

City Council Meeting August 25, 2026

Present: Mayor John Williams and Councilmembers Corrie Hadaller, Wayne Dudley, Zane Longacre and Jack Rosander

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

Mayor Williams called the meeting to order at 7:00 pm. Following the Pledge of Allegiance, Mayor Williams offered the invocation. City Clerk/Treasurer Richards completed Roll Call.

Consent Agenda:

Councilmember Longacre moved to approve the Consent Agenda. Councilmember Rosander seconded the motion. Discussion: None. Motion carried with all in favor.

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| • Minutes of 8/11/26 | Regular Meeting |
| • Claims #33057-33083 | \$164,125.02 |
| • Payroll Summary 8/14/26 | \$126,187.54 |

Department Reports:

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

Mayor's Communications:

The draft of the 2026 Economic Diversification Strategy has been received from KLJ Engineering. Mayor Williams requested feedback be submitted to him by August 28th.

Mayor Williams and Jim Atchison met with Brian Bird with NorthWestern Energy in Billings today. Mayor Williams distributed information he received about Data Centers, Small Nuclear Reactors and the Large New Load (LNL) Rule.

Montana Coal Board meets September 10th in Billings. The city has a \$150,000 grant request to replace the fire department's SCBAs. We have requested to be on the board's agenda to appeal the administrative decision to deny the draw request for the chlorine analyzers.

Mayor Williams provided information to the council members regarding his written communication with the Public Service Commission and verbal testimony for NorthWestern Energy's merger request. Montana is the only state out of eight states to not yet approve the merger.

A Deer Management Plan meeting is scheduled for tomorrow night at City Hall.

Public Comment & Participation:

Jim Atchison, Executive Director of Southeastern Montana Development Center, commented Colstrip is one of only a few communities in Montana that have an economic diversification strategy. He encouraged council members to contact KLJ Engineering if they have any comments, suggestions or idea. A Memorandum Of Understanding will be submitted at the next City Council meeting regarding naming rights at the Business Innovation Center. Jim distributed a handout of outstanding issues yet to be resolved at the Business Innovation Center with the contractor. The Montana Economic Developers Association will be meeting next week at the BIC for their annual retreat.

Public Hearing:

Mayor Williams opened the Public Hearing at 7:24 pm for the Solid Waste Special Assessments. No oral or written comments received. Mayor Williams closed the hearing at 7:25 pm.

Mayor Williams opened the Public Hearing at 7:25 pm on the 2026-2027 Preliminary Budget. No oral or written comments received. Mayor Williams closed the hearing at 7:25 pm

New Business:

Councilmember Longacre moved to approve Change Order No. 1 to the 2026 Pavement Improvements/Water Line Replacements contract with Hardrives Construction in the amount of \$37,293.60.

Councilmember Rosander seconded the motion.

Discussion: Ryan Welsh, KLJ Engineering, explained the reason for the change order is for exploratory excavation needed to address abandoned service lines not marked or on the plans and for non-standard looped lines. Ryan explained the change order is an estimated amount and the actual expense may be less than \$37,293.60 as the city will only be billed for actual hours spent dealing with these lines.

Public Comment: None.

Motion carried with all in favor.

Councilmember Dudley moved to approve Resolution No. 2026-R10, adopting the 2026-2027 Fiscal Year Budget.

Councilmember Hadaller seconded the motion.

Discussion: City Clerk/Treasurer Richards reviewed the budget, cash reserve and capital requests with the City Council.

Public Comment: None.

Motion carried with all in favor.

Councilmember Rosander moved to approve Resolution No. 2026-R11, setting the mill levies for the General Fund and Permissive Medical Fund.

Councilmember Dudley seconded the motion.

Discussion: Mayor Williams noted this is the first time in Colstrip's history that the mill levy has been reduced.

Public Comment: None.

Motion carried with all in favor.

Councilmember Dudley moved to approve Resolution No. 2026-R12, approving street light special assessments. Councilmember Rosander seconded the motion.

Discussion: None.

Public Comment: None.

Motion carried with all in favor.

Councilmember Longacre moved to approve Resolution No. 2026-R13, approving solid waste special assessments. Councilmember Hadaller seconded the motion.

Discussion: None.

Public Comment: None.

Motion carried with all in favor.

Councilmember Hadaller moved to approve Resolution No. 2026-R14, authorizing the assessment of unpaid past due water and sewer service charges.

Councilmember Rosander seconded the motion.

Discussion: None.

Public Comment: None.

Motion carried with all in favor.

Councilmember Rosander moved to approve Resolution No. 2026-R15, approving funding for the Schoolhouse History and Art Center in the amount of \$87,500 per year.

Councilmember Dudley seconded the motion.

Discussion: None.

Public Comment: None.

Motion carried with all in favor.

Councilmember Dudley moved to approve Resolution No. 2026-R16, creating Fund #2388 for the Large Taxpayer Reserve Account. Councilmember Rosander seconded the motion.

Discussion: City Clerk/Treasurer Richards explained the Montana legislature amended the state code to allow a city to create a large taxpayer reserve account and fund it with 10% of newly taxable revenue from classes of property other than class four property. The new law allows the city to use the funds in the account in the event a large taxpayer permanently ceases operations or the city experiences a significant decrease in taxable value to pay for outstanding capital project bonds, to decrease mill levies, to attract new industry or to invest in infrastructure directly related to new development or housing. Councilmember Dudley asked what is the definition of a "significant decrease in taxable value". The law does not define this but hopefully guidance will be forthcoming either from the state's administrative rules or attorney interpretation or opinion.

Public Comment: Jim Atchison spoke in favor of approving this resolution.

Motion carried with all in favor.

Mayor Williams adjourned the meeting at 8:00 p.m.

Michelle Richards, City Clerk/Treasurer