

**MINUTES
OF THE BILLINGS CITY COUNCIL
REGULAR BUSINESS MEETING
September 8, 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.

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 Bill Kennedy, Ward III
Councilmember Scott Aspenlieder, Ward IV
Councilmember Daniel Tidswell, Ward IV
Councilmember Mike Boyett, Ward V
Mayor William Cole

Absent/
Excused: Councilmember TJ Rogers, Ward III
Councilmember Tom Rupsis, Ward V

Staff
Present: Kevin Iffland, Assistant City Administrator
Gina Dahl, City Attorney
Toni Keehner, Deputy City Clerk
Wyeth Friday, Planning Director
Paul Khera, Aviation and Transit Assistant Director
Debi Meling, Public Works Director
Jennifer Duray, Public Works Deputy Director

MINUTES:

- August 25, 2025 – Pending

COURTESIES:

- Mayor Cole welcomed Lynnadele Nielsen from JustServe. She spoke of volunteer opportunities for the community and how to get involved. Ms. Nielsen and other members from JustServe presented a plaque to the City and took a photo with Council.
- Councilmember Kennedy spoke of an upcoming Phillips 66 sponsored picnic at South Park with various nonprofit agencies.
- Councilmember Aspenlieder spoke of a fundraiser held by the Highlands Golf Pros for Warriors and Quiet Waters Foundation.

PROCLAMATIONS:

- Mayor Cole proclaimed September 21, 2025, as Suicide Prevention Day. Nancy Barbula, Yellowstone Valley Out of the Darkness Walk Chair, provided suicide statistics for Montana and how to help.
- Mayor Cole proclaimed September 16, 2025, as National Voter Registration Day.

COUNCIL REPORTS:

- Councilmember Gulick indicated there was an upcoming Council Budget and Finance meeting on September 10, 2025.

ADMINISTRATOR REPORTS – KEVIN IFFLAND, ASSISTANT CITY ADMINISTRATOR

Mr. Iffland provided Council with information that:

- Staff was recommending the removal of Regular Agenda Item 4, per the developer's request. The item would be brought back to the November 10, 2025, Council meeting.
- Staff was aware of the stop sign compliance issues at N. 32nd Street and 2nd and 3rd Avenue North intersections. He indicated the City was working on addressing the issues.
- Staff was recommending not moving forward with the Facilities Management Request for Proposals (RFP).
- There would be a hearing on September 9, 2025, regarding the Colonial Apartments lawsuit.
- There were no exparte communications received after 3 PM addressed to the Mayor and Council concerning items on the agenda.

Council discussed the process and decision to not move forward with the Facilities Management RFP.

PUBLIC COMMENT on "NON-PUBLIC HEARING" Agenda Items: 1 and 4 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 provided public comment:

- **Dan Brooks, Billings Chamber of Commerce**, spoke in support of Regular Agenda Item 4, the importance of adding downtown housing and how CPTED principles encouraged public safety.

There was no further public comment.

Councilmember Aspenlieder indicated he would not support delaying Regular Agenda Item 4 because the project was tying up TIF funding that could be used elsewhere. He indicated the developer should have to go back through the application due to the length of time the project was taking to get started.

Councilmember Gulick indicated he would recuse himself from Regular Agenda Item 4 due to his business' involvement in the project.

Motion: I move to delay Regular Agenda Item 4 to the November 10, 2025, Council meeting (or a later date to be decided by the developer and staff).

Moved by Councilmember Boyett
Seconded by Mayor Cole

Wyeth Friday, Planning Director, indicated a somewhat unique condition had been included in the development agreement, requiring signing within 365 days, which had prolonged the project.

FAILED 3-5, Councilmembers Neese, Owen, Kennedy, Aspenlieder and Tidswell opposed, Councilmembers Rogers and Rupsis absent/excused, Councilmember Gulick abstained

Motion: I move to approve the items of the Consent Agenda as submitted.

Council, in reference to Consent Agenda Items 1E, 1F and 1G, discussed the lease process.

Paul Khara, Aviation and Transit Assistant Director, explained how leases were obtained, and costs were decided.

Moved by Councilmember Neese
Seconded by Councilmember Gulick
APPROVED 9-0, Councilmembers Rogers and Rupsis absent/excused

1. **CONSENT AGENDA**

A. **Bid Awards:**

1. **City Vehicles.** (Opened 8/19/25) Recommend Laurel Chevrolet (three vehicles); Rogers Motors (four vehicles); and Billion Auto Group (two vehicles).

B. **Purchase** of two Airport Rescue Fire Fighting (ARFF) trucks; Rosenbauer Minnesota, LLC.

C. **Purchase** of one Toolcat UW56 for Public Works; Bobcat of Big Sky.

D. **Agreement** for Microsoft Enterprise/Volume Licensing; SHI International Corp.

E. **West End Hangar Ground Lease** with Experimental Aircraft Association Chapter 57, Inc.

F. **West End Hangar Ground Lease** with Belix Investments, LLC.

G. **West End Hangar Ground Lease** with Robert C. Bryan and Phyllis C. Bryan.

H. **Amended Plat** of Southgate Subdivision, 1st Filing. *Quasi-Judicial

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

1. August 11, 2025

2. August 18, 2025

REGULAR AGENDA:

2. **PUBLIC HEARING AND RESOLUTION 25-11294** setting Special Improvement Lighting Maintenance District (SILMD) assessments. Staff recommends approval.

Jennifer Duray, Public Works Deputy Director, gave a presentation reviewing the SILMD's and FY2026 assessment amounts.

Councilmember Kennedy indicated some constituents had issues with inoperable lights and he would not support the increase.

No one provided public testimony during the public hearing.

Motion: Having conducted a public hearing, considered written and spoken public testimony, I move to approve a Resolution setting Special Improvement Lighting Maintenance District (SILMD) assessments, as recommended by staff.

Moved by Councilmember Neese

Seconded by Councilmember Aspenlieder

APPROVED 8-1, Councilmember Kennedy opposed, Councilmembers Rogers and Rupsis absent/excused

3. **PUBLIC HEARING AND RESOLUTION 25-11295** setting and assessing Encroachment Rental fees. Staff recommends approval.

Jennifer Duray, Public Works Deputy Director, gave a presentation on the history of encroachment fees and the 2021 methodology used to create the current encroachments fees. Council had requested a 50% increase in 2021, but due to an increase in assessed values, staff had recommended extending the 5-year plan by an additional 3 years. She reviewed the proposed rates for Tier One and Tier Two.

Council discussed how encroachment fees were used and how rate increases were received by property owners.

No one provided public testimony during the public hearing.

Motion: I move to set encroachment rental rates at the FY2025 number and leave the encroachment permitting process as currently in effect.

Moved by Councilmember Aspenlieder

Seconded by Councilmember Owen

Councilmember Kennedy spoke against raising rates.

Councilmember Shaw expressed concern with a high-rate increase in a few years if small incremental increases were not happening. Ms. Duray indicated rates needed to be at a level that discouraged everyone from having encroachments, but getting to the 50% value was not a requirement.

Council discussed the ways that encroachment fees could be used and how property owners benefited from having encroachments.

No one provided public testimony during the public hearing.

Substitute Motion: Having conducted a public hearing, considered written and spoken public testimony, I move to approve a Resolution setting and assessing Encroachment Rental fees, as recommended by staff.

Moved by Councilmember Neese

Seconded by Councilmember Gulick

APPROVED 5-4, Councilmembers Owen, Kennedy, Aspenlieder and Tidswell opposed, Councilmembers Rogers and Rupsis absent/excused

- 4. TAX INCREMENT FINANCING ASSISTANCE EXTENSION** from the Downtown Urban Renewal TIF District for Old Billings Hardware Development Venture, LP for its mixed-use project at 2802 Montana Avenue, up to \$745,000. Downtown Billings Partnership (DBP) Board recommends approval.

Wyeth Friday, Planning Director, indicated that the Tax Increment Financing Assistance (TIF) for the Old Billings Hardware Building project had not changed from when it had been previously approved. He stated the 365-day condition for the completion of Phase II for tax credits had lapsed, therefore the developer was requesting the extension. He indicated there was a new development agreement allowing 60 days instead of the normal 180 days.

Mehmet Casey, DBP Director, spoke of a collective effort to clean up applications that had defaulted or not met deadlines.

Council discussed the expiration of the 365-day condition requiring completion and TIF monies being allocated by the project for an extended period.

Randy Hafer, Old Billings Hardware development partner, indicated the development agreement they were working with indicated they had 180 days after receiving historic tax credits and they had been unaware of the 365-day provision. He spoke of plans for the project and the reason for the delay request.

Council spoke of concerns with the delay to the project and if the agreement would be void due to the passing of the deadline.

Motion: I move to conditionally approve tax increment financing assistance from the Downtown Urban Renewal TIF District for Old Billings Hardware Development Venture, LP for its mixed-use project at 2802 Montana Avenue, up to \$745,000, as recommended by DBP Board.

Moved by Councilmember Shaw

Failed for lack of a second

Motion: I move to delay the approval of tax increment financing assistance from the Downtown Urban Renewal TIF District for Old Billings Hardware Development Venture, LP until November 10, 2025, or as determined by staff and the developer.

Moved by Mayor Cole
Seconded by Councilmember Shaw
Councilmember Gulick reiterated that he would recuse himself due to his business' involvement in the project.

Motion to Amend: I move to add a hard date of November 10, 2025, and not allow the decision to lag any longer.

Moved by Councilmember Aspenlieder
Seconded by Councilmember Neese

Mr. Casey indicated he would present the project to the DBP Board again for approval before it returned to Council.

APPROVED 8-0, Councilmember Gulick abstained, Councilmembers Rogers and Rupsis absent/excused

A vote on the Amended Motion was taken.

APPROVED 5-4, Councilmembers Owen, Kennedy, Aspenlieder, and Tidswell opposed, Councilmember Gulick abstained, Councilmembers Rogers and Rupsis 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.)*

No public comment was provided.

COUNCIL INITIATIVES:

- Residency Requirements for Department Heads - Councilmember Kennedy

Motion: I move to direct staff to place the residency requirement initiative item on a Regular Council Business meeting for action.

Moved by Councilmember Kennedy
Seconded by Councilmember Neese

Councilmember Kennedy spoke of the importance and benefits of Department Heads living within City limits.

Gina Dahl, City Attorney, spoke of a State statute setting general qualifications for municipal officers prescribed by ordinance and indicated she would need some time to reconcile the City Charter with State law.

Mayor Cole spoke of the negative effects that the residency requirement could create and indicated he would not support the initiative.

Councilmember Aspenlieder spoke of the importance of hiring the most qualified candidates and indicated he would not support the initiative.

Councilmember Gulick indicated he saw more potential downsides than upsides to the requirement.

Council spoke of staff time needed for policy implementation and the possibility for adding a waiver in special circumstances.

Councilmember Neese requested a friendly amendment to allow the item to be placed on a Work Session instead of a Regular Business meeting.

Councilmember Kennedy indicated he would allow the friendly amendment.

Amended Motion: I move to place the initiative on an October Work Session for further discussion.

APPROVED 5-4, Councilmembers Shaw, Gulick, Aspenlieder and Mayor Cole opposed, Councilmembers Rogers and Rupsis absent/excused

ADJOURN: 8:02 PM



CITY OF BILLINGS

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

ATTEST:

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