

MCA 2-3-212. Minutes of meetings. Minutes must include without limitation: (a) the date, time, and place of the meeting; (b) a list of the individual members of the public body, agency, or organization who were in attendance; (c) the substance of all matters proposed, discussed, or decided; and (d) at the request of any member, a record of votes by individual members for any votes taken.

APPROVED MINUTES

The Libby City Council held regular meeting #1686 on Monday, October 6, 2025, in the Council Chamber at Libby City Hall.

Call to Order:

The meeting was called to order at 7:00 pm by Mayor Williams.

Present were Mayor Williams, Councilors Melissa Berke, Gail Burger, Ethan Kolp, Kristin Smith, Hugh Taylor, Brian Zimmerman, Administrator Sam Sikes, Clerk/Treasurer Leann Monigold, and (via Zoom) City Attorney Dean Chisholm.

Announcements: Mayor Williams announced city hall would be closed October 13th because it is a federal holiday.

Approve minutes for Regular Council meetings #1685 dated September 15, 2025:

Councilor Zimmerman **MADE A MOTION** to approve meeting minutes 1685, Councilor Berke **SECONDED**.

Mayor Williams noted on page two, Melissa's last name was missing an "E."

Public Comment: None

Councilors Berke, Burger, Kolp, Smith, Taylor, and Zimmerman voted **FOR**.

MOTION PASSED.

Committee Reports:

Administrator: Administrator Sikes reported WWC Engineering is 90% complete with the draft engineering plan and preliminary hydrology study for the spoils pile. Hoping to have the completed plan within the next 30 days to be presented to Council. The plan has been reworked a couple of times to keep the final project within the \$250,000 grant from NRDP, once complete Council will decide whether to authorize phase II, construction of a parking lot and settling basin.

Phase II of Spruce Street reconstruction has had a couple of issues being completed with engineering and concrete. Mike Fraser will be in on Wednesday to discuss the progress and expected completion.

The city met with Lincoln County Port Authority (LCPA) attorneys and Noble to ensure all utility and road easements were in place for the LCPA to go from Spruce Street to Dawson Mill Road in the future for planning purposes. The easements are already in place; however, the city is requiring the easement be extended to Lincoln Boulevard for water, sewer, and future power infrastructure.

Mr. Sikes gave a detailed update on the water leaks in Reese Court and provided a colored map showing the work that has been done and reported significant concern with the Lower Reservoir regarding erosion and undercutting near the spillway, providing pictures of the problem, and explained an emergency fix is being discussed right now to provide a long-term temporary fix to stop the problem and if not addressed could be a catastrophic failure by spring. Also explained the long-term repairs are expected to be included in the upcoming preliminary engineering report. The original project estimate was \$3.8 million, with potential grant funding available for \$1.1–\$1.2 million, leaving the remainder as a city expense.

Mr. Sikes stated after inspections of the water treatment plant filtration tanks indicate they can be repaired rather than replaced, reducing a projected \$10–\$15 million cost to a manageable multi-year maintenance plan. Commending the Mayor and Council for supporting difficult but necessary utility rate adjustments that have allowed progress on critical infrastructure.

Streets: Justin Williams reported there were three water main leaks repairs (two on Sixth Street and one on Cabin Heights Road) and the removal of a leaking valve that was relocated. Sewer main inspections uncovered substantial grease buildup in the Utah Avenue main north of Highway 2, which caused downstream blockages in two manholes. Crews successfully cleared the line and removed root balls and sediment from aging clay tile mains on 4th Street. Cemetery work included two full burials, three cremains, and one interment. Crew attended CPR refresher training, hauled wastewater treatment plant solids, and conducted sweeping to manage fallen leaves. Street crews patched potholes, repaired storm sewer damage at Spruce and Utah where a fractured concrete pipe caused settling, and installed 42 hydrant flags for visibility in winter. Mr. Williams reminded residents of the seasonal parking ordinances effective November 1, requesting removal of vehicles, trailers, and other obstructions from city rights-of-way to ensure safe snow plowing. Councilor Taylor inquired about tracing the source of grease accumulation; Mr. Williams confirmed the camera was used for inspection and the source has been pinpointed. Mr. Sikes added that a letter would be issued to the party responsible.

Police: Chief Ercanbrack reported a total of 335 cases in September, calls included 4 assaults, 15 disturbances, 7 threatening calls, 6 thefts, 2 mental health calls, 1 vagrancy, 1 welfare check, 7 public assists, 14 911 calls, 4 juvenile, 20 walk-throughs, 24 ordinance violations, 27 suspicious people or vehicles, 9 crashes, 5 DUIs, and 127 traffic stops. Noting this volume provided valuable training for new officers. Officer Smart has completed field training and Officer Stephenson is expected to complete his within the month.

Chief announced through a Department of Defense surplus program, the City will acquire an \$80,000 dump truck at no cost for the Street Department, pending inspection at Fort Lewis.

Finance: Clerk/Treasurer Monigold reported the FY26 budget has been submitted and accepted by the State. Auditor's office is assisting with yearend close to help prepare the Annual Financial Report, due December 31, and Auditors' "needs lists" are being addressed for the FY25 Audit, hoping for early completion. Also announced she and Mr. Sikes would be attending the League of Cities and Towns Conference in Billings next week.

Fire: Councilor Zimmerman reported for the month of September LVFD responded to 10 calls, 3 city, 4 Rural Fire District, and 3 outside city and RFD. 1 vehicle, 2 structures, 1 grass/wildland, 2 mutual aid, 3 false alarm, and 1 miscellaneous. For a total of 88 calls for 2025.

Public Comment Non-Agenda:

Rocky Gifford expressed disapproval for using school grounds for Pride Week activities and requested the event be removed from Libby and Lincoln County. Mr. Gifford also commented on two-hour parking enforcement requesting stricter enforcement or removal of the signs.

Scott Slawson expressed frustration over what he viewed as excessive stop sign installations citywide, particularly at 8th and Utah, Cedar St. near the radio station, and the ones on Mineral Ave, urging Council to find a better solution in the future besides using stop signs.

New Business:

Natural Resource Damage Grant-Libby Asbestos project workshop and overview of the Libby Groundwater Assessment Plan-Sydney Steward:

Sydney Stewart, Environmental Scientist with the Montana Natural Resource Damage Program, presented an overview of ongoing Libby Asbestos and Libby Groundwater Superfund assessments, explaining the federal and state processes for evaluating natural resource injuries and restoration. She outlined the current public comment period on the

Draft Assessment Plan, open through October 30, 2025, and described opportunities for local project proposals under future funding.

Councilor Zimmerman inquired if the groundwater being referred to was the upper and lower aquifer. Ms. Stewart confirmed that was the groundwater being referred to.

Mayor Williams commented on the length of time the process takes. Ms. Stewart explained the steps in the lengthy process.

Public Comment:

Tony Petrusha inquired about clarification on whether recovery from IP was guaranteed; Ms. Stewart responded that while recovery is not certain, the plan defines the process by which damages may be pursued.

Legal Services' Agreement related to AFFF/PFAS Litigation Services – introduction/discussion:

Attorney Dean Chisholm summarized the national multidistrict litigation, like a class action suite, concerning PFAS contamination. Though Libby's recent tests showed no elevated PFAS levels, Mr. Chisholm recommended joining the litigation on a contingency basis to preserve the City's right to recover damages if contamination is later found. Ensuring no legal fees would have to be paid unless the attorneys recover funds. The deadline to join is December 31, 2025. Council's consensus was to move forward for approval at the next meeting.

Public Comment: None

Approve committee recommendation for relocation of wings:

Councilor Berke explained the Parks Committee's recommendation to locate the metal "wings" art piece in Fish Park near the Alternative School, where Todd Berget used to teach, mounted against the maintenance building wall where the Sasquatch display currently stands. If Council agrees, they can get it moved there and put on cement before the ground freezes.

Councilor Smith **MADE A MOTION** to approve the location of the wings recommended, Councilor Burger **SECONDED**.

Public Comment: None

Councilor Zimmerman inquired if Mrs. Berget was involved and if the memorial plaque was located. Mayor Williams confirmed Zach McNew was in possession of the plaque.

Councilors Berke, Burger, Kolp, Smith, Taylor, and Zimmerman voted **FOR**.

MOTION PASSED.

Approve signing of Resolution to Authorize Submission of CDBG Application, first page of the Uniform Application, and Montana CDBG Certification of Application for First and Montana lift station:

Mayor Williams explained this was the final step after having the Public Hearing a couple of weeks ago and TD&H has been working diligently on putting the application together.

Mayor Williams noted it is a critical part of our infrastructure that has reached unsafe conditions, and we really want to move forward with getting it replaced.

Councilor Zimmerman **MADE A MOTION** to approve the signing of the resolution to authorize submission to CDBG application, Councilor Berke **SECONDED**.

Public Comment: None

Councilors Berke, Burger, Kolp, Smith, Taylor, and Zimmerman voted **FOR**.

MOTION PASSED.

Approve all claims received to date:

Mayor Williams reminded the public that if anyone is interested in viewing the claims they are available during the day of the meeting.

Councilor Zimmerman **MADE A MOTION** to approve all business claims received to date, Councilor Burger **SECONDED**.

Public Comment: None

Councilors Berke, Burger, Kolp, Smith, Taylor, and Zimmerman voted **FOR**.

MOTION PASSED.

Approve all business license applications received to date:

Allcom Electric, Inc., Atlas HVAC LLC, KIF Services LLC, Robin's Nest, and Roxanne Benefield.

Councilor Smith **MADE A MOTION** to approve all business license subject to final signatures for the entities, Councilor Burger **SECONDED**.

Public Comment: None

Councilors Berke, Burger, Kolp, Smith, Taylor, and Zimmerman voted **FOR**.

MOTION PASSED.

Unfinished Business:

Chamber of Commerce request for long-term building lease-Discussion:

Miranda Cravens, Executive Director of the Libby Area Chamber of Commerce, provided additional information to Council regarding the Chamber's plans to rebuild the visitors center. Ms. Craven explained that the Chamber had obtained cost estimates from contractor Byron Obleness for both repairing and fully rebuilding the structure. After review, the Chamber determined that a complete rebuild would be more cost-effective and sustainable in the long term.

Ms. Cravens noted, while Mr. Obleness is a Chamber member and provided initial pricing as a reference point, the Chamber intends to open the project up for bids from other Chamber-affiliated contractors if the project proceeds and stated the Chamber Board is willing to include language in a lease agreement specifying that the Chamber would hold ownership of the new building during its operation; however, if the Chamber were ever to discontinue its activities or relocate, ownership of the structure would revert to the City for a predetermined amount. The intent, she emphasized, is to remain flexible and fair while ensuring the Chamber can move forward with needed improvements.

Ms. Cravens reiterated that the Chamber's primary goal is to improve or rebuild the facility to better serve visitors and the local business community, reflecting the pride of Libby and maintaining a welcoming presence at the gateway to the city. If ownership clarification cannot be achieved, the Chamber may have to explore alternative locations, though that is their least preferred option due to the building's historical and symbolic importance. Noting that a decision is needed by November 1, 2025, to remain eligible for the pending grant application cycle.

Attorney Chisholm explained to Council the legal framework of the Chamber of Commerce's lease request. Noting there appears to be some ambiguity surrounding the historical arrangement between the City and the Chamber concerning the visitor center property and that locating the original documentation or correspondence defining that relationship would likely be unproductive.

Mr. Chisholm explained the primary legal issue centers on ownership terminology. While the Chamber has expressed interest in "owning" the building situated on City property, he clarified that such a situation, where one party owns the land and another owns a the structure, is both uncommon and legally complex. In practice, buildings are considered part of the real property on which they are constructed. Separating ownership of the structure from ownership of the land can create serious complications, particularly in the event of disputes, as it is not feasible to remove or relocate a fixed structure without damage or impairment to the property's value. Stating, when an entity seeks control over a building on

land it does not own, the standard legal instrument used is a ground lease. In such agreements, the tenant (or lessee) may construct and operate improvements on the property for an extended, defined period—often 20 to 40 years, with renewal options. Upon termination of the lease, any permanent improvements typically revert to the landowner, in this case, the City.

Mr. Chisholm noted that he has previously drafted similar agreements for commercial projects, such as bank developments, and that these long-term leases provide both stability for the lessee and protection for the property owner. Recently learned the Chamber's consideration of a modular structure, which under Montana law can initially be treated as personal property rather than a fixed improvement until permanently affixed to the land. However, once placed on a foundation, such a structure becomes part of the real property and subject to the same legal principles as other buildings.

Mr. Chisholm explained different ways the lease could be written.

Councilor Smith stated she assumes the city would also write a letter of support for this grant for the chamber to submit, and in that letter, we can attest to our commitment. Mr. Chisholm after speaking with the Chamber it is his understanding the grant does not require them to have ownership of the property or building.

Councilor Taylor commented the lease would be similar to the one the city has with the Cross Country Ski Club, they build buildings on city property and if they were to leave the buildings become city property. Mayor Williams stated there are similar leases being put into place.

Public Comment:

Rocky Gifford inquired about property ownership; Mayor Williams clarified that the property is owned by the city.

Councilor Smith agreed the proposed lease looked great and the years could be extended if needed.

Grant Writer/Community Development Coordinator Job Description-Discussion:

Mayor Williams stated there was another meeting with KRDC and asked them to put together a proposal of how they could access the Community Development funds to restart their dormant organization.

Public Comment: None

General Comments from Council: None

ADJOURNMENT:

Councilor Burger **MADE A MOTION** to adjourn, Councilor Zimmerman **SECONDED**.

Councilors Berke, Burger, Smith, Kolp, Taylor, and Zimmerman voted **FOR**.

MOTION PASSED.

Mayor Williams adjourned the meeting at 8:21pm.

Mayor Peggy Williams

Attest: _____

Clerk/Treasurer Leann Monigold