

**MINUTES
OF THE BILLINGS CITY COUNCIL
REGULAR BUSINESS MEETING
July 8, 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 Shaw

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 Daniel Tidswell, Ward IV
Councilmember Scott Aspenlieder, Ward IV
Councilmember Mike Boyett, Ward V
Councilmember Tom Rupsis, Ward V
Mayor William Cole

Staff

Present: Chris Kukulski, City Administrator
Kevin Iffland, Assistant City Administrator
Gina Dahl, City Attorney
Toni Keehner, Deputy City Clerk
Anna Vickers, Planning Division Manager
Andy Zoeller, Finance Director
Lora Mattox, Transportation Planning Coordinator
Debi Meling, Public Works Director

MINUTES:

- May 28, 2024
Moved by Councilmember Boyett
Seconded by Councilmember Joy
APPROVED 11-0

- June 10, 2024
Moved by Councilmember Boyett
Seconded by Councilmember Joy
APPROVED 11-0

COURTESIES:

Councilmember Boyett indicated he would bring forward a motion at the end of the meeting to reconsider the resolution to increase Municipal Court Judge salaries, which had failed during the June 24, 2024, Regular Business meeting.

PROCLAMATIONS:

Mayor Cole proclaimed July 8-13, 2024, as Drug Abuse and Violence Prevention Week.

COUNCIL REPORTS:

Councilmember Boyett announced he would be a judge at the upcoming Miss Montana and the Miss Teen Montana pageant at Petro Hall.

ADMINISTRATOR REPORTS - CHRIS KUKULSKI

Mr. Kukulski reminded Council the agenda had been revised to combine Mitchell Court HOME Funding and Tax Increment Financing for the project.

Mr. Kukulski spoke of issues with the Public Works utility billing software and mailing billing statements. He indicated they were working diligently on a fix.

Mr. Kukulski indicated Police Chief St. John had recently had a heart attack and would undergo surgery in the next few days.

Mr. Kukulski noted there were no exparte communications received after 3 pm to the Mayor and Council concerning items on the agenda.

PUBLIC COMMENT on "NON-PUBLIC HEARING" Agenda Items: 1, 4, 5a and 5b 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.)

The following individual gave public comment:

- **Kevin Nelson, 4835 Bruce Avenue, Billings, Montana**, spoke against Regular Agenda Item 4, Tax Increment Financing for the Billings Hotel and Convention Center. He spoke of issues with transparency and the SBURA voting process.

There were no further speakers.

1. **CONSENT AGENDA**

Councilmember Aspenlieder separated Consent Agenda Item 1H2 to abstain, as his employer was a vendor that received payments.

Motion: I move to approve the items of the Consent Agenda as submitted, with the exception of Item 1H2.

Moved by Councilmember Shaw
Seconded by Councilmember Tidswell
APPROVED 11-0

A. Bid Awards:

1. **W.O. 23-12: Zone 4 Pump Station and Waterline Improvements.** (Opened 5/7/24) Recommend Grade A Civil, LLC.

Moved by Councilmember Shaw
Seconded by Councilmember Tidswell
APPROVED 11-0

2. **W.O. 24-18: Central Avenue Water Main Extension.** (Opened 6/18/24) Recommend Earth Movers Excavation, Inc.

Moved by Councilmember Shaw
Seconded by Councilmember Tidswell
APPROVED 11-0

3. **W.O. 25-03: Contract 1, City Overlay.** (Opened 6/18/24) Recommend Knife River.

Moved by Councilmember Shaw
Seconded by Councilmember Tidswell
APPROVED 11-0

B. **Purchase of 8 Public Works refuse trucks; SWS Equipment, LLC.**

Moved by Councilmember Shaw
Seconded by Councilmember Tidswell
APPROVED 11-0

C. **Agreement with Community 7 Television.**

Councilmember Neese asked for clarification on retention requirements for Council meeting recordings. Gina Dahl, City Attorney, explained the recordings were required to be maintained for 1 year and indicated she would further research additional retention requirements.

Councilmember Rupsis spoke of the value of retaining the Council meeting recordings. He encouraged staff to work with Community 7 to expand the current retention times.

Moved by Councilmember Shaw
Seconded by Councilmember Tidswell
APPROVED 11-0

D. Agreement with YWCA for Northern Lights Family Justice Center.

Councilmember Aspenlieder thanked the people involved in the Family Justice Center for their efforts.

Councilmember Neese asked for clarification on the agreement. Chris Kukulski, City Administrator, explained some of the specifics involved in the agreement.

Council discussed funding sources and budgeted amounts. Erin Lambert, YWCA CEO, explained some of the funding received for the Justice Center and how the dollars would be used.

Moved by Councilmember Shaw
Seconded by Councilmember Tidswell
APPROVED 11-0

E. Memorandums of Understanding with Billings Public Schools and Billings Catholic Schools for School Resource Officer Program.

Councilmember Neese asked for clarification on the amount paid by the City. Kevin Iffland, Assistant City Administrator, explained the division between the City and the schools.

Moved by Councilmember Shaw
Seconded by Councilmember Tidswell
APPROVED 11-0

F. Donations to the Anti-Graffiti Fund from Susan Lovely, and Diane and Scott Morledge.

Councilmember Boyett thanked the donors for their generosity. Mayor Cole spoke of ways to donate and how to report a graffiti crime.

Moved by Councilmember Shaw
Seconded by Councilmember Tidswell
APPROVED 11-0

G. Cancellation of Checks and Warrants.

Moved by Councilmember Shaw
Seconded by Councilmember Tidswell
APPROVED 11-0

H. Bills for the Weeks of:

1. June 3, 2024

Moved by Councilmember Shaw
Seconded by Councilmember Tidswell
APPROVED 11-0

2. June 11, 2024

Motion: I move to approve Consent Agenda Item 1H2, as recommended by staff.

Moved by Councilmember Boyett
Seconded by Councilmember Gulick
APPROVED 10-0, Councilmember Aspenlieder abstained

REGULAR AGENDA:

2. **PUBLIC HEARING** regarding Low Income Rental Housing - Lucy's Lofts. No Council action required.

Patti Webster, HomeFront CEO, gave an overview of HomeFront's Vision and Mission statements. Heather McMilin, Homeword Project Development Director, explained Homeword's mission and explained the Pre-Manufactured Overhauled Dwellings Solutions (P.O.D.S.) and gave an overview of the proposed project. They reviewed the location, layout of the proposed homes using the P.O.D.S., and housing challenges in the community.

Council discussed crime concerns expressed by the community and the ways HomeFront would address those concerns. Discussions continued about rental costs and income requirements.

The following individuals spoke during the public hearing:

- **Dan Brooks, Chamber of Commerce**, spoke in support of the innovative project and indicated CPTED principles were used to alleviate crime concerns.
- **Gene Leuwer, GL Development**, spoke in support of the project.

There were no further speakers.

No Council action was taken.

3. **PUBLIC HEARING AND RESOLUTION** establishing and revising Planning and Engineering Divisions' fees. Staff recommends approval.

Anna Vickers, Planning Division Manager, gave an overview of the proposed fee changes, the approach to implementing the changes and how increases compared to the market.

Council discussed service concerns, issues within departments and timing to get results. They discussed the current Citizen's Access system and issues with the software.

Ms. Vickers spoke of the new CityView software and indicated staff was currently inputting information to transition to the new system.

Councilmember Aspenlieder indicated he would not support the fee increase and spoke of issues with the current system and service.

Councilmember Kennedy indicated he would not support the increase until changes were made.

The following individuals spoke during the public hearing:

- **Dan Brooks, Chamber of Commerce**, indicated he was working in association with the Home Builders Association (HBA) and Association of Realtors and gave Council a handout regarding the infill policy.
- **Elizabeth Schumaker, White Lotus Broker/Owner**, spoke of HBA member concerns with projects delayed due to City regulations and permitting.

There were no further speakers.

Motion: Having conducted a public hearing, considered written and spoken public testimony, I move to approve a resolution establishing and revising Planning and Engineering Divisions' fees, as recommended by staff.

Moved by Councilmember Boyett
Seconded by Councilmember Gulick

APPROVED 8-3, Councilmembers Owen, Kennedy and Aspenlieder opposed

4. **TAX INCREMENT FINANCING ASSISTANCE** from the South Billings Boulevard Tax Increment Finance District to Billings Hotel and Convention Center, of up to \$463,085. South Billings Urban Renewal Association (SBURA) Board recommends approval.

Dick Zier, SBURA, gave an overview of the Billings Hotel and Convention Center project, the number of jobs created during the construction process and how the improvements would increase capacity. He explained there had been a mistake in the minutes regarding members voting. He indicated the minutes would be corrected.

Council discussed how the improvements would benefit the public and how the SBURA Board could increase transparency of their meetings.

Motion: I move to conditionally approve tax increment financing assistance from the South Billings Boulevard Tax Increment Finance District to Billings Hotel and Convention Center, of up to \$463,085, as recommended by SBURA Board.

Moved by Councilmember Joy
Seconded by Councilmember Kennedy

Councilmember Neese indicated he would not support the motion due to the inaccuracy in the documents presented to Council.

APPROVED 10-1, Councilmember Neese opposed

The Mayor called a recess at 7:30 P.M. He reconvened the meeting at 7:36 P.M.

5. **MITCHELL COURT:**

a. **HOME FUNDING** to Mitchell Court, LLLP for the new construction of Mitchell Court Project. Community Development (CD) Board recommends approval.

Dina Harmon, Program Coordinator, gave an overview of the Mitchell Court project funding request. Gene Leuwer, GL Development, reviewed the proposed project, rent pricing, and income requirements. He spoke of similarities in the Mitchell Court project and the completed Jackson Court project.

Motion: I move to approve HOME funding to Mitchell Court, LLLP for the new construction of Mitchell Court Project, as recommended by the CD Board.

Moved by Councilmember Shaw
Seconded by Councilmember Gulick

Council spoke of the benefits of both projects and the positive effects to the community. They discussed the ditch separating the two projects and the potential for a connection between the projects.

APPROVED 11-0

b. **TAX INCREMENT FINANCING ASSISTANCE** from the South Billings Boulevard Tax Increment Finance District to GL Development, for Mitchell Court Apartments, a maximum of \$500,000. South Billings Urban Renewal Association (SBURA) Board recommends approval.

Dick Zier, SBURA, gave an overview of the Mitchell Court Apartments and the funding request.

Council discussed the ratio of government subsidies requested in the project. Gene Leuwer, GL Development, explained the tax credit process and plans to sell the tax credits to Glacier Bank.

Motion: I move to conditionally approve tax increment financing assistance from the South Billings Boulevard Tax Increment Finance District to GL Development, for Mitchell Court Apartments, a maximum of \$500,000, as recommended by SBURA Board.

Moved by Councilmember Aspenlieder
Seconded by Councilmember Rupsis

Council discussed the number of units that would be income and rent restricted.

APPROVED 11-0

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.)*

There were no speakers.

COUNCIL INITIATIVES:

Motion: I move to direct staff to schedule a "budget and employee pay" discussion at the next Work Session.

Moved by Councilmember Kennedy
Seconded by Councilmember Neese

Councilmember Kennedy discussed the steps involved in the initiative:

1. City Administrator to provide the salary study and change to the Council.
2. The CA to provide the 3-year progression of raises to the top 20 administrative salaries to Council.
3. The plan for the distribution of the 5% lump sum approved in the budget.
4. Transparency to the employees and the council.
5. The Budget committee will start with salary budget discussions during the year of budgeting.
6. This process should be shared with the council.
7. Public dollars should be transparent.
8. For transparency: all salaries published in budgets.

Chris Kukulski, City Administrator, indicated there had been conversations in the past with various Councilmembers regarding the change in salary to a market-based structure. He informed Council

the topic was scheduled for discussion at the next Budget and Legislative Committee meeting.

Council discussed previous year's budget payroll costs, labor negotiations and publishing salaries. Councilmember Aspenlieder suggested placing the topic on the next Regular Business meeting. Councilmembers Kennedy and Neese agreed.

Motion: I move to reconsider the June 24th, 2024, failed vote to increase the Municipal Court Judges salary.

Moved by Councilmember Boyett
Seconded by Councilmember Aspenlieder

Councilmember Boyett explained the \$40,000 budget item had been approved but the resolution on June 24, 2024, had failed. He indicated the amount was sitting in the Municipal Court budget but was not allocated.

Andy Zoeller, Finance Director, indicated Municipal Court had budget authority to use the money, but the general policy required City Administrator approval to use wages for any other reason. He indicated a budget amendment could be made later.

Mayor Cole directed staff to place the reconsideration on the July 22, 2024, Regular Business meeting.

APPROVED 7-4, Councilmembers Gulick, Neese, Owen and Rupsis opposed

ADJOURN: 8:40 P.M.



CITY OF BILLINGS

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

ATTEST:

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