

APPROVED MINUTES

The City Council held Council Meeting #1645 on Tuesday, January 16, 2024, in the Council Chambers at City Hall.

Call to Order:

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

The Pledge of Allegiance was completed and roll call commenced. Present were Mayor Williams, Councilors Gary Beach, Melissa Berke, Kristin Smith, Hugh Taylor, Brian Zimmerman, Administrator Sam Sikes, Clerk/Treasurer Leann Monigold, and (via Zoom) Councilor Ian Smith and City Attorney Dean Chisholm.

Mayor Williams welcomed all those present.

Approve City Council minutes for meeting #1644 dated January 2, 2024:

Councilor Zimmerman **MADE A MOTION** to approve City Council minutes for meeting #1644 dated January 2, 2024, Councilor Berke **SECONDED**.

Councilor Taylor requested his questions during the Council Comment section of the meeting about the MCA and Police Commission and his request for a legal written opinion be added to the minutes.

DC Orr, 1117 Nevada Ave., commented, he had brought up the Police Commission allegations and thinks the City Attorney and Mayor were violating Montana laws and commented on how minutes should be taken.

Councilors Beach, Berke, I. Smith, K. Smith, Taylor, and Zimmerman voted **FOR**.

MOTION PASSED.

Announcements: None

Committee Reports:

Administrator: Administrator Sikes reported there were no building permits to report and later on the agenda the Public Hearing will cover SLIPA funds.

Police: Chief Ercanbrack reported the department had a good holiday season and were fortunate to not have any major incidents or major problems. At the beginning of January there were some lively events, including the pursuit that went through town on Saturday. Unfortunately, there was damage to one police vehicle that had driven off the road and sustained damage, he is waiting to hear back from the insurance company about the vehicle. No officers were injured, the suspect of the pursuit is being treated at the Kootenai Medical Center.

Mayor Williams announced the committees are all being reorganized and most of them haven't had an opportunity to meet.

Ordinance: Councilor K. Smith announced the Ordinance Committee will meet January 26th at noon and will begin discussing our auto trailer ordinance.

Zoning: Councilor Smith announced the Zoning Commission, and Planning Board will meet January 29th. The Planning Board has some statutory required changes to the city's subdivision regulations and will be reviewing and making recommendations to Council, then putting the final touches on recommendation for the residential districts with Zoning Commission.

Wildlife: Councilor Taylor announced he heard back from Tanya, the local biologists, the turkey draft was received back from their legal team. They will make some tweaks and get it back to us in the next week or two so it can be brought back to the committee to review their edits.

City-County Board of Health: Mayor Williams announced she notified the Council that Amy Fantozzi's term expires in February and an advertisement for applicants has been submitted to the newspaper. The application can be downloaded at the city website.

Public Comment on Non-Agenda Items:

DC Orr, 1117 Nevada Ave., commented on Officer Buckner's grievance and complaint and compared his previous experience in court to Officer Buckner's possible current situation.

Old Business: None.

New Business:

Public Hearing: SLIPA funds project:

Mayor Williams opened the SLIPA fund project Public Hearing at 7:13 pm and announced there is no decision to be made and looking for public comments on the projects.

Administrator Sikes explained the SLIPA funds. The state and local infrastructure project has allocated \$231,304 to Libby for replacing or renewing infrastructure, our matching funds will come out of the gas tax for \$57,000, depending on what type of project we do. One of the requirements is to take comments on any of the projects that were considered by the city. Potential projects have been solicited from department heads, the two responses received were the lift station for the sewer plant at First and Montana, Mr. Sikes explained its function. The other was Spruce Street, it's deteriorating, the sidewalks are going bad, improper curbing, and because of the improper curbing there is water infiltration causing problems.

Mr. Sikes stated, Mayor Williams and himself had discussed a couple of other projects. One was to rebuild 10th Street behind McDonald's and Kaiju, that portion of road is atrocious and its believed there might be a water leak underneath it by McDonald's alleyway because

of the way it is sinking in. Another topic was putting a heated roof on City Hall, so during the wintertime heaters can be turned on to melt the snow. City Hall would not have close in case of an emergency, bringing the National Guard, the last time we did it cost \$250,000 to repair the roof. We discussed all of projects and got okayed for two of them from our department heads, but we need to open it up for public comment to see if there were any other projects that may have been overlooked, or if there's any comments supporting or against any of these projects that we're considering. As it stands right now the city is looking at making Spruce Street the first priority on the list. The main reason is because we are looking at working with the Port Authority so the road would give proper access in and out and we wouldn't have cars dumping into the middle of a residential area.

Public Comment: None

Mayor Williams closed the SLIPA fund project Public Hearing at 7:16 pm.

Public Hearing: TZ Developments – Historic Preservation Grant request / Old High School:

Mayor Williams opened the TZ Developments Public Hearing at 7:16pm and explained the second public hearing is regarding Libby Lofts LLC looking for comments on their reconstruction of the old Libby High School.

Tracy McNew, 120 Cabinet View Country Club Rd., explained the purpose of the public hearing and read the document they drafted for the request: Libby Lofts LLC is applying for a National Historic Preservation grant from the state of Montana. The grant is due on February 29. Funds are awarded by the Montana legislature during their next legislative session. The grant has been designed to support public and private entities with the preservation of historic sites, historical societies and or historical museums throughout the state of Montana. The funds if awarded would be ready for use in September of 2025. The public hearing is required for the grant application to discuss the projects and its expected environmental determination level and respond to any comments. One component of the grant application is the environmental review that needs public comment for that process an environmental certifying officer or ECO must be designated by the applicant. The applicant is Libby lofts, LLC and the ECO is herself as a member of Libby Lofts.

The ECO determines and reviews the proposed scope of work and then determines the level of environmental review necessary. The three possible levels are exempt or excluded environmental assessment or environmental impact statement. State staff helps make the determination as needed and have been working closely with the state staff.

The public meeting provides an overview of the proposed project alternatives and preliminary environmental findings. Grantees accept public comments and if possible, respond to them during the meeting. Otherwise, we can respond to them afterwards. This allows for making the final environmental determination. Comments on the EA are accepted and responded to before the final determination is made.

The summary of the project and possible alternatives. Libby Lofts LLC was reorganized in 2023 after the historic Libby High School remained empty for 15 years following the untimely death of Eric Berry who was leading efforts to rehabilitate the school in 2008. The school was also placed on the National Register of Historic Places in 2008. Libby Lofts currently intends to restore the exterior of the building and refurbish the interior by retrofitting 26 apartment units and a community meeting space in that area. The partners at Libby Lofts LLC have experience and expertise necessary to make this vision a reality and the overall project is estimated to cost approximately \$5 million. The plausible alternatives would include tearing down the historical structure or tearing down the most damaged parts. The building is 101 E Lincoln Blvd., the roof has caved in, and a wall has bowed out at the exterior on part of the building. A decision has been made against these alternatives. Feeling the preservation of the school's status on the National Historic Landmark as a National Historic Landmark and maintaining the importance of Libby's history is important. The first steps will be to restore the building's exterior, postponing the apartments inside until the exterior is solid. The grant will be used to fix the exterior wall, replace the roof, and refurbish the windows. In order to stay on the National Register of Historic Places everything needs to remain the same outside and that is why the windows will be refurbished and found local contractors who are able to do that and are currently working on getting bids for everything so there are no exact numbers at this point. The exterior is estimated to be about \$650,000, but don't have exact bids yet.

The grantee is required to match 20% of whatever is funded by the state. Expected level overview, the project is expected to require an environmental assessment, that is the middle level, not an EIS, but also not exempt. The exempt projects are things like replacing the heating system, we are completely redoing the inside of the building. So that's why it is considered the middle level. Libby Lofts LLC is not creating a new building or changing the footprint of the building, the amount of pavement and the building itself will remain the same.

Bruce Weatherby, 1006 W. 9th St., explained they are trying to seek City of Libby Economic Development funds for the project as well and read the additional information: Libby Lofts, LLC, a local development company dedicated to providing housing in our community is seeking support from the City of Libby Economic Development Fund to address a critical issue at historically high school. Following a large storm event, the east side and the historic Libby High School have suffered significant damage resulting in the failure of the roof and bowing out of a brick wall. The estimated cost to repair the wall replace the roof and restore the brick wall was approximately \$184,000. The urgency of the situation is compounded by the fact that they are at the end of having the ability to repair this. If it is delayed any further, there could be irreversible damage to the structure. Libby Lofts is committed to the preservation and revitalization of historic buildings in our community. Considering the circumstances, we are seeking 25% matching grant from the City of Libby Economic Development Fund to facilitate the completion of these crucial repairs. This brand will enable us to move forward with our plans to convert the Historically High School

into 26 much needed apartments. Addressing the growing demand for housing in our community. As part of the commitment to community development, we are proposing 0% of the apartment units will be dedicated to subsidized teacher housing. So, in essence, three units will be dedicated to future housing. This initiative aims to support local educators and provide an affordable living space. Additionally, there will be a community room within the building available for use by local organizations and charities. The space will serve as a hub for community activities, fostering collaboration engagement among residents and organizations alike. They believe historic restoration of the Libby High School aligns with the goals of the City of Libby Economic Development Fund, contributing not only to the preservation of our local history but also to the creation of housing options, and community spaces along with revitalization of our downtown. Requesting to schedule a special meeting to consider the grant request and would like to thank you for considering our grant request.

Mayor Williams explained it could not be discussed or any decision made because that item is not on the agenda.

DC Orr, 1117 Nevada Ave, commented on the letter requested funds from the Community Development Fund and felt it contained inconsistencies and untruths. Mr. Orr said he does not agree there is an urgency to repair the wall and it is not in imminent danger of being irreparable, speaking from his construction experience and believes if the City gets involved it could end up in court.

Carla Darrae, 137 Norman Ave., asked if there were still going to be two, four-plexes on Mineral Avenue, facing Mineral Avenue. Mrs. McNew responded, that is not the plan at this point and focusing on the school.

Mayor Williams closed the TZ Development Public Hearing at 7:29pm.

Regular Council meeting resumed.

Approve support letter - TZ Developments for Old High School:

Mayor Williams explained the request of the support letter.

Councilor Zimmerman **MADE A MOTION** to approve support letter - TZ Developments for Old High School (Libby Lofts LLC), Councilor K. Smith **SECONDED**.

Councilor K. Smith, in the last paragraph, suggested striking the word “for” and inserting “in its pursuit of the” Montana historical preservation.

Councilors Beach, Berke, K. Smith, Taylor, and Zimmerman voted **FOR**. Councilor I. Smith voted **AGAINST**.

MOTION PASSED.

Approve LOR grant for pilot Industry Awareness Program:

Tabetha Viergutz introduced the project presented to the LOR Foundation by Janelle Kimberlin with the Department of Labor and Industry and feel it is an innovative way to promote trades in Libby and keep our kids here by educating them in those trades. A letter was sent to the City stating LOR has approved the grant for \$9983 for the local Industry Awareness, funds provided by the LOR Foundation grant is to launch the campaign and bring awareness to the industries and employment opportunities in Libby. Funding would commence today pending Council approval and end October 21, 2024. The banners would be placed downtown on California and Mineral and would become the property of the City of Libby for the use of the poles. This will give ample time to create the banners using local manufacturers in various avenues of employment. Sherpa Trailers provided \$2,902.50 worth of in-kind to create the brackets for the poles to hang the banners.

Councilor Zimmerman **MADE A MOTION** to approve LOR grant for pilot Industry Awareness Program, Councilor Beach **SECONDED**.

Councilor K. Smith **ABSTAINED**.

Councilors Beach, Berke, I. Smith, Taylor, and Zimmerman voted **FOR**.

MOTION PASSED.

Approve all Beer, Wine, or Liquor licenses received to date:

Mint Bar, 110 Mineral Ave.

Councilor K. Smith **MADE A MOTION** to approve all Beer, Wine, or Liquor licenses received to date, Councilor Zimmerman **SECONDED**.

Councilors Beach, Berke, I. Smith, K. Smith, Taylor, and Zimmerman voted **FOR**.

MOTION PASSED.

Approve all Coin Operated licenses received to date:

Mint Bar, 110 Mineral Ave.

Councilor Zimmerman **MADE A MOTION** to approve all Coin Operated licenses received to date, Councilor Beach **SECONDED**.

Councilors Beach, Berke, I. Smith, K. Smith, Taylor, and Zimmerman voted **FOR**.

MOTION PASSED.

Approve all business licenses received to date:

Councilor Zimmerman **MADE A MOTION** to approve all business licenses received to date, Councilor Berke **SECONDED**.

Councilor Taylor stated the address is incorrect on the agenda, there is no 1712 Utah Ave. Councilor Zimmerman examined the business license application and explained it does look like 1712 but it is 1212 Utah Ave.

Councilors Beach, Berke, I. Smith, K. Smith, Taylor, and Zimmerman voted **FOR**.

MOTION PASSED.

Approve all claims received to date:

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

Councilors Beach, Berke, I. Smith, K. Smith, Taylor, and Zimmerman voted **FOR**.

MOTION PASSED.

Budget review, first half of FY 2024:

Clerk/Treasurer Monigold presented the budget review for the first half of FY24 and explained the budget should be at 50% for this time of year and is on track. Highlighting several areas in the budget that have exceeded 50%. For revenue, miscellaneous revenue is currently over because of the LOR grant funds that have been received and was unforeseen when the budget was being created. In the Lighting, Street Maintenance, and the Mineral Ave. SID funds there is a slight increase because delinquent taxes were received. Expenditure is also on track with a few slightly over 50%. Highlighted in the General fund the miscellaneous expense is above 50% due to the annual payment for the City's insurance. Under Water, one of the loans was incorrectly entered with last year's payment amount, IP expenditure is over because the 8,000-gallon summer water usage was not accounted for during the budget preparation.

Ms. Monigold highlighted the Police budget explaining with the new officers and the help from the Sheriff's Office, they are still staying within budget on payroll because their budget was created for 6 officers and currently there are 5 officers. There is about three-times higher in expense for protective clothing than budgeted for but knew that would be slightly higher this year with all the new officers coming onto the police force. Overall, the budget is right on track for this time of year.

General Comments from the Council:

Mayor Williams announced the Health Board representative, Amy Fantozzi is pursuing a position with the County and she would like to see someone that really takes responsibility to the city in reporting to the city and soliciting our positions before they take certain votes. The position can be held by one of the Council members if they would like to apply.

Councilor K. Smith suggested it should be policy it is a council member appointment, struggling with previous liaisons casting votes that are representative of the City's interest and have not received input ahead of time. Suggesting the Council consider it becoming an extension of Council responsibilities.

Mayor Williams inquired if the Council wanted to have a special meeting regarding the request for Community Development funds.

The council discussed having a meeting for the request and chose to have it during the next City Council meeting.

Councilor I. Smith thanked Officer Luthey for his hard work during the pursuit and is proud of him.

Councilor Taylor inquired about another grant request for Community Development funds that the Council never viewed.

Mayor Williams suggested reviewing the entire Community Development policy during the next meeting.

Adjournment:

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

Councilors Beach, Berke, I. Smith, K. Smith, Taylor, and Zimmerman voted **FOR**.

MOTION PASSED.

Mayor Williams adjourned the meeting at 7:48 PM.

Mayor Peggy Williams

Attest: _____
Clerk/Treasurer Leann Monigold