

City Council Meeting
March 25, 2025

Present: Mayor John Williams, Councilmembers Greg Koczur, Jack Rosander, Wayne Dudley and Rose Hanser

Also Present: Assistant Police Chief Kris Egan, Fire Chief Tony Reda, Public Works Director Pat Zent, Planning/Zoning/Code Official Kami Egan, City Clerk/Treasurer Michelle Richards and City Attorney Michelle Sullivan

Mayor Williams called the meeting to order at 7:00 pm. City Clerk/Treasurer Richards completed Roll Call.

Consent Agenda:

Councilmember Hanser moved to approve the Consent Agenda. Councilmember Dudley seconded the motion. Discussion: Mayor Williams reported the purchasing policy was not followed in regards to the claim to Big Sky Fire Equipment for extrication equipment purchased by the fire department. A request to purchase the equipment should have been submitted to the City Council prior to ordering it. Councilmember Rosander asked about the shooting simulator for the police department. Motion carried with all in favor.

- Minutes of 3/11/25 Regular Meeting
- Claims #31476-31502 \$346,148.40
- Payroll Summary 03/14/25 \$110,831.19

Department Reports:

Reports were presented by Assistant Police Chief Egan, Fire Chief Reda, Public Works Director Zent, Planning/Zoning/Code Official Egan, City Attorney Sullivan and City Clerk/Treasurer Richards.

Mayor's Communications:

HB368 is moving through the legislative process and is currently in the Montana Senate. This bill would set aside \$2,000,000 per year for 10 years for the City of Colstrip for our water supply. This bill was sponsored by Representative Gary Parry.

Councilmember Koczur asked if FWP has an interest in our water supply. Mayor Williams explained Castle Rock Lake is owned by the power plant owners, not the city. Mayor Williams met with FWP regarding a proposal to designate it as a state park but this would be contingent upon approval of the power plant owners.

Public Comment & Participation:

Jim Atchison, Executive Director of Southeastern Montana Development Corporation, reported the Montana Coal Board has approximately \$265,000 currently available. The Comprehensive Economic Diversification Study done in 2017 needs updated and could possibly be done with a grant from the Coal Board. Construction will possibly begin April 14th on the BIC. SEMDC

personnel will need a temporary home during construction and SEMDC may be requesting to utilize office space at City Hall. Removal of the current SEMDC building needs to be completed.

Dan Batie, Colstrip resident of 40 years, commented on city streets. He is not happy with the condition of the streets. Instead of spending \$1.8 million on crack and chip sealing, he would rather the money be used to reconstruct the streets.

Joe Novasio, Colstrip resident of 55 years, attended the meeting with Representative Parry where the water supply for Colstrip and HB368 was discussed. There wasn't a financial analysis of how much it would cost to repair or replace the water pipeline. When the severance tax was lowered from 30% to 15%, this saved the power plant owners a lot of money. He asked if the power plant owners would be off the hook if the bill passes. He questioned if this has been thoroughly thought through or an analysis has been done to make a good decision.

Unfinished Business: None.

New Business:

Councilmember Rosander moved to award the bid for the Crack & Chip Sealing Project to Hardrives Construction in the amount of \$1,860,743.50.

Councilmember Dudley seconded the motion.

Discussion: Councilmember Koczur agrees with Dan Batie's comments regarding fixing the streets instead of crack and chip sealing. Councilmember Hanser feels the city should maintain what it has in addition to rebuilding the streets that really need it in accordance with the PASER Study.

Public Comment: None received.

Motion carried with all in favor.

Councilmember Koczur moved to approve Resolution No.2025-R02, declaring a 2002 Pierce Fire Engine as surplus. Councilmember Hanser seconded the motion.

Discussion: Councilmember Hanser asked if this truck was purchased with Coal Board Funds. She is pleased with the request to donate the truck to Hysham.

Motion carried with all in favor.

Councilmember Dudley moved to approve Resolution No. 2025-R03, intent to donate a 2002 Pierce Fire Engine to the Hysham Volunteer Fire Department.

Councilmember Koczur seconded the motion.

Discussion: Councilmember Rosander is in favor of this but asked what the value of the truck is.

Council discussed obtained a value of the truck. Mayor Williams stated Hysham would be replacing a 50-year-old truck with this one. He also explained having updated equipment helps us maintain a better rating with ISO, which keeps insurance rates lower. Fire Chief Reda reported Hysham's fire department operates on an annual budget of \$26,000 per year.

Motion carried with all in favor.

Councilmember Dudley moved to approve the Change in Service Agreement with CD Architects in an amount not to exceed \$149,331.20 for the Business Innovation Center. Councilmember Rosander seconded the motion.

Discussion: Councilmember Rosander noted a difference in the construction contract and the amount reported as construction budget in this agreement. Jim Atchison responded that the total project cost includes project design fees, permits, contingencies and construction administration fees in addition to the construction contract. Councilmember Koczur stated this does not make sense since it doesn't cost the architects anymore just because the construction bid came in higher than estimated. He also asked who is going to be responsible if there is a problem with the design or construction of the building. He would like one of the architects to come to a council meeting and explain what they are responsible for. Councilmember Hanser pointed out the agreement with the architects specifies what they are responsible for and liability for errors and omissions. Jim Atchison explained the architects have professional liability and errors and omissions insurance. Councilmember Rosander pointed out the architecture fees are based on a percentage of the construction cost and since the construct cost went up, the architect's fees increase. Motion carried with Councilmembers Rosander, Hanser and Dudley voting in favor and Councilmember Koczur voting against.

Mayor Williams adjourned the meeting at 7:55 p.m.

Michelle Richards, City Clerk/Treasurer