

CITY OF BILLINGS

CITY COUNCIL WORK SESSION SUMMARY

July 6, 2026 – 5:30 PM

Council Chambers – City Hall, 316 N. 26th St., Billings, Montana

Council Present

Mayor Nelson

Councilmember Nicholson

Councilmember Neese

Councilmember Aguirre

Councilmember Kennedy (via Zoom)

Councilmember Aspenlieder

Councilmember Lindley

Councilmember Boyett

Councilmember O'Donnell

Councilmember Pitman

Absent/Excused

Councilmember Shaw

Staff Present

Kevin Iffland, Interim City Administrator

Daniela Pavuk, Assistant City Attorney

Lora Mattox, Transportation Planning Coordinator

Rusty Logan, Assistant Transit Director

Shawn Mayo, Assistant Chief of Police

Tom Stinchfield, Animal Shelter Supervisor

PUBLIC COMMENT (Agenda and Non-Agenda Items)

No public comment was received prior to the start of the agenda.

AGENDA ITEM #1 – FFY27 Billings MPO Unified Planning Work Program (UPWP)

Lora Mattox, Transportation Planning Coordinator, presented the proposed Federal Fiscal Year 2027 Unified Planning Work Program (UPWP), outlining transportation planning activities funded through the Metropolitan Planning Organization for the upcoming fiscal year beginning October 1, 2026.

She reviewed the MPO planning boundary, federal planning requirements, funding history, and transportation planning responsibilities. The presentation included discussion of recently completed projects, ongoing planning efforts, and priorities for the coming year.

Current projects include completion of the 21st Street Underpass Feasibility Study, Safe Routes to School planning, Trails for All feasibility work, Complete Streets economic analysis, traffic data collection improvements, and implementation of updated MPO staffing for transportation data analysis.

She explained that the primary focus for FY2027 will be preparation of the next Long-Range Transportation Plan, including travel demand modeling, public outreach, corridor evaluations, identification of future transportation deficiencies, and prioritization of long-term transportation improvements. Additional work will include continued traffic count programs, Transportation Improvement Program updates, development review coordination, Kids in Motion activities, and transportation alternative programming.

Council Discussion

- Timing of future improvements to Grand Avenue and 44th Street West.
- Planned signal improvements at Central Avenue and 44th Street West.
- Use of traffic counting cameras versus enforcement cameras.
- Opportunities to utilize advanced traffic modeling software in partnership with MDT.
- The purpose of travel demand modeling and evaluation of the Monad Road/36th Street West corridor.
- Long-range transportation planning for safety improvements, intersection design, crash reduction, and roadway capacity.
- Transportation planning coordination with Yellowstone County as development continues west of Billings.
- County participation in future corridor and intersection studies.

Council emphasized continued focus on roadway safety, congestion management, and coordination between the City and Yellowstone County as growth continues.

Public Comment

None

AGENDA ITEM #2 – MET Transit Financial Sustainability and Governance Study

Rusty Logan, Assistant Transit Director, presented the completed Financial Sustainability and Governance Study examining long-term transit funding, governance structures, and future regional transit needs.

He explained that the study was initiated to evaluate long-term financial sustainability in light of increasing operating costs, property tax limitations, anticipated regional growth, and future changes to the federally designated urbanized area.

The presentation reviewed:

- Current transit funding sources.
- Projected operating shortfalls.
- Anticipated impacts if the Billings and Laurel urbanized areas merge following future census updates.
- Potential expansion of transit service to Laurel and Lockwood.
- Alternative governance models including maintaining MET as a City department, contracting services to neighboring communities, and creation of a multi-jurisdictional Urban Transportation District.

He concluded that maintaining the current organizational structure while developing future interlocal agreements represents the most practical short-term approach. Long-term planning should continue toward a regional Urban Transportation District if future population growth warrants that transition.

The study also examined potential funding mechanisms, including:

- Existing property tax support.
- Federal transit funding.
- Congestion Mitigation and Air Quality (CMAQ) funding.
- Urban Transportation District levies.
- Parking benefit districts.
- Street maintenance districts.
- Employer partnerships.
- Business Improvement District participation.
- Impact fees and other capital funding options.

Council Discussion

- Anticipated timing of future regional transit expansion.
- Inclusion of Council representation during future governance studies.

- Transit service to Lockwood and Laurel.
- Allocation of federal transit funding.
- Comparison of Billings' transit system with Missoula, Bozeman, Great Falls, and other regional systems.
- Funding challenges associated with expanding transit service outside city limits.
- Potential use of Urban Transportation Districts and associated voter approval requirements.
- Property tax limitations and future funding strategies.
- Transit ridership trends following recent service improvements.

Councilmembers emphasized the importance of involving City Council earlier in future planning efforts and continuing to evaluate long-term regional governance options.

Public Comment

Eric Schmidt, Billings, MT spoke of MET Transit improvements in service reliability, rider experience, technology, and accessibility.

Jeff Ketelsen, Billings, MT spoke emphasized the importance of ensuring that any future service expansion outside Billings be accompanied by appropriate funding participation from neighboring jurisdictions.

Paul Clark, Billings, MT spoke of the need for a bus stop in front of Gratitude in Action.

Recess: 7:00 PM

Reconvened: 7:10 PM

AGENDA ITEM #3 – LB Lofts Affordable Housing Development Project Update

Heather McMilin, Homeword; and Eric Schmidt, High Plains Architects presented an update on the LB Lofts affordable housing project.

They reported that the project recently received approximately \$7 million in Montana Housing funding and an additional \$6.2 million commitment from Homeword's Board of Directors.

Project representatives outlined numerous design revisions intended to reduce construction costs while maintaining project objectives. Changes included:

- Consolidating building layouts.

- Increasing the project from 101 to 102 units.
- Reducing the number of buildings.
- Simplifying structural design.
- Revising roofing systems.
- Increasing first-floor accessibility.
- Expanding usable interior living space.
- Improving construction efficiency.

The design team reviewed updated site plans, landscaping concepts, parking layouts, community gathering areas, and future construction sequencing.

Ms. McMilin explained that construction procurement is proposed through a Construction Manager at Risk (CMAR) process to allow contractor involvement during design refinement and value engineering before final construction bidding.

Project representatives indicated that site work could begin later this summer pending financing, permitting, procurement approvals, and final design completion.

Council Discussion

- Construction scheduling.
- General contractor procurement.
- Building permit timelines.
- Structural use of modular housing units.
- Cost reductions achieved through redesign.
- Long-term project management.
- Accessibility improvements.
- Overall project costs.
- Coordination with the City's Building Division.
- Risks associated with project timing and permitting.

Several Councilmembers expressed support for continued progress while emphasizing the importance of completing design review and building approvals before major site work begins.

Public Comment

Aubrey Kincaid, Billings, MT spoke in support for affordable housing development.

AGENDA ITEM #4 – Animal Sheltering Services Update

Shawn Mayo, Assistant Chief of Police, presented an update regarding animal sheltering services following expiration of the City's contract with Yellowstone Valley Animal Shelter on June 30, 2026.

He reviewed negotiations with Yellowstone Valley Animal Shelter, explaining that proposed contract costs substantially exceeded available City funding. Budgeted funding for FY2027 totaled approximately \$384,000, while the proposed shelter agreement would have increased annual costs to approximately \$550,000.

As a result, the City assumed responsibility for shelter operations beginning July 1 while developing an interim operational plan.

Tom Stinchfield outlined upcoming costs to get the shelter operational.

Assistant Chief Mayo indicated the City's goal is to issue a new RFP immediately and secure a long-term contract later this year while maintaining essential animal shelter operations.

Council Discussion

- Contract negotiation timelines.
- Budget limitations.
- Differences between existing and proposed shelter costs.
- Interim operational procedures.
- Staffing requirements.
- Long-term contracting options.
- Procurement processes.
- Animal intake procedures.
- Public expectations during the transition period.

Council expressed interest in identifying a financially sustainable long-term solution while ensuring continuation of essential public safety and animal welfare services.

Public Comment

Lindsay Dillon, Billings, MT spoke of the costs YVAS had incurred when they moved.

Aubrey Kincaid, Billings, MT spoke of the benefits of YVAS.

Isabella Bermes, Billings, MT spoke of the need for additional Animal Control officers and safety concerns with the shelter building.

Juanita Rathman, Billings, MT spoke in support of YVAS.

Highlight Upcoming Agenda Items of Council Interest

Kevin Iffland, Interim City Administrator, gave an update of Yellowstone County offices temporarily moving into 3rd floor of City Hall.

Council Discussion

Councilmember Boyett - initiative would be brought forward regarding the discontinuance of some boards and commissions.

Councilmember Lindley - lack of numbers for the Advisory Technology Committee.

Councilmember Aspenlieder - no Budget and Finance Committee meeting in July. Would meet in August. Councilmember Lindley taking Aspenlieder's spot on the committee.

PUBLIC COMMENT – NON-AGENDA ITEMS

Tana Morehead, Small Business Administration Office of Disaster encouraged small businesses to apply for assistance if impacted.

Paul Clark, Billings, MT spoke of the removal of trees at South Park.

ADJOURN

9:18 PM