

**MINUTES  
OF THE BILLINGS CITY COUNCIL  
REGULAR BUSINESS MEETING  
May 27, 2025**

The Billings City Council met in regular session in the City Council Chambers, located at 316 N. 26<sup>th</sup> Street, 5<sup>th</sup> Floor, Billings, Montana, at 5:30 P.M.

**CALL TO ORDER:** Mayor Cole

**PLEDGE OF ALLEGIANCE:** Mayor Cole

**INVOCATION:** Councilmember ~~Boyett~~ Aspenlieder

**ROLL CALL:**

Present: Councilmember Kendra Shaw, Ward I  
Councilmember Ed Gulick, Ward I  
Councilmember Roy Neese, Ward II  
Councilmember Jennifer Owen, Ward II  
Councilmember TJ Rogers, Ward III  
Councilmember Bill Kennedy, Ward III  
Councilmember Scott Aspenlieder, Ward IV  
Councilmember Daniel Tidswell, Ward IV (Via Zoom)  
Councilmember Mike Boyett, Ward V  
Councilmember Tom Rupsis, Ward V

Staff  
Present: Chris Kukulski, City Administrator  
Kevin Iffland, Assistant City Administrator  
Gina Dahl, City Attorney  
Denise Bohlman, City Clerk  
Jeff Roach, Aviation and Transit Director  
Wyeth Friday, Planning Director  
Anna Vickers, Planning Manager  
Tate Johnson, Planner  
Debi Meling, Public Works Director  
Jennifer Duray, Deputy Public Works Director  
Mac Fogelsong, City Engineer

**MINUTES:**

- April 28, 2025

Moved by Councilmember Boyett

Seconded by Councilmember Kennedy

**APPROVED 11-0**

- May 12, 2025

Moved by Councilmember Boyett

Seconded by Councilmember Kennedy

**APPROVED 11-0**

#### **COURTESIES:**

- Former Councilmember, now Senator Mike Yakawich, provided an update on the legislature and explained his participation in Helena. He thanked the Mayor and Councilmembers and staff that testified on behalf of his bill and many others.
- Councilmember Aspenlieder recognized the hard work the Public Works staff went through in serving the community during several water leaks and disruptions over the holiday weekend.
- Councilmember Kennedy recognized Rick Baker and Ken Callahan of Hoodies for Heroes for organizing a weekend event in which a veterans' memorial was dedicated to the City and all they do for families of fallen soldiers. He also acknowledged Brandon Schmidt of the Parks, Recreation, Public Lands and Cemetery, staff, volunteers and community groups for their help at Mountview Cemetery during ceremonies over the weekend. Mayor Cole recognized Councilmember Kennedy for his dedication and involvement for many years with events concerning veterans.

#### **PROCLAMATIONS:**

- Mayor Cole proclaimed the week of June 9-15 as Mens' Health Week
- Mayor Cole acknowledged and congratulated the Shriners' fraternity for their Shriners' International Anniversary on June 6<sup>th</sup>. A representative from the local Shriners' organization thanked the Council and community for their support.

#### **COUNCIL REPORTS:**

There were no Council reports.

#### **ADMINISTRATOR REPORTS - CHRIS KUKULSKI**

Mr. Kukulski provided Council with information that:

- Consent Agenda Item 1C would need a motion approved by Council to remove the item from the Agenda to be brought back at a later meeting.
- Concerning Consent Agenda Item 1K, the resolution would be followed by an Administrative Order signed by him, consistent with the resolution and a draft of the Administrative Order was attached to the staff memo. He noted the word "Not" was contained in B(1)(3) concerning bids over \$25,000 needing bids and pricing comparisons and that was an error. He mentioned more information would be included concerning the Federal Aviation Uniform Act. He also noted for RFPs and RFQs pricing would follow state statutes.
- There would be 2 work session meetings the following week on Monday and Tuesday evenings to continue to work through the FY26 budget.
- Public Works team was busy with several water main breaks over the weekend.
- There were no exparte communications to Mayor and Council received after 3 PM concerning items on the agenda.

**Motion:** I move to remove Consent Agenda Item 1C, as recommended by staff.

Moved by Councilmember Boyett  
Seconded by Councilmember Neese

**APPROVED 11-0**

**PUBLIC COMMENT on "NON-PUBLIC HEARING" Agenda Items: 1, 2 and 11 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.)

There was no public comment provided.

Councilmember Aspenlieder separated Consent Agenda Item 1L1 in order to abstain as his business was listed in the payables.

Councilmember Neese separated Consent Agenda Item 1K for discussion.

Mayor Cole separated Consent Agenda Item 1G in order to abstain as he and his wife were donors to the item.

**Motion:** I move to approve all items on the Consent Agenda, except for items moved for separation.

Moved by Councilmember Gulick  
Seconded by Councilmember Shaw

**APPROVED 11-0**

1. **CONSENT AGENDA**

A. **Bid Awards:**

1. **W.O. 25-01, Contract 2: 2025 Sanitary Sewer Replacement Project.** (Opened 05/06/25)  
Zones 1 and 2. Recommend Askin Construction, LLC.

Moved by Councilmember Gulick  
Seconded by Councilmember Shaw

**APPROVED 11-0**

2. **W.O. 25-13: Annual Stormwater Rehab Program.** (Opened 05/06/25) Recommend Earth Movers Excavation, Inc.

Moved by Councilmember Gulick  
Seconded by Councilmember Shaw

**APPROVED 11-0**

B. **Change Order No. 5, W.O. 19-12: West End Reservoir Project;** Dick Anderson Construction, Inc.

Moved by Councilmember Gulick  
Seconded by Councilmember Shaw

**APPROVED 11-0**

C. ~~Amendment No. 6, to the Purchase and Sale Agreement (PSA) for City Hall building at 210 N. 27th Street with Honaker Realty, LLC and JWT Capital, LLC. REMOVED VIA MOTION~~

D. **Limited Commercial Ground Leases** with Marchi Family Enterprises, LLC.

Moved by Councilmember Gulick  
Seconded by Councilmember Shaw  
**APPROVED 11-0**

E. **Agreement** with Knife River for Fill Project.

Moved by Councilmember Gulick  
Seconded by Councilmember Shaw  
**APPROVED 11-0**

F. **Donation** to Parks, Recreation and Public Lands from Big Sky Economic Development for Coulson Park.

Moved by Councilmember Gulick  
Seconded by Councilmember Shaw  
**APPROVED 11-0**

G. **Donations** to the Billings Police Department from Bill and Anne Cole, Billings Clinic and Rocky Mountain Glass for Camp Blue Sponsorship.

Deputy Mayor Boyett officiated for the vote and thanked the Mayor, Billings Clinic and Rocky Mountain Glass for their donations, as did Councilmember Neese.

Moved by Councilmember Aspenlieder  
Seconded by Councilmember Neese  
**APPROVED 10-0**, Mayor Cole abstained

H. **Public Sidewalk Easement** from Tanner and Jennifer Bennion for public sidewalk and drainage swale.

Moved by Councilmember Gulick  
Seconded by Councilmember Shaw  
**APPROVED 11-0**

I. **Final Plat** of High Sierra Subdivision, 20th Filing. \*Quasi-Judicial

Moved by Councilmember Gulick  
Seconded by Councilmember Shaw  
**APPROVED 11-0**

J. **Final Minor Plat** of Amended Plat of Buffalo Crossing Subdivision, Lot 1, Block 3. \*Quasi-Judicial

Moved by Councilmember Gulick  
Seconded by Councilmember Shaw  
**APPROVED 11-0**

K. **Resolution 25-11268** adopting the City's Purchasing Policy.

Councilmember Neese clarified that the City Administrator's Administrative Order would acknowledge this Resolution.

**Motion:** I move to approve Consent Agenda Item 1K.

Moved by Councilmember Neese  
Seconded by Councilmember Aspenlieder

Councilmember Aspenlieder noted his appreciation to Liz Kampa, Purchasing Agent, for her work on his imitative, stating the proposed policy mirrored State statutes more closely. He expressed dissatisfaction concerning the aviation and transit purchasing methods. He acknowledged that the process per FAA regulations could be done that way, but he did not agree that it should be done that way and asked Director Roach to follow the purchasing policy set forth more closely.

Councilmember Owen addressed Liz Kampa about training staff of the new purchasing policy.

**APPROVED 11-0**

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

1. April 28, 2025

Moved by Councilmember Gulick  
Seconded by Councilmember Shaw  
**APPROVED 11-0**

2. May 5, 2025

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

**REGULAR AGENDA:**

2. **TAX INCREMENT FINANCING ASSISTANCE** from the East Billings Urban Renewal District (EBURD) to The Food Truck Stop, located at 202 North 18th Street, for reimbursement for remodeling expenses, up to a maximum reimbursement of \$8,967. Billings Industrial Revitalization District (BIRD) Board recommends conditional approval.

Michelle Harkins, Executive Director of the BIRD, gave a PowerPoint presentation about the property and project and spoke to the company's purpose and intention to provide a place for other food truck vendors to prepare food, launder linens, etc. because the food truck business does not have a brick and mortar building to do those things.

**Motion:** I move to conditionally approve tax increment financing assistance from the EBURD tax increment finance district funds to The Food Truck Stop, up to a maximum reimbursement of \$8,967, as recommended by the BIRD Board.

Moved by Councilmember Shaw  
Seconded by Councilmember Gulick

Councilmembers Shaw and Gulick expressed excitement for the unique business model and the minimal cost and risk to taxpayers.

Councilmember Boyett suggested that all TIF districts implement a policy that for reimbursements of less than \$10,000, the TIFs be given discretion to disburse without Council approval.

**APPROVED 11-0**

**3. PUBLIC HEARING AND SPECIAL REVIEW 999:** a special review to allow a drive-through service adjacent to a residential zoning district (south property line) for a proposed new drive-through food service restaurant, generally located at 4140 State Avenue. Zoning Commission recommends conditional approval and adoption of the findings of the 3 9 criteria. \*Quasi-Judicial

Councilmember Aspenlieder noted he would abstain from the discussion and vote as his company was the agent representing the owners.

Tate Johnson, Neighborhood Planner, provided a PowerPoint presentation stating that the owners wished to have a drive-through food service restaurant and separate laundromat in the same building. She noted that special review uses were not allowed uses within a district, but would be special exceptions and the responsibility to prove the compatibility within the district was on the applicant. She reviewed the neighboring zone districts and the conditions of the Special Review. She explained the building was already under construction for the laundromat which was an allowed use. The Special Review was concerning the drive-through food service only.

Council discussed neighborhood support and the 10:00 P.M. closure condition. Anna Vickers, Planning Manager, explained the 10:00 P.M. closure condition was in line with the noise ordinance for residential areas, but Council could make a revision.

Mayor Cole noted a mistake in the recommendation of adopting the findings of the 3 criteria should be 9 criteria.

The following individuals provided testimony during the public hearing:

- **Brody Robertson, Performance Engineering**, agent, stated he was available if Council had any questions.

No further testimony was given.

**Motion:** Having conducted a public hearing, considered written and spoken public testimony, I move to approve Special Review 999 and adopt the findings of the 3 9 criteria, as recommended by the Zoning Commission and change the criteria to allow operating hours from 5:00 AM to 12:00 Midnight.

Moved by Councilmember Kennedy  
Seconded by Councilmember Rogers

Councilmember Neese confirmed with Wyeth Friday, Planning Director, that the noise ordinance would be enforced by the police department. The outside speaker could not be audible beyond the property line to protect the residential areas beyond the property line.

Councilmember Gulick noted that there had not been any objections from the neighbors likely because the closing time condition was set for 10:00 P.M., but now Council was considering 12:00 Midnight and some neighbors may have objected to that if they had been given notice of the change.

**APPROVED 10-0**, Councilmember Aspenlieder Abstained

**4. PUBLIC HEARING AND FIRST READING ORDINANCE FOR ZONE CHANGE 1065:** generally located at 1440 Governors Boulevard. Zoning Commission recommends approval and adoption of the 10 review criteria. \*Quasi-Judicial

Tate Johnson, Neighborhood Planner, gave a PowerPoint presentation and noted the property was owned by School District No. 2. The existing zoning was P2 and the proposed zoning was NX1 as the plan was to provide work force housing for School District No. 2's staff.

**Dax Simic, Stahly Engineering, Agent**, advised the development would be single family, work force housing.

Council discussed the shaley topography of the land and expressed excitement for the project on land that had long been vacant with suggestions about creating more mixed-use areas.

**John Dunlap**, indicated he had been working with HomeFront during the 2023 Legislative cycle on housing issues. The State earmarked \$50 million to address housing problems at the community level. He explained the criteria that allowed Yellowstone County to be a beneficiary and how the program worked and the mortgage funding.

The following individuals spoke during the public hearing:

- **Patty Hunter, Billings, Montana**, voiced concern about alley-feed on Constitution Avenue not being safe. She urged Council to have that researched thoroughly due to the amount of school children in the area.
- **Danielle Evan, Billings, Montana**, inquired about short-term rentals in the development.

No further testimony was given.

**Motion:** Having conducted a public hearing, considered written and spoken public testimony, I move to approve First Reading Ordinance for Zone Change 1065 and adopt the findings of the 10 review criteria, as recommended by the Zoning Commission.

Moved by Councilmember Owen

Seconded by Councilmember Neese

**APPROVED 11-0**

**5. PUBLIC HEARING AND FIRST READING ORDINANCE** amending Billings, Montana City Code (BMCC) Section 6-1208, Curb Cuts. Staff recommends approval.

Mac Fogelson, City Engineer, provided a PowerPoint presentation. He noted the timeline for the ordinance changes and the reasons the changes were being proposed. He added that during a recent work session it was suggested there be a 3-tier approach for administrative relief per Council's instruction. He visited traffic studies and what they do and do not accomplish and that any reference to private streets was removed from the Curb Cut section. He continued to review the remaining changes specific to curb cuts and language that would be added to permit applications regarding standards. Mr. Fogelson suggested that on page 3(d) Traffic Impact Study, be deleted as it is addressed elsewhere in the Code. On Page 7(14) Abandoned or Unused Curb Cuts, he suggested the words "At time of building permit application approval, . . ." be added to the first sentence.

Council and staff discussed traffic impact concerns and enforcement issues.

The following individual provided testimony during the public hearing:

- **Doug Wilde, Billings, Montana**, supported the proposed changes.
- **Elizabeth Shumaker, Representative of the Home Builders Association, Billings, Montana**, supported proposed changes and the communications with staff and Council.

No further testimony was given.

**Motion:** Having conducted a public hearing, considered written and spoken public testimony, I move to approve First Reading Ordinance amending BMCC, Section 6-1208, Curb Cuts, including deleting from Page 3(d) Traffic Impact Study, the sentence that starts with "The City Engineer may require applicant analysis . . ." and adding on Page 7(14) Abandoned or Unused Curb Cuts, the sentence would begin as "At time of building permit application approval . . .", as recommended by staff.

Moved by Councilmember Boyett  
Seconded by Councilmember Rogers  
**APPROVED 11-0**

**6. PUBLIC HEARING AND RESOLUTION 25-11269** vacating the alley (carriage lane) between Lot 5 and Lot 6, Block 31 in Annafeld Subdivision, Fifth Filing. Staff recommends approval.

Debi Meling, Public Works Director, provided a PowerPoint presentation and explained that the developer had not developed the area yet and wished to re-subdivide. Per Administrative Order 56, indicated that if no public improvements had been made within the right-of-way, the right-of-way could be returned at no cost to the developer. She showed the preliminary plat for Annafeld Subdivision, 7<sup>th</sup> Filing, that showed the carriage lane vacated.

No 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 vacating the alley (carriage lane) between Lots 5 and Lot 6, Block 31 in Annafeld Subdivision, Fifth Filing, as recommended by staff.

Moved by Councilmember Kennedy  
Seconded by Councilmember Rogers  
**APPROVED 11-0**

Recess was called at 7:15 P.M. Meeting reconvened at 7:23 P.M.

**7. PUBLIC HEARING AND RESOLUTION 25-11270** setting FY26 Street Maintenance District Assessments. Staff recommends approval.

Jennifer Duray, Deputy Public Works Director, provided a PowerPoint presentation and explained that rate increases were necessary due to inflation, BOC rent increases, equipment operator wage increase of 12% in FY25 and 4% in FY26, reduction in entitlement funding, increases in capital projects - traffic calming projects and the PAVER Program. She continued that for Street Maintenance District 1 (SMD 1) had reserve funds so sweeping and snow plowing/removal required no increase to maintain the service level. She reviewed revenues and expenses in Street Maintenance District 2 (SMD 2) and noted a 4.6% increase was needed to maintain its level of service. She acknowledged Council's desire for a 0% increase to the district and explained how funding was reduced for Safe Routes To Schools and SMD funding was supplemented with Transportation Alternatives funding and grant funding. Gravel Streets funding was also reduced. Ms. Duray reviewed the effects of 0% SMD rate increase overtime and noted that a 7.4% increase in FY27 would be needed to not lost purchasing power.

No 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 annual Street Maintenance District Assessments for FY26, as recommended by staff.

Moved by Councilmember Aspenlieder  
Seconded by Councilmember Kennedy

Councilmembers Boyett and Shaw voiced concern about delaying increases and their effect but would support the motion.

Councilmember Aspenlieder acknowledged the concerns about delaying but stated it was a prudent decision for this year with all the anticipated tax changes.

Councilmember Rupsis was not supportive delaying maintenance.

Councilmember Neese and Mayor Cole would support but had concerns about making up for the 0% increase in future years.

**APPROVED 10-1**, Councilmember Rupsis opposed

**8. PUBLIC HEARING AND RESOLUTION 25-11271** setting FY26 Storm Sewer System Fee Rates. Staff recommends approval.

Jennifer Duray, Deputy Public Works Director, gave a PowerPoint presentation and reviewed the Council's Budget and Finance Subcommittee recommendations to the budget. She spoke of the capital improvement needs and the timeline. The storm rates were the only rates staff was recommending increases for Public Works Utilities.

No 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 FY26 Storm Sewer System Fee Rates, as recommended by staff.

Councilmember Aspenlieder supported this increase and recognized the improvements were needed to reduce flooding and capacity for storm drains was needed.

Councilmember Gulick voiced support.

Moved by Councilmember Aspenlieder  
Seconded by Councilmember Gulick

**APPROVED 9-2**, Councilmembers Kennedy and Neese opposed

**9. PUBLIC HEARING AND RESOLUTION 25-11272** adopting FY26 Solid Waste Collection, Disposal, and Landfill Fees. Staff recommends approval.

Jennifer Duray, Deputy Public Works Director, gave a PowerPoint presentation and spoke of the impacts for increased vehicle parts and labor and the impacts of losing Pacific Recycling's business. She advised of changes proposed to the Solid Waste Capital Improvement Program (CIP) to help reduce solid waste fees and fee increases. She advised that Billings was always at the bottom of costs for monthly residential fees when reviewing a comparison because the City subsidizes fees.

Council and staff discussed the loss of out of state business; concerns about proper compaction of waste for methane gas production; adequate training of staff concerning compaction; and inconsistent enforcement of rates at the landfill.

Councilmember Owen was concerned about landfill operations and would oppose the motion based on her concerns.

Councilmember Kennedy voiced concerns that compaction may not be adequate and that the anticipated capacity was not being realized. He spoke of long lines to get into the landfill and his concerns about the management of the landfill overall. He wished to delay a vote or he would be opposed to approval at this time.

No 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 adopting FY26 Solid Waste Collection, Disposal, and Landfill Fees, as recommended by staff.

Moved by Councilmember Rupsis  
Seconded by Councilmember Gulick

**APPROVED 6-5**, Councilmembers Tidswell, Rogers, Kennedy, Owen and Neese opposed

**10. PUBLIC HEARING AND RESOLUTION 25-11273** adopting FY26 and FY27 Water and Wastewater Rates and Fees. Staff recommends approval.

Jennifer Duray, Deputy Public Works Director, gave a PowerPoint presentation and explained the rate increases were due to inflation and the City's desire to get pipe replacement completed per its 100-year replacement plan. She explained the complexity of retail rates, Heights Water District rates and wholesale rates and private fire line annual charges. She reviewed recommended rates and the tier-system and noted that Billings' rates were some of the lowest in the state comparatively speaking.

Ms. Duray then reviewed wastewater rates and fees. She explained the capacity side calculations for 2021, 2023 and 2025 for P66 and Exxon/Par Montana's timelines and changes needed to their rate calculations going forward. She encouraged Council to pass the retail rates now.

Council and staff discussed the rate studies; usage by the larger users precipitating the need to expand the plant; the 2-year review process; and bulk resale users.

Ms. Duray encouraged Council to approve the resolution that had all the recommended rates, except the wholesale rates in it.

Councilmember Owen inquired about the Par Montana and P66 rates. Ms. Duray explained there would be a \$1 million revenue loss per year that would occur if Par Montana and P66 rates were not adjusted to max monthly rates. She suggested to cut the rest of the wastewater extensions and use reserves for the remainder.

Councilmember Owen inquired about when late fees and shut offs to water users would begin. City Administrator, Chris Kukulski, asked for Council direction and apologized for the mistake in the written letters that were sent. A timeline for notifications and the method by which those notifications to the public would be sent was discussed further.

Ms. Duray clarified that staff's first choice was Council approve the amended resolution sent via email the week before the meeting that did not include the wholesale rates, or schedules B, C and D, of the drafted resolution in the published agenda. The published draft resolution in the agenda packet included the wholesale rates and that was not the resolution staff was

recommending approval of.

Councilmember Neese was concerned about adequate notice given to the public of the amended resolution.

Mayor Cole asked for clarification of the correspondence from P66.

Ms. Duray explained that whatever steps were taken concerning the retail side of the equation had little effect on the wholesale. The reverse was true, however, when steps were taken on the wholesale side affected the retail side. A meeting was scheduled with the 3 wholesalers the following week to negotiate an agreement, if possible, on rates. Regardless of the outcome a recommendation would be brought to Council in July.

The following individuals provided testimony during the public hearing:

- **Vicki Marquis, Attorney with Crowley, Fleck Law Office**, represented Par Montana, LLC, and requested Council delay setting all wastewater rates, retail and wholesale. She provided statistics for wastewater and pollutant from Par Montana. Par Montana did not agree to using the highest pollutant rate for wholesalers as it skewed calculations.
- **Scott Mitchell**, represented P66, and requested Council delay setting all wastewater rates, retail and wholesale. He referred to a letter P66 sent to Council and urged Council to review it.
- **Bo Anderson, Billings, Montana**, General Manager of Heights Water District, voiced concern about the increases to water rates due to the construction of the West End Water Plant. He requested the City defer the 12% increase to the current year's water rates and 28% the following year.
- **Brian Goldsberry, Billings, Montana**, spoke of the utility billing software confusion and continued concerns about accuracy.
- **Mike Ariztia, Manager of Lockwood Water and Sewer District**, requested a delay in the implementation of new rates until more information could be attained.

No further testimony was given.

Councilmember Boyett inquired about how delaying residential/retail water rates would affect wholesale rates. Jennifer Duray, Deputy Public Works Director, responded there was a 0% rate increase effective July 1, 2025, so there would be no effect. If Council was considering anything other than the 0% rate increase for retail rates, then they should not approve the resolution.

Council and staff discussed the unique situation with the Heights Water District and the payment of the West End Water Reservoir and Plant. Clarifications were made that the West End Water Plant provided water for the entire City, not just users on the West End. The current water plant could be shut down and water could be provided to the entire City, including the Heights with the West End Water Plant.

**Motion:** Having conducted a public hearing, considered written and spoken public testimony, I move to approve the Resolution adopting FY26 and FY27 Water and Wastewater Rates and Fees, with the exception of wastewater rates Schedule 1, 1A, 1B, 1C, and 1D, and the public hearing remained open, as recommended by staff.

Moved by Councilmember Shaw  
Seconded by Councilmember Rogers

Councilmember Aspenlieder spoke about the Heights Water District being aware that the costs were coming for years and chose not to increase their rates to their users. He spoke of the benefits to the Heights area for fire protection, etc. that the new water plant afforded. He then addressed the benefits to the wholesalers of utilizing the City's services for managing their wastewater and contaminants.

Councilmember Neese concurred with Councilmember Aspenlieder. He did not agree with a 0% increase.

Councilmember Kennedy was opposed to the motion because questions about the water bills still existed. He was pleased public works would meet with P66, Par Montana and Lockwood Water and Sewer District to

**APPROVED 9-2**, Councilmembers Kennedy and Neese opposed

**11. ADDENDUM** to City Administrator's employment agreement.

Chris Kukulski, City Administrator, explained the addendum consisted of a 3% increase for FY26, effective July 1, 2025 and continuing at 3% per year thereafter. He did not receive an increase in 2025.

**Motion:** I move to approve the addendum to the City Administrator's employment agreement.

Moved by Councilmember Shaw  
Seconded by Councilmember Rupsis

**Motion to Amend:** I move to amend Paragraph D of the employment agreement where it begins, "effective July 1, 2025 and each subsequent July 1 thereafter the employee's base salary shall increase by the lesser of 3% or a 10-year average Social Security COLA amount."

Moved by Councilmember Neese  
Seconded by Councilmember Aspenlieder

Councilmember Kennedy was opposed to the addendum.

**Motion to Amend FAILED 5-6**, Councilmembers Shaw, Gulick, Kennedy, Boyett, Rupsis and Mayor Cole opposed

Councilmember Owen stated a COLA increase was not about performance. She spoke to the sever budget shortfall, the unknown police labor contract, and critical positions left vacant and this was not the proper order of priorities. She would not support the Addendum.

Mayor Cole spoke to the average City employee's pay increases during FY25 at 4% while the City Administrator receive 0%, and it was true for FY26, with the City Administrator asking for 3% and his base salary was less than other peer cities.

Councilmember Kennedy confirmed with the City Attorney, Gina Dahl, that the entire employment agreement could be renegotiated if both parties agreed to it, but the Addendum did not open the employment agreement entirely.

Councilmember Neese agreed with Councilmember Kennedy. He did not agree with an automatic 3% annual increase without negotiation. He would oppose the motion.

**Original Motion: APPROVED 6-5**, Councilmembers Neese, Owen, Rogers, Kennedy and Tidswell opposed

**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.)*

No public comment was given.

**COUNCIL INITIATIVES:**

There were no Council initiatives.

**ADJOURN: 9:02 PM**



CITY OF BILLINGS

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

ATTEST:

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