

**MINUTES
OF THE BILLINGS CITY COUNCIL
REGULAR BUSINESS MEETING
June 23, 2025**

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

CALL TO ORDER: Mayor Cole

PLEDGE OF ALLEGIANCE: Mayor Cole

INVOCATION: Mayor Cole

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
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
Denise Bohlman, City Clerk
Andy Zoeller, Finance Director
Gavin Woltjer, Interim Parks, Recreation and Public Lands Director
Kelsie Rubich, Interim Library Director
Jeff Roach, Aviation and Transit Director
Wyeth Friday, Planning Director
Karen Husman, Zoning Coordinator
Debi Meling, Public Works Director
Jennifer Duray, Deputy Public Works Director
Jeffrey Sprock, Information Technology Manager
David Watterson, Information Technology Director
Jessica Fust, Building Official
Matt Hoppel, Fire Chief
Rich St. John, Police Chief
Samantha Puckett, Administrative Lieutenant
Nick Westburg, Fleet Manager

John Caterino, Facilities Manager
Tricia Mae, Facilities Specialist
Karla Stanton, Human Resources Director

MINUTES:

- May 27, 2025

Councilmember Gulick noted a correction was needed on the vote for Regular Agenda Item 3 in the minutes. It was recorded as Councilmember Aspenlieder “opposed” and should have read “abstained”.

Moved by Councilmember Boyett

Seconded by Councilmember Gulick

APPROVED 11-0

- June 9, 2025

Moved by Councilmember Boyett

Seconded by Councilmember Gulick

APPROVED 11-0

- June 16, 2025 - Special Meeting

Moved by Councilmember Boyett

Seconded by Councilmember Gulick

APPROVED 11-0

COURTESIES:

Mayor Cole expressed condolences to Yellowstone County Commissioner, John Ostlund’s, family, friends and colleagues. He noted Commissioner Ostlund was killed in a single airplane crash the previous week. He acknowledged his decades of community service and involvement in Yellowstone County and this his absence in local politics would be noticed.

PROCLAMATIONS: There were no proclamations.

COUNCIL REPORTS: There were no Council reports.

ADMINISTRATOR REPORTS - CHRIS KUKULSKI

Mr. Kukulski provided Council with information that:

- During budget preparations, a change in Workers Compensation carriers was deemed necessary, from MMIA to the State Fund. MMIA was litigating, a hearing was recently held to place a Temporary Restraining Order on cities that had chosen to leave MMIA. Billings submitted comment and declaration to the Judge to make aware of the effect to Billings if forced to stay with MMIA. The change would save Billings significant money.
- A possible Special Meeting may be called to review the Police Union contract and approve it before the July 1st deadline to avoid retro-pay complications, etc.

- Exparte communications were received after 3 PM addressed to the Mayor and Council from Vicki Marquis, Attorney for Par Montana, LLC, and Carole Boerner of the Public Works Board concerning Regular Agenda Item 4 on the agenda. Copies of which are in the Exparte notebook located on the counter by Council Chambers entry.
- Matt Hoppel of the Billings Fire Department has been selected as the new Fire Chief.

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.)

There was no public comment provided.

Councilmember Aspenlieder separated Consent Agenda Items 1K and 1L in order to abstain as his company was involved in both items.

Councilmember Neese separated Consent Agenda Item 1C for discussion.

Councilmember Kennedy separated Consent Agenda Item 1M for discussion.

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

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

1. **CONSENT AGENDA**

A. **Bid Awards:**

1. **W.O. 25-28: Safe Routes to School Projects.** (Opened 6/3/25) Recommend Askin Construction.

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

2. **W.O. 25-99: City of Billings Signal Upgrade.** (Opened 6/3/25) Recommend Montana Lines, Inc.

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

B. **Amendments** to Memorandums of Understanding (MOUs) with Urban Renewal Districts extending termination dates to October 1, 2025.

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

C. ***Guaranteed Maximum Price (GMP) Amendment No. 2** for Amend Park Recreation Campus General Contractor / Construction Manager (GC/CM); Langlas & Associates.

Councilmember Neese supported the concept but opposed the speed the project was moving without being clear of everyone's roles.

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

Moved by Councilmember Rupsis

Seconded by Councilmember Aspenlieder

APPROVED 10-1, Councilmember Neese opposed

D. Contract with Pine Cove Consulting, LLC, at the Billings Public Library for Access Control and Camera Upgrade.

Moved by Councilmember Boyett

Seconded by Councilmember Rogers

APPROVED 11-0

E. Professional Engineering Services Contract for W.O. 25-36: Rimrock Road - 54th Street West to 62nd Street West with Sanbell.

Moved by Councilmember Boyett

Seconded by Councilmember Rogers

APPROVED 11-0

F. Landfill Use Agreement for FY26 with Yellowstone County.

Moved by Councilmember Boyett

Seconded by Councilmember Rogers

APPROVED 11-0

G. Commercial Non-Aviation Ground Lease for use as a communications equipment site with Network Information Systems.

Moved by Councilmember Boyett

Seconded by Councilmember Rogers

APPROVED 11-0

H. Donations to the Billings Public Library from the Town Pump Charitable Foundation for the 2025 Teen Summer Reading Program.

Councilmember Boyett thanked Town Pump Charitable Foundation for their donation and everyone that donated to City.

Moved by Councilmember Boyett

Seconded by Councilmember Rogers

APPROVED 11-0

I. Grant funds from anonymous donor for Fire Station 5 Interior Remodel.

Mayor Cole recognized John Caterino, Facilities Superintendent and Tricia Mae, Facilities Specialist, for locating the grant, applying and successfully obtaining the funding for the remodel.

Moved by Councilmember Boyett

Seconded by Councilmember Rogers

APPROVED 11-0

J. 2025 High Intensity Drug Traffic Area (HIDTA) Award to the Police Department.

Moved by Councilmember Boyett

Seconded by Councilmember Rogers
APPROVED 11-0

K. Preliminary Major Plat of Clearwater Estates Subdivision, 2nd Filing. *Quasi-Judicial
Moved by Councilmember Boyett
Seconded by Councilmember Rupsis
APPROVED 10-0, Councilmember Aspenlieder abstained

L. Preliminary Major Plat of 44 West Subdivision. *Quasi-Judicial
Moved by Councilmember Boyett
Seconded by Councilmember Rupsis
APPROVED 10-0, Councilmember Aspenlieder abstained

M. Resolution 25-11274 ordering improvements identified in W.O. 25-02: 2025 Missing Sidewalk Program.

Councilmember Kennedy inquired about notification to residents in the area of 25th Street. Debi Meling, Public Works Director, indicated notice was sent to all residents and the installation of the sidewalks was part of the Safe Routes to Schools initiative. If given a specific address, she could double check that notification was sent.

Motion: I move to approve Consent Agenda Item 1M, as recommended by staff.
Moved by Councilmember Gulick
Seconded by Councilmember Rupsis
APPROVED 11-0

1. BID AWARD: W.O. 25-02: Missing Sidewalk Project. (Opened 5/20/25) Recommend Knife River- Billings.

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

N. Bills for the Weeks of:

1. May 19, 2025

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

2. May 27, 2025

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

3. June 2, 2025

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

REGULAR AGENDA:

2. PUBLIC HEARING AND SPECIAL REVIEW 1000: a special review to allow a new bar and casino in a 2,925 square foot addition to an existing 5,730 square foot building, generally located at 840 Shiloh Crossing Blvd. Zoning Commission recommends conditional approval and adoption of the findings of the 9 criteria. *Quasi-Judicial

Karen Husman, Zoning Coordinator, provided a presentation and indicated that special reviews were for special exceptions in zone districts where the use was not allowed. The Zoning Commission held its public hearing and recommended approval based on the proposed findings and recommended conditions of approval, which she reviewed.

Councilmember Neese inquired whether the liquor license was new or an existing one.

- **John Johnson of Johnson Restaurant Group** stated it was an existing liquor license with gaming. He described the project as J's Pub and Grill, and mentioned they also own Old Chicago in Billings.

No testimony was given during the public hearing.

Motion: Having conducted a public hearing, considered written and spoken public testimony, I move to approve Special Review 1000 and adopt the findings of the 9 criteria, as recommended by the Zoning Commission.

Mayor Cole asked that outside music condition be reviewed to be more specific about the types of music prohibited.

Moved by Councilmember Kennedy

Seconded by Councilmember Aspenlieder

APPROVED 10-1, Councilmember Neese opposed

3. PUBLIC HEARING AND FIRST READING ORDINANCE FOR ZONE CHANGE 1066: generally located at 844 Grand Ave. Zoning Commission recommends approval and adoption of the 10 review criteria. *Quasi-Judicial

Karen Husman, Zoning Coordinator, provided a PowerPoint presentation and explained CMU zoning and stated it was appropriate for the property. She noted the property contained a carport for 6 vehicles, but nothing else and the owners had not determined what to place there but desired the zoning to be compatible with the area for future development.

- **Duane and Tiffany Youngren, Owners**, spoke about moving the carport.

No testimony was given during the public hearing.

Motion: Having conducted a public hearing, considered written and spoken public testimony, I move to approve First Reading Ordinance for Zone Change 1066 and adopt the findings of the 10 review criteria, as recommended by the Zoning Commission.

Moved by Councilmember Boyett

Seconded by Councilmember Kennedy

APPROVED 11-0

4. PUBLIC HEARING AND RESOLUTION 25-11275 adopting FY26 and FY27 wastewater retail rates and fees. Staff recommends approval.

Jennifer Duray, Deputy Public Works Director, provided a presentation and explained the proposed rate structure and wholesale fee options. Councilmember Aspenlieder spoke about how the Budget and Finance Subcommittee had arrived at a zero percent (0%) increase to residential customers by halting sewer line extensions and the costs associated with that, but the replacement of sewer lines would continue on the maintenance side of things. He asked that the residential rates be approved so it a retro situation would not occur and further complicate matters for residents after the water billing situation. Approving the residential rates, would not impact the wholesale customers (basically 3 customers) and their rates.

Council held a public hearing on proposed water and wastewater utility rates for the coming fiscal year.

The following individuals provided public testimony:

- **Bill Mercer, Attorney for Phillips 66**, urged the Council not to adopt any water rate changes for certain users until ongoing negotiations were completed.
- **Vicki Marquis, Attorney for Par MT**, indicated surprise that the topic was returned so soon for Council to take action. She indicated her clients agreed with Phillips 66 that Council should not adopt any rate changes until negotiations were completed and the analysis for proportional use was considered.

No further testimony was given.

Motion: Having conducted a public hearing, considered written and spoken public testimony, I move to approve a Resolution adopting FY26 and FY27 wastewater retail rates and fees and continue the public hearing to adopt wholesale wastewater rates at a future meeting, as recommended by staff.

Moved by Councilmember Aspenlieder
Seconded by Councilmember Gulick

Councilmembers engaged in vigorous discussion. Councilmember Aspenlieder voiced strong frustration with last-minute objections raised by attorneys for large water consumers (such as the refinery), especially since those stakeholders were aware of the City's plans and had recently presented their own analysis with little time for the City to review it. He stressed the Council's commitment to no increase (0%) for residential water rates and criticized the "gamesmanship" of the outside parties, emphasizing that the City would find solutions without burdening residents.

Councilmember Gulick supported the motion.

Substitute Motion: Having conducted a public hearing, considered written and spoken public testimony, I move to defer the adoption of FY26 and FY27 wastewater retail rates and fees and continue the public hearing until the wholesale wastewater rates are determined.

Moved by Councilmember Neese
Seconded by Mayor Cole

Councilmember Neese noted the wholesale rates would impact what Public Works needed to do with wastewater rates. The residential users would receive zero percent (0%) increase no matter what was determined for retail and wholesale users.

Councilmember Shaw acknowledged she made the motion the prior month and believed it was helpful to separate the items and approve the zero percent (0%) increase to the residents. She would not support the substitute motion.

Councilmember Aspenlieder would not support the substitute motion.

Councilmember Owen stated she would not be moving off zero percent (0%) increase for residential rates and it should be approved now and taken off the table. She opposed the substitute motion.

Mayor Cole voiced reasons he supported the substitute motion.

SUBSTITUTE MOTION FAILED 2-9, Councilmembers Shaw, Gulick, Owen, Rogers, Kennedy, Aspenlieder, Tidswell, Boyett and Rupsis opposed

ORIGINAL MOTION APPROVED 9-2, Councilmember Neese and Mayor Cole opposed

5. JOINT PUBLIC HEARING AND RESOLUTIONS allocating FY26 assessments for the following:

a. Tourism Business Improvement District. (RESOLUTION 25-11276) APPROVED 11-0

Andy Zoeller, Finance Director, explained that the assessments were passed through the City for the Tourism Business Improvement District (TBID) and the Business Improvement District 1 (BID).

Aly Eggart, Visit Billings Executive Director, answered questions about bed taxes increasing from \$2 to \$4 per night; \$1 of that would be allocated to the Amend Park Sports Complex and Ice Arena.

No testimony was given during the public hearing for either 5a or 5b.

Motion: Having conducted a public hearing, considered written and spoken public testimony, I move to approve a resolution setting FY26 Tourism Business Improvement District assessments, as recommended by staff.

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

b. Business Improvement District 1. (RESOLUTION 25-11277) APPROVED 11-0

Motion: Having conducted a public hearing, considered written and spoken public testimony, I move to approve a resolution setting FY26 Business Improvement District 1 assessments, as recommended by staff.

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

6. PUBLIC HEARING AND RESOLUTION 25-11278 approving and adopting FY25 Budget Amendments. Staff recommends approval.

Andy Zoeller, Finance Director, presented a set of year-end budget amendments for FY2025 to true-up and authorize final expenditures as the fiscal year closes. These amendments, having been

reviewed by the Council's Budget and Finance Subcommittee, covered various adjustments to align the budget with actual revenues and expenses (such as project costs, grant funds, and departmental overruns or savings). The staff recommendation was to approve all the amendments.

During Council discussion, Councilmember Neese requested that the amendment related to the new Recreation Center project be considered separately. He expressed concern that the City had proceeded with constructing a major recreation facility without a finalized operations/management plan or clear understanding of ongoing costs to the City once it opened. He felt this planning should have been resolved before moving forward and warned that the City might be "starting this a little too soon" without those details nailed down. Other councilmembers did not object to separating that item.

The Council first voted on all the other FY25 budget amendments as a package, which were approved unanimously. Then the Recreation Center budget item was debated on its own. Councilmember Neese reiterated his unease, stating that he could not support that amendment under the circumstances. Despite his reservations, the Recreation Center budget amendment was approved by the Council (with Neese casting the sole "no" vote) . In summary, the Council adopted the FY2025 budget amendments as recommended by staff, while formally noting the concern on the Recreation Center item.

Motion: Having conducted a public hearing, considered written and spoken public testimony, I move to approve a resolution approving and adopting a resolution for FY25 budget amendments, as recommended by staff, excluding Fund 1990 – South TIF for individual vote.

Moved by Councilmember Kennedy
Seconded by Councilmember Boyett
APPROVED 11-0

Motion: I move to approve FY25 budget amendment for Fund 1990 – South TIF, as recommended by staff.

Moved by Councilmember Aspenlieder
Seconded by Councilmember Kennedy
APPROVED 10-1, Councilmember Neese opposed

7. PUBLIC HEARING AND RESOLUTION 25-11279 approving and adopting the FY26 preliminary budget. Staff recommends approval.

Andy Zoeller, Finance Director, introduced the FY2026 Preliminary Budget for adoption. He explained that this step – new this year – would establish the City's spending authority starting July 1, allowing city operations to continue into the new fiscal year, with a final budget to be adopted in August once certified property tax values are received from the state. The preliminary budget totals were outlined: approximately \$436 million in revenue and \$417 million in expenditures. It was noted that these figures include some changes from earlier drafts, such as the inclusion of funding for a major "South TIF District" project (accounting for roughly \$20 million) and the removal or reduction of certain items. For example, a duplicated \$1,500 car allowance was eliminated and funding was added for a new project coordinator position in the Building Division (using building permit reserves). Overall, the adjustments made since the initial proposal resulted in a net budget reduction of a little over \$1 million. The spending plan also incorporates 11 new staff positions, including positions in Public

Works (like a mechanic, offset by contracting savings) and the Building Division, to meet service needs.

A key point of discussion was the recent state legislation affecting property taxes. Mr. Zoeller explained that due to changes in the law, the City's mill levy would increase by 40 mills in FY26 with no loss of revenue (because property values were reappraised higher). In practical terms, if the preliminary budget was adopted as presented, the average Billings homeowner would see an estimated \$205 annual decrease in the City portion of their property tax bill, even after accounting for modest budget growth. At the same time, residents would see a small increase (around \$2 more per month) in their combined City utility bills (water, sewer, etc.), reflecting previously approved rate adjustments. The net effect was a tax decrease and a very modest utility increase for the median household. Mr. Zoeller cautioned that if any councilmembers anticipated introducing significant changes or cuts at final budget adoption in August, it would be helpful to signal those now to avoid starting projects in July that might later be halted.

Prior to opening the public hearing on the preliminary budget, the Mayor noted that four potential budget amendments had been brought forward by councilmembers for consideration. Andy Zoeller, Finance Director, summarized them for the public.

- Councilmember Rupsis Amendment One would end funding to participate in the National League of Cities and Towns and instead allocate about \$10,000 for the City to explore a new housing program (conducting a study or "needs assessment" on how a housing affordability initiative might work in Billings).
- Councilmember Rupsis Amendment Two would designate \$5,000 from the Council's contingency fund to support City boards and commissions (for training, projects, or other needs) without increasing the overall budget.
- Councilmember Kennedy Amendment One would take \$500,000 in Police Department Vacancy Savings to fully fund 177 FTE officers in order to reduce Police Department overtime pay.
- Councilmember Kennedy Amendment Two was to remove all car allowances for staff. Mr. Zoeller noted that all car allowances were removed from the proposed preliminary budget, with the exception of the City Administrator, whose car allowance was written into his contract.
- Councilmember Owen Amendment One to text in Amendment Section 5 as follows:

Pursuant to Section 7-6-4030© the fiscal year 2026 budget is based upon the assumption 247.23 mills be levied for property tax revenue. This is an increase of 39.86 mills from the prior fiscal year, due to the passage of HB231 and SB542, which direct City Council to levy additional mills to equal FY25 revenue levels. . . .

- Councilmember Owen Amendment Two added a new Section 6:

Section 6: In preparation for the fiscal year 2027 budget, the Budget and Finance Committee shall, not later than January 31, 2026:

- a. Conduct a zero-based budgeting exercise for the General Fund and Public Safety Fund and report to City Council on the outcomes of the analysis; and
- b. Based on the reports provided in Section 3 and the zero-based budget activity, make recommendations to Council on the desired structure of the proposed budget presentation for fiscal year 2027.
- c. For the purpose of this section, "zero-based budgeting" shall be defined as an analytical process of setting the City's budget at zero dollars and evaluating proposed expenditures without respect to prior funding levels.

- Councilmember Owen Amendment Three amended Section 3:

Section 3: The City Administrator is hereby delegated the authority to make transfers or revisions within appropriations of any fund, subject to the following conditions:

- a. Reporting on these transfers or revisions will occur at least quarterly to the City Council Budget and Finance Committee;
- b. The City Administrator shall make reasonable efforts to review transfers or revisions with the Budget and Finance Committee prior to the transfer occurring;
- c. The City Administrator shall provide a monthly line-item budget report to the Budget and Finance Committee.

Councilmember Neese noted changes to department descriptions in Exhibit A – i.e., City Administrator / Administration; City Attorney / Legal; Park District 1 / PRPL Operations.

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 approving and adopting the FY26 preliminary budget, including the changes to Exhibit A department descriptions., as recommended by staff.

Moved by Councilmember Shaw
Seconded by Councilmember Gulick

Motion to Amend: I move to approve Councilmember Rupsis Amendment One to the preliminary budget.

Moved by Councilmember Rupsis
Seconded by Councilmember Gulick

Councilmember Rupsis noted the City had not been involved in housing initiatives or homelessness projects other than CDBG and HOME funding and explained how the \$10,000 from Council Contingency Funds could be utilized. He also noted that the vote from the Budget and Finance Committee was 4-1 in favor.

Council discussed discontinuing membership to National League of Cities and Towns.

Councilmember Owen voiced her opposition, acknowledging she was the dissenting vote during the Budget and Finance Committee's meeting. She was not supportive of the City doing housing projects, but rather there were other agencies, i.e. HomeFront, better equipped to address housing issues. In any event, she supported terminating the membership to National League of Cities and Towns.

Councilmember Neese also voiced his opposition to not replicate what others in the community were doing.

By a show of hands vote, **APPROVED 6-5**, Councilmembers Rogers, Boyett, Neese, Tidswell and Owen opposed

Motion to Amend: I move to approve Councilmember Rupsis Amendment Two to the preliminary budget.

Moved by Councilmember Rupsis
Seconded by Councilmember Boyett

Councilmember Rupsis explained this would allow Boards and Commissions to purchase a table at an event where they could engage with the public to inform them of their purpose and activity in the community, etc. He noted it would be good for Boards to provide presentations to Council on a regular basis on their activities. It was \$5,000 that would be used from Council Contingency Fund but would remain there if the Boards and Commissions did not take advantage of it. The Budget and Finance Committee approved it 4-1.

Councilmember Gulick noted the importance of empowering boards and commissions with resources so they could do a better job advising Council. He would support the motion to amend.

Councilmember Neese voiced his opposition, noting many of the boards and commissions were connected to City departments and had access to funds through the departments. The amendment lacked guidance details for use and equity among all the boards and commissions.

APPROVED 10-1, Councilmember Neese opposed

Motion to Amend: I move to approve Councilmember Kennedy Amendment One to the preliminary budget.

Moved by Councilmember Kennedy
Seconded by Councilmember Rogers

Councilmember Kennedy explained there was an off set in the budget of vacancy savings in the Police Department. He noted there were 162 officers and full staffing was 177. He wanted to make certain there were adequate funds available for full staffing of the Police Department.

Councilmember Rogers acknowledged the Police Department was working toward obtaining full capacity and it was important that Council show its support in that effort.

Council discussed with Andy Zoeller, Finance Director, the Police Department's overtime budget and reductions to it. Also discussed monthly reports to Budget and Finance Committee and accountability of the Fire and Police Departments for overtime and over hiring. City Administrator, Chris Kukulski, noted that for years the Fire Department had hoped to use any under utilized overtime funds to help with capital improvements needed at the fire stations, but were unsuccessful.

Councilmember Rupsis voiced his opposition because it made zero change to the budget. It just shifted monies from one line-item to another and the Police Department was in continual staffing flux and there would always be vacancy savings. This approach was not transparent to the taxpayers and there was no way to cut the overtime budget by 25%, i.e. \$500,000.

Councilmember Neese noted that one should budget for their forecasted expectations. He supported the motion.

APPROVED 10-1, Councilmember Rupsis opposed

Motion to Amend: I move to approve Councilmember Kennedy Amendment Two to the preliminary budget.

Moved by Councilmember Kennedy
Seconded by Councilmember Neese

Councilmember Kennedy explained all employees could complete mileage expense reports for reimbursement of actual mileage.

Mayor Cole announced he would abstain from the vote because he had been the subject of removal of the car allowance for Mayor. Councilmember Rupsis noted the Mayor's car allowance had already been removed from the preliminary budget presented.

Deputy Mayor Boyett presided over the meeting.

Council clarified the motion was for FY26 only and car allowances could return in FY27 or any future year.

Councilmember Shaw objected to the approach car allowances were addressed and would oppose the motion to amend and sent the wrong message to City directors. She would have preferred the absence of car allowances for future hires only, not to existing directors and employees.

Councilmember Rupsis clarified that employee compensation was not backfilled and warned about the lasting effects this may have on future recruitment of directors and was an over-reach of Council into something the City Administrator could control. He was opposed to the Motion to Amend.

Councilmember Gulick voiced concerns about removing the car allowance decreasing staff's overall compensation and creating unproductive time tracking mileage. He would not support the Motion to Amend.

Councilmember Neese acknowledged tracking mileage was tedious but would be a good experiment.

By a show of hands vote, APPROVED 7-3, Councilmembers Bulick, Shaw and Rupsis opposed, Mayor Cole abstained

Recess called at 7:53 P.M. Reconvened at 8:01 P.M.

Motion to Amend: I move to approve Councilmember Owen Amendment One to the preliminary budget.

Moved by Councilmember Owen
Seconded by Councilmember Neese

Councilmember Owen stated that due to the legislature, the City was forced to adjust mills to equal FY25 revenue levels.

APPROVED 11-0

Motion to Amend: I move to approve Councilmember Owen Amendment Two to the preliminary budget.

Moved by Councilmember Owen
Seconded by Councilmember Neese

Councilmember Owen spoke about zero-based budgeting concept pre-dating her time on the Council and provided an explanation of how the planning exercise could benefit preparations for future years' budgets.

Council, the City Administrator and staff discussed impacts on staff time and the Budget and Finance Committee with the proposed exercise and whether additional funds were needed to accomplish the task. Also discussed was the Budget and Finance Committee's role to advise Council of its findings and perhaps utilizing a Council retreat-style meeting to accomplish this.

Councilmember Owen noted that there was money saved by not holding a primary election and that could be used toward funding a new FTE for a budget analyst.

Councilmember Boyett expressed disappointment that a budget analyst position was not included in the preliminary budget. He supported having one and encouraged Andy Zoeller, Finance Director, to consider adding the FTE.

Councilmember Gulick echoed Councilmember Boyett's comments about obtaining a budget analyst.

Councilmember Aspenlieder offered his tepid support and voiced frustration how inefficiently Council conducted business and made decisions. He added that it was necessary to obtain a facilitator to keep Council on track.

Mayor Cole voiced opposition in making such a huge change.

Councilmember Rupsis also voiced his concern that Council was not equipped to do the exercise without strong leadership. He also did not agree it belonged in the budget resolution, but rather, as an initiative.

Councilmember Boyett expressed his struggle to understand how the proposed amendment affected the FY26 budget. Mr. Zoeller responded it would not affect the FY26 budget but would affect the development of the FY27 budget.

By a show of hands vote, **APPROVED 6-5**, Councilmembers Rupsis, Shaw, Gulick, Boyett and Mayor Cole opposed

Motion to Amend: I move to approve Councilmember Owen Amendment Three to the preliminary budget.

Moved by Councilmember Owen
Seconded by Councilmember Neese

Councilmember Owen explained that the City Administrator should review transfers and revisions with the Budget and Finance Committee prior to transfers occurring and provide a monthly line-item

budget report to the Committee.

Discussions continued concerning compilation efforts, etc.

APPROVED 11-0

City Administrator, Chris Kukulski, encouraged Council to make an amendment to hire 1 FTE for a budget analyst so the process of obtaining one could begin.

Motion to Amend: I move to approve adding 1 FTE for a budget analyst to the Finance Department in the FY26 preliminary budget, moving \$75,000 from Non-Departmental Fund (elections) to the Finance Department.

Moved by Councilmember Boyett
Seconded by Councilmember Aspenlieder

Friendly Amendment to the Motion to Amend: I move to move \$75,000 from Non-Departmental Fund (elections) and an additional \$25,000 from Reserves for a full \$100,000 to fully fund the position.

Moved by Councilmember Aspenlieder
Seconded by Councilmember Boyett

APPROVED 11-0

Discussion ensued about approving the Amended Motion with Councilmember Rupsis stating he would oppose any budget that was against the rules set by the Charter, even though the Legislature was forcing Council to do it. Councilmember Neese would not support the Amended Motion indicating the budget could have been cut further. He acknowledged, however, that this budget set up future budgets better.

AMENDED MOTION APPROVED 9-2, Councilmembers Neese and Rupsis 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 provided.

COUNCIL INITIATIVES:

Motion: I move to place on a Work Session in July a discussion with staff addressing trash and debris bound for the landfill that is littering the South Billings Boulevard area.

Moved by Councilmember Kennedy
Seconded by Councilmember Rogers

Debi Meling, Public Works Director, spoke about addressing the problems.

Councilmember Rupsis pointed out there was a larger littering problem throughout the City that needed to be addressed.

Councilmember Shaw stated she would not support the initiative. Staff did not need more items put on their plates and it did not need to take time on a Work Session. Council should look to policy and money issues.

Councilmember Neese agreed littering was a city-wide problem.

Mayor Cole hoped for a partnership with MDOT.

APPROVED 10-1, Councilmember Shaw opposed

~~**Motion:** I move to place on the upcoming November ballot an amendment to the City's charter to change the duties of the Mayor and Council and address the duties of the City Administrator and Department Heads.~~ **WITHDRAWN**

Moved by Councilmember Kennedy

Seconded by Councilmember Owen

Councilmember Owen supported voters having an opportunity to weigh in.

Councilmember Neese stated the Motion was out of order as it was not in line with the purpose of Council initiatives.

City Attorney, Gina Dahl, agreed that Council could not vote on ballot language during the initiatives portion of the meeting. She suggested it be brought to a work session to develop the ballot language and then to a regular business meeting for approval of the ballot language.

Councilmember Kennedy acknowledged the suggestions.

Motion: I move to have staff prepare the initiative's ballot language and have it on the agenda for the July 14, 2025, Regular Business meeting.

Moved by Councilmember Kennedy

Seconded by Councilmember Owen

Councilmember Shaw strongly opposed the initiative siting that it was not merely a change to language but was fundamentally changing the form of government. She agreed that voters should weigh in on this, but last June were given the opportunity open up the City Charter and make changes and easily voted it down. She did not understand the urgency of placing this on the ballot this November. She did not support making the City's government structure more like that of the County.

Council discussed at length timing to develop potential ballot language and charter amendments, staff availability to work on the charter amendments before election deadlines.

Councilmember Gulick also opposed the motion with concerns that Council was bringing the proposed changes to the voters rather than a grass roots government review panel.

Councilmember Rupsis supported professional management leadership, rather than a

political management leadership or strong mayoral system. He found the entire discussion without community engagement irresponsible, especially given the tight timeline. He suggested it be worked on over the next 6 months with community input and involvement for it to be placed on a future ballot.

Councilmember Neese agreed with Councilmember Rupsis that more investigation into mayoral strong government needed to be vetted more before placing on a ballot. He opposed the Motion as it proposed but could support the discussion for a later work session.

FAILED 3-8, Councilmembers Shaw, Gulick, Neese, Rogers, Tidswell, Boyett, Rupsis and Mayor Cole opposed

Motion: I move to direct staff to develop ballot language for an amendment to the Charter reducing the size of the Council from 11 to 7 members and place on the July 7, 2025, Work Session, possibly again for a second Work Session on July 21st and a vote on the ballot language on July 28th Regular Business Meeting to be voted on during the November General Election.

Moved by Councilmember Aspenlieder
Seconded by Councilmember Kennedy

Councilmember Aspenlieder explained this would require redistricting to 6 wards with a mayor at large, one councilmember per ward. He explained the staggering of the ward elections.

City Attorney, Gina Dahl, reviewed with Council the Public's right to notice on items of significant interest that required Council's final action. Initiatives were directions to staff and were not final action of Council.

Mayor Cole was opposed to the motion because it was not noticed on the agenda for the public to consider.

Councilmember Rupsis agreed with Mayor Cole.

Councilmember Neese would not support the motion as he felt it would be harmful to the community to reduce the number of representatives.

By a show of hands vote, **APPROVED 9-2**, Councilmember Neese and Mayor Cole opposed

ADJOURN: 9:29 P.M.



CITY OF BILLINGS

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

ATTEST:

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