would be realized for maintenance and taking the entitlement share from Public Works was the right thing to do.

Councilmember Shaw stated she would not support the Amendment and spoke of the importance of maintaining streets that could actually save individual taxpayers in car maintenance.

Councilmember Kennedy spoke in opposition of all alternatives pointing to recent remodeling of Belknap and MET offices as using monies that could be used on street maintenance.

A show of hands vote was taken on the Amendment to the Motion.

**FAILED 4-6**, Councilmembers Shaw, Gulick, Joy, Boyett, Rupsis and Mayor Cole; Councilmember Tidswell absent/excused

A vote was taken on the original Motion.

**APPROVED 6-4**, Councilmembers Neese, Owen, Kennedy and Aspenlieder opposed; Councilmember Tidswell absent/excused

**6. PUBLIC HEARING AND RESOLUTION** creating the City of Billings Planning Commission to comply with the Montana Land Use Planning Act (MLUPA). Staff recommends approval.

Lora Mattox, Transportation Planner, provided a presentation. She stated cities and towns over a population of 5,000 or counties over 70,000 were required to participate in the Montana Land Use Planning Act, but counties could opt out and Yellowstone County has. Billings was working on updating its growth policy. She explained it will become necessary to establish a City Planning Commission and get the City through the growth policy update. She recommended that the City's Planning Commission be comprised of one member from the Zoning Commission and one member from the Board of Adjustments, along with various others.

Mayor Cole asked about the procedure for appointing a person from the Zoning Commission and Board of Adjustments, abolishment of the Planning Board and filling vacancies.

Ms. Mattox explained she would work with the Legal Department for guidance, but initially thought asking for volunteers from the Zoning Commission and the Board of Adjustments may be acceptable. Further, the members of those boards had already been vetted and appointed. She referred to Helena's resolution creating a Planning Commission. The current Planning Board would continue to operate as it does until the newly created Planning Commission was established.

Council and staff spoke about the State legislature taking away local powers with this legislation. Ms. Mattox explained that some items would still be brought to Council for approval. Councilmember Kennedy encouraged an application process.

Councilmember Owen asked how long a temporary Planning Commission would exist. Ms. Mattox responded until May 2026. Councilmember Owen suggested just keeping the Planning Board and designating it to serve as the Planning Commission. Ms. Mattox rebutted that the Planning Commission would be separate from the Planning Board in that it would help with the revision of the Growth Policy, specifically, and made up of members from different districts in Yellowstone County. Councilmember Owen noted that all members were currently male and how could more diversity be added now.

Councilmember Neese suggested adding citizens at-large rather than specific individuals in development and real estate.

Councilmember Gulick clarified that members of the current boards were agreeable to serving on the Planning Commission.

Council and staff discussed the prohibition of Councilmembers being appointed to any board or commission, but any Councilmember could attend public meetings of the boards and commissions. Also discussed were concerns about separating City and County planning boards and losing cohesiveness and collaboration. Creating an ex officio County position may aid in communications.

No public testimony was given during the public hearing. The public hearing was continued until the matter was brought back to Council for action.

**Motion:** I move to continue the public hearing to a time on a future agenda, determined by staff, when Council can take action on the creation of the City Planning Commission.

Moved by Councilmember Neese  
Seconded by Councilmember Boyett  
**APPROVED 10-0**, Councilmember Tidswell absent/excused

7. **PUBLIC HEARING AND RESOLUTIONS** allocating FY25 assessments for the following:

a. Business Improvement District 1. **RESOLUTION 24-11213**

Andy Zoeller, Finance Director, noted that the budget had been approved and the assessments needed to be determined.

Councilmember Neese inquired whether an additional downtown police officer would be hired and would that affect the assessments.

Katy Schreiner, CEO of Downtown Billings Alliance, responded no increases were recommended for FY25 because the district was due for renewal.

No public testimony was given during the public hearing.

**Motion:** Having conducted a public hearing, considered written and spoken public testimony, I move to approve a Resolution allocating FY25 Business Improvement District 1 Assessments, as recommended by staff.

Moved by Councilmember Boyett  
Seconded by Councilmember Rupsis  
**APPROVED 10-0**, Councilmember Tidswell absent/excused

b. Tourism Business Improvement District (TBID). **RESOLUTION 24-11214**

Andy Zoeller, Finance Director, noted the assessment was recommended to increase from \$2/night to \$4/night and the last time it was increased was in 2013. TBID stakeholders had no objections.

Councilmember Neese inquired about the 100% increase in bed tax.

Alex Tyson, Executive Director of Visit Billings, provided growth statistics in the hotelier business in Billings and the TBID Board recommended the increase. She mentioned that several of the TBIDs statewide were making increases.

The following individuals provided public testimony:

- **Mike Nelson, Owner of Northern Hotel, 19 North Broadway, Billings, Montana**, spoke in favor of the increase and offered that 3.1 million out of the area visitors came to Billings and only 31% stayed at hotels while the other 69% stayed at Air BNBs, camped, or stayed with friends and relatives, etc. Billings does not have a lot of hotel rooms to spare. TBID is a motivated group that wants to bring more visitors to Billings to increase business for everyone.

Discussions continued about temporary rental businesses contributing to the hospitality taxes and working with State legislators for changes.

- **Jase Muri, General Manager and Owner of the Billings Hotel and Convention Center,** mentioned that the TBID had issued a letter of support for the Sportsplex.
- **George Maragos, President of TBID,** stated TBID contributed to bringing more air travel into Billings and promoted many different tourism events. He noted that several Councilmembers had attended the aspirational cities tour and did they happen to notice all the extra fees on their hotel bills. He supported the increase to \$4 in TBID assessments.

There were no further speakers.

**MOTION:** Having conducted a public hearing, considered written and spoken public testimony, I move to approve a Resolution allocating FY25 Tourism Business Improvement District (TBID) Assessments, as recommended by staff.

Moved by Councilmember Shaw  
 Seconded by Councilmember Gulick  
**APPROVED 10-0,** Councilmember Tidswell absent/excused

**PUBLIC COMMENT on "NON-AGENDA ITEMS". Speaker Sign-in required.** *(Restricted to ONLY items not on this printed agenda. Comments are limited to 3 minutes or as set by the Mayor. Please sign the roster at the cart located at the back of the Council chambers or at the podium.)*

The following individual gave public comment:

- **Jim Soumas, Teamsters President,** spoke of employee salaries and information provided by the City.

There were no further speakers.

**COUNCIL INITIATIVES:** There were no Council initiatives, however, Councilmember Kennedy advised that one would be coming soon requesting staff provide a spreadsheet indicating what percentage of the 5% salary increases had gone to Non-Bargaining employees and another spreadsheet for the overall salaries for the total number of Teamsters for previous years.

**ADJOURN:** 7:49 P.M.



CITY OF BILLINGS

BY: William A. Cole  
 William A. Cole, Mayor

ATTEST:

BY: Denise R. Bohlman  
 Denise R. Bohlman, City Clerk