

CITY OF LIBBY

952 E. SPRUCE | POST OFFICE BOX 1428

PHONE 406-293-2731 | FAX 406-293-4090 | WEBSITE: www.cityoflibby.com



REGULAR COUNCIL MEETING #1648

MARCH 4, 2024 @ 7:00 PM

COUNCIL CHAMBERS – CITY HALL

CALL TO ORDER:

- Pledge of Allegiance
- Prayer by Mark Smith
- Roll Call
- Welcome
- Approve minutes of City Council meeting #1646, held February 5, 2024, special meeting held February 13, 2024 , and meeting #1647 held February 2024.

ANNOUNCEMENTS:

COMMITTEE REPORTS:

- City Administrators Report
- Fire
- Police
- Ordinances
- Lights/Streets/Sidewalks
- Building
- Water/Sewer
- Zoning Commission
- Cemetery/Parks
- Finance
- Wildlife
- City-County Board of Health
- Park District Manager of Projects

PUBLIC COMMENT ON NON-AGENDA ITEMS: This is an opportunity for the public to offer comments related to issues that are not currently on the agenda that the council has jurisdiction over. Public comment is limited to 3 minutes.

OLD BUSINESS: Each previous agenda item will be introduced by the mayor with a description of the item and explanation for the recommended action to be taken. Following council discussion on each item there will be an opportunity for public comment. Public comment is limited to 3 minutes concerning the agenda item being discussed only.

1. Libby Loft LLC request for Community Development Funds.
2. Historic Hotel Libby request for Community Development Funds.

NEW BUSINESS: The mayor will introduce each new agenda item with a description of the item and an explanation for the recommended action to be taken. Following council discussion on each item, there will be an opportunity for public comment. Public comment is limited to 3 minutes concerning the agenda item being discussed only.

1. Approve street closure on Lincoln Blvd for Dept Labor and Industry Job's Expo.
2. Approve street closure on Mineral Ave for Red, White & Brews, 1st Ascent Climbing & Fitness, and Jason Schikora Photography's combined Grand Opening.
3. Appoint Neely Electric Inc bid for WWTP L&C improvement project.
4. Approve Resolution #2027 intention to increase utility rates.
5. Approve all claims received to date.
6. Approve all business license applications received to date.
 - a) Eagle Ridge Truss & Timber, 1195 Minnesota Ave., LLC, Truss manufacturer for framed homes, floor trusses, timber trusses.
 - b) Hasen Design Build, 28 Cabinet View Country Club Rd., LLC, Designing services, new construction, remodels, and additions.
 - c) Libby Empire Foods LLC, 1406 Minnesota Ave., LLC, Grocery store.
 - d) Quartz Mountain Plumbing and Mechanical LLC, 274 Abby Rd., LLC., Plumbing and mechanical.
 - e) Rigs Detailing, 5396 Kootenai River Rd., Individual, Mobile auto detailing.
 - f) T's Cleaning, 67 Reese Ct #34., Individual, Home cleaning service.
 - g) The Montanian Newspaper, 317 California Ave., LLC., Newspaper.

UNFINISHED BUSINESS: Each item will be introduced by the mayor (or assigned liaison) with a description of the item. Following council discussion on each item, there will be an opportunity for public comment. No action will be taken. Public comment is limited to 3 minutes concerning each item.

Discussion to amend Libby Development Fund Policy and application process.

GENERAL COMMENTS FROM COUNCIL: Public comment will not be taken during this portion of the meeting

ADJOURNMENT:

The manner of Addressing Council:

- Each person, not a Council member, shall address the Council at the time designated in the agenda or as directed by the Council, by stepping to the podium or microphone, giving that person's name and address in an audible tone of voice for the record, unless further time is granted by the Council, shall limit the address to the Council to three minutes.
- All remarks shall be addressed to the Council as a body and not to any member of the Council or Staff with no personal remarks allowed.
- No person, other than the Council and the person having the floor, shall be permitted to enter any discussion either directly or through a member of the Council, without the permission of the Presiding Officer.
- Any person making personal, impertinent, or slanderous remarks or who shall become boisterous or disruptive during the council meeting shall be forthwith barred from further presentation to the council by the presiding officer unless permission to continue is granted by a majority vote of the council.

ATTENTION:

To access this meeting electronically with **ZOOM**,
Dial: 253-215-8782
Meeting ID: **4042719951**
Password: **151041**
Posted: 2/29/24



February 25, 2024

City of Libby
Libby, MT 59923

RE: Request to close 400 block on Mineral Ave April 6, 2024 from 9am-9pm

Dear Madam Mayor and Members of the City Council;

Red, White & Brews, 1st Ascent Climbing & Fitness and Jason Schikora Photography are planning a combined Grand Opening celebration on April 6, 2024, otherwise known as Montana 406 Day. We are looking to have local vendors, a food truck, live entertainment, and fun attractions for patrons of all ages.


Together, we are asking for The City's approval to rope off, or put up road blocks, at 4th Street & Mineral Ave AND 5th Street & Mineral Ave, blocking road traffic and parking on the 400 block of Mineral Ave from **9:00 am to 9:00 pm** for patrons to enjoy the festivities and safely meander between our businesses, vendors, and enjoy the attractions. The attractions are intended to be set up in the street in front of our store fronts. The requested time block also includes set up and tear down.


We have invited our neighboring businesses on the 400 block of Mineral Ave to participate in this event, promoting the services or products that their business offers. Attached with this request are the signatures from all our neighbors in support of our request. Libby Gym, Tiffany's and Scheer Bro's Hobbies have expressed their interest to participate.

We will obtain the appropriate event insurance and will have bathrooms and porta potties available for patrons use.

We appreciate your time and consideration. We hope you join us in celebrating our new business ventures that aspire to bring more patrons to downtown Libby.

Sincerely,


Sherri Roberts (Feb 25, 2024 15:54 PST)
Sherri Roberts
Red, White & Brews


Ken Miller (Feb 25, 2024 17:27 MST)
Ken Miller,
1st Ascent Climbing & Fitness


Jason Schikora (Feb 25, 2024 17:18 MST)
Jason Schikora
Jason Schikora Photography



February 15, 2024

City of Libby
Attn: Samuel Sikes, City Administrator
952 East Spruce St
Libby, MT 59923

**RE: Bid Award Recommendation
WWTP I&C Improvements
City of Libby**

Dear Mr. Sikes:

Sealed bids were opened for the above referenced project at 2:00 p.m. on Wednesday, February 14, 2024. The bids were reviewed, and no irregularities or mathematical errors were identified. The project was bid with three alternates. The attached bid tabulation summary provides information regarding the bids received, including a comparison to the Engineer's Estimate prepared by Advanced Engineering and Environmental Services, LLC (AE2S).

As indicated on the bid tabulation summary, the City received one bid that was comparable to the estimate, while one bid was significantly lower. Two contractors submitted bids for evaluation, with the low bidder being Neely Electric, Inc.

Based on past experience working with this Contractor, as well as qualifications information provided by Neely Electric, Inc., this Contractor is capable of performing the associated work. Due to the bid being considerably lower than the engineer's estimate, a material, equipment, and labor breakdown was requested and provided by the Contractor. A thorough review of the documentation was performed along with several discussions with the Contractor on project work, schedule, and expectations. Given the bid received and the City's available funding for this project, AE2S recommends that the City award the construction contract to Neely Electric, Inc. for the base bid, plus all three alternates, in the amount of \$347,588.40.

If you have any questions regarding the recommendation of award, please do not hesitate to contact me at ross.hanson@ae2s.com or by phone at (406) 868-7166.

Sincerely:
AE2S

Ross Hanson
Project Manager

Attachment

Libby WWTP I&C Improvements
City of Libby
Libby, MT
AE2S Project No. P10074-2021-003
Bid Opening Time 2:00 PM MST Date Wednesday, February 14, 2024

Contractor	Acknowledge Addenda 1-2	Bid Bond	MT Contractor's License	Project References	Bid Form	Base Bid	Alternate No. 1	Alternate No. 2	Alternate No. 3	Base Bid and Alt. 1-3 Total
1 Neely Electric Inc	✓	✓	✓	✓	✓	\$205,937.50	\$760.50	\$50,052.75	\$90,837.65	\$347,588.40
2 Townsend Controls and Electric	✓	✓	✓	✓	✓	\$474,705.92	\$4,705.84	\$75,587.59	\$108,081.26	\$663,080.61
Engineer's Estimate						\$475,000.00				\$650,000.00



Advanced Engineering and Environmental Services, LLC
 405 3rd St NW Ste. 205
 Great Falls, MT 59404
 Tel: 406-268-0626


 Ross Hanson, Project Manager

SECTION 00 51 00 - NOTICE OF AWARD

Date of Issuance:			
Owner:	City of Libby	Owner's Project No.:	
Engineer:	Advanced Engineering and Environmental Services, LLC	Engineer's Project No.:	P10074-2021-003
Project:	Libby WWTP I&C Improvements		
Contract Name:	WWTP I&C Improvements		
Bidder:	Neely Electric, Inc.		
Bidder's Address:	10481 Moccassin Lane, Missoula, MT 59808		

You are notified that Owner has accepted your Bid dated **February 14, 2024** for the above Contract, and that you are the Successful Bidder and are awarded a Contract for:

Contract No. 1 – General Construction

The Contract Price of the awarded Contract is **\$347,588.40**, including Base Bid and three bid alternates. Contract Price is subject to adjustment based on the provisions of the Contract, including but not limited to those governing changes, Unit Price Work, and Work performed on a cost-plus-fee basis, as applicable.

Four (4) unexecuted counterparts of the Agreement accompany this Notice of Award, and one copy of the Contract Documents accompanies this Notice of Award, or has been transmitted or made available to Bidder electronically.

☐ Drawings will be delivered separately from the other Contract Documents.

You must comply with the following conditions precedent within 15 days of the date of receipt of this Notice of Award:

1. Deliver to Owner **four (4)** counterparts of the Agreement, signed by Bidder (as Contractor).
2. Deliver with the signed Agreement(s) the Contract security (such as required performance and payment bonds) and insurance documentation, as specified in the Instructions to Bidders and in the General Conditions, Articles 2 and 6.
3. Other conditions precedent (if any):

Failure to comply with these conditions within the time specified will entitle Owner to consider you in default, annul this Notice of Award, and declare your Bid security forfeited.

Within 10 days after you comply with the above conditions, Owner will return to you one fully signed counterpart of the Agreement, together with any additional copies of the Contract Documents as indicated in Paragraph 2.02 of the General Conditions.

Owner: **City of Libby, Montana**

By (signature):

Name (printed): **Peggy Williams**

Title: **Mayor**

Copy: Engineer

WWTP I&C Improvements
Libby, Montana

00 51 00 - 1

Notice of Award
October 2023

SECTION 00 52 13
AGREEMENT BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION CONTRACT (STIPULATED PRICE)

This Agreement is by and between City of Libby ("Owner") and **Neely Electric, Inc.** ("Contractor").

Terms used in this Agreement have the meanings stated in the General Conditions and the Supplementary Conditions.

Owner and Contractor hereby agree as follows:

ARTICLE 1—WORK

1.01 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows: **Work generally consists of procuring and installing the following control system equipment at the wastewater treatment facility: a programmable logic controller, I/O modules, uninterruptible power supplies, network switches, fiber optic communications cable, and associated control panel hardware.**

ARTICLE 2—THE PROJECT

2.01 The Project, of which the Work under the Contract Documents is a part, is generally described as follows: **LIBBY WWTP I&C IMPROVEMENTS.**

ARTICLE 3—ENGINEER

3.01 The Owner has retained Advanced Engineering and Environmental Services, LLC ("Engineer") to act as Owner's representative, assume all duties and responsibilities of Engineer, and have the rights and authority assigned to Engineer in the Contract.

3.02 The part of the Project that pertains to the Work has been designed by Engineer.

ARTICLE 4—CONTRACT TIMES

4.01 *Time is of the Essence*

A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

4.02 *Contract Times: Dates*

A. The Work will be substantially complete within 56 days after the date when the Contract Times commence to run as provided in Paragraph 4.01 of the General Conditions, and completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions within 70 days after the date when the Contract Times commence to run.

4.03 *Liquidated Damages*

A. Contractor and Owner recognize that time is of the essence as stated in Paragraph 4.01 above and that Owner will suffer financial and other losses if the Work is not completed and Milestones not achieved within the Contract Times, as duly modified. The parties also

recognize the delays, expense, and difficulties involved in proving, in a legal or arbitration proceeding, the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):

1. *Substantial Completion:* Contractor shall pay Owner **\$1,000.00** for each day that expires after the time (as duly adjusted pursuant to the Contract) specified above for Substantial Completion, until the Work is substantially complete.
 2. *Completion of Remaining Work:* After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Times (as duly adjusted pursuant to the Contract) for completion and readiness for final payment, Contractor shall pay Owner **\$500.00** for each day that expires after such time until the Work is completed and ready for final payment.
- B. If Owner recovers liquidated damages for a delay in completion by Contractor, then such liquidated damages are Owner's sole and exclusive remedy for such delay, and Owner is precluded from recovering any other damages, whether actual, direct, excess, or consequential, for such delay, except for special damages (if any) specified in this Agreement.

ARTICLE 5—CONTRACT PRICE

5.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents, the amounts that follow, subject to adjustment under the Contract:

- A. For all Work other than Unit Price Work, a lump sum of **\$347,588.40**.

All specific cash allowances are included in the above price in accordance with Paragraph 13.02 of the General Conditions.

ARTICLE 6—PAYMENT PROCEDURES

6.01 *Submittal and Processing of Payments*

- A. Contractor shall submit Applications for Payment in accordance with Article 15 of the General Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.

6.02 *Progress Payments; Retainage*

- A. Owner shall make progress payments on the basis of Contractor's Applications for Payment on or about the **20th** day of each month during performance of the Work as provided in Paragraph 6.02.A.1 below, provided that such Applications for Payment have been submitted in a timely manner and otherwise meet the requirements of the Contract. All such payments will be measured by the Schedule of Values established as provided in the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no Schedule of Values, as provided elsewhere in the Contract.
1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Owner may withhold, including but not limited to liquidated damages, in accordance with the Contract.

- a. **95%** percent of the value of the Work completed (with the balance being retainage).
 - 1) If 50 percent or more of the Work has been completed, as determined by Engineer, and if the character and progress of the Work have been satisfactory to Owner and Engineer, then as long as the character and progress of the Work remain satisfactory to Owner and Engineer, there will be no additional retainage; and
 - b. **95%** percent of cost of materials and equipment not incorporated in the Work (with the balance being retainage).
 - 2. Pursuant to Section 15-50-206(2)(3) MCA, the Owner is required to withhold one-percent (1%) of all payments due the Contractor and is required to transmit such moneys to the Montana Department of Revenue as part of the public contractor's license fee. In like fashion, the Contractor is required to withhold one-percent (1%) from payment to subcontractors.
 - B. Upon Substantial Completion, at the request of the Contractor and at Owner's discretion, Owner may agree to pay an amount sufficient to increase total payments to Contractor to one-hundred-percent (100%) of the Work completed, less such amounts set off by Owner pursuant to Paragraph 15.01.E of the General Conditions, and less two-hundred-percent (200%) of Engineer's estimate of the value of Work to be completed or corrected as shown on the punch list of items to be completed or corrected prior to final payment.
- 6.03 *Final Payment*
- A. Upon final completion and acceptance of the Work, Owner shall pay the remainder of the Contract Price in accordance with Paragraph 15.06 of the General Conditions.
- 6.04 *Consent of Surety*
- A. Owner will not make final payment, or return or release retainage at Substantial Completion or any other time, unless Contractor submits written consent of the surety to such payment, return, or release.
- 6.05 *Interest*
- A. All amounts not paid when due will bear interest at the maximum rate allowed by law at the place of the Project.

ARTICLE 7—CONTRACT DOCUMENTS

7.01 *Contents*

- A. The Contract Documents consist of all of the following:
 - 1. This Agreement.
 - 2. Bonds & Insurance:
 - a. Performance bond (together with power of attorney).
 - b. Payment bond (together with power of attorney).

- d. Contractor's Certificates of Insurance (as described in Article 6 of the General Conditions and other insurance pursuant to the specific requirements of the Supplementary Conditions).
3. General Conditions.
4. Supplementary Conditions.
5. Specifications as listed in the table of contents of the Project Manual (copy of list attached).
6. Drawings (not attached but incorporated by reference) as listed on Project Drawing Sheet G2 – "INDEX OF DRAWINGS" – of the Libby WWTP I&C Improvements Project Drawings.
8. Addenda (numbers 1 to 2, inclusive).
9. Exhibits to this Agreement (enumerated as follows):
 - a. Contractor's Bid Form (Section 00 41 13).
10. The following which may be delivered or issued on or after the Effective Date of the Contract and which may not be attached hereto:
 - a. Notice to Proceed.
 - b. Work Change Directives.
 - c. Change Orders.
 - d. Field Orders.
 - e. Warranty Bond, if any.
- B. The Contract Documents listed in Paragraph 7.01.A are attached to this Agreement (except as expressly noted otherwise above).
- C. There are no Contract Documents other than those listed above in this Article 7.
- D. The Contract Documents may only be amended, modified, or supplemented as provided in the Contract.

ARTICLE 8—REPRESENTATIONS, CERTIFICATIONS, AND STIPULATIONS

8.01 Contractor's Representations

- A. In order to induce Owner to enter into this Contract, Contractor makes the following representations:
 1. Contractor has examined and carefully studied the Contract Documents, including Addenda.
 2. Contractor has visited the Site, conducted a thorough visual examination of the Site and adjacent areas, and become familiar with the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
 3. Contractor is familiar with all Laws and Regulations that may affect cost, progress, and performance of the Work.

4. Contractor has carefully studied the reports of explorations and tests of subsurface conditions at or adjacent to the Site and the drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, with respect to the Technical Data in such reports and drawings.
5. Contractor has carefully studied the reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, with respect to Technical Data in such reports and drawings.
6. Contractor has considered the information known to Contractor itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Technical Data identified in the Supplementary Conditions or by definition, with respect to the effect of such information, observations, and Technical Data on (a) the cost, progress, and performance of the Work; (b) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and (c) Contractor's safety precautions and programs.
7. Based on the information and observations referred to in the preceding paragraph, Contractor agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
8. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
9. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and of discrepancies between Site conditions and the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
10. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
11. Contractor's entry into this Contract constitutes an incontrovertible representation by Contractor that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

8.02 *Contractor's Certifications*

- A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 8.02:
 1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process or in the Contract execution;
 2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner,

(b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;

3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and
4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

8.03 *Standard General Conditions*

- A. Owner stipulates that if the General Conditions that are made a part of this Contract are EJCDC® C-700, Standard General Conditions for the Construction Contract (2018), published by the Engineers Joint Contract Documents Committee, and if Owner is the party that has furnished said General Conditions, then Owner has plainly shown all modifications to the standard wording of such published document to the Contractor, through a process such as highlighting or "track changes" (redline/strikeout), or in the Supplementary Conditions.

IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement.

This Agreement will be effective on _____ (which is the Effective Date of the Contract).

Owner:

City of Libby

(typed or printed name of organization)

By:

(individual's signature)

Date:

(date signed)

Name: Peggy Williams

(typed or printed)

Title: Mayor

(typed or printed)

Attest:

(individual's signature)

Title: Leann Monigold, Clerk/Treasurer

(typed or printed)

Address for giving notices:

City Hall

952 East Spruce Street

Libby, MT 59923

Designated Representative:

Name:

(typed or printed)

Title: Samuel Sikes, City Administrator

(typed or printed)

Address:

PO Box 1428

952 E. Spruce St.

Libby MT 59923

Phone: (406) 293-1278

Email: city.admin@cityoflibby.com

(If [Type of Entity] is a corporation, attach evidence of authority to sign. If [Type of Entity] is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of this Agreement.)

Contractor:

Neely Electric, Inc.

(typed or printed name of organization)

By:

(individual's signature)

Date:

(date signed)

Name:

(typed or printed)

Title:

(typed or printed)

(If [Type of Entity] is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.)

Attest:

(individual's signature)

Title:

(typed or printed)

Address for giving notices:

Designated Representative:

Name:

(typed or printed)

Title:

(typed or printed)

Address:

Phone:

Email:

License No.:

(where applicable)

State:

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the City of Libby, Montana (the “City”), hereby certify that the attached resolution is a true copy of a Resolution entitled: “A RESOLUTION OF INTENTION OF THE CITY OF LIBBY, MONTANA TO INCREASE RATES AND CHARGES FOR THE USERS OF THE MUNICIPAL UTILITY SYSTEMS” (the “Resolution”), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Council at a regular meeting on March 4th, 2024, and that the meeting was duly held by the City Council and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Council Members voted in favor thereof: _____
_____; voted against the same: _____
_____; abstained from voting thereon: _____
_____; or were absent: _____.

WITNESS my hand officially this 4th day of March 2024.

Leann Monigold, Clerk/Treasurer

RESOLUTION NO. 2027

A RESOLUTION OF INTENTION OF THE CITY OF LIBBY, MONTANA TO INCREASE RATES AND CHARGES FOR THE USERS OF THE MUNICIPAL UTILITY SYSTEMS

WHEREAS, under Section 69-7-101, Montana Code Annotated, a municipality has the power and authority to regulate, establish, and change, as it considers proper, rates, charges, and classifications imposed for utility services to its inhabitants and other persons served by municipal systems. Rates, charges, and classifications must be reasonable and just; and

WHEREAS, under Section 7-7-4421, Montana Code Annotated, the city issued Revenue Bonds for the construction, reconstruction, improvement, and betterment of the utility systems; and

WHEREAS, it is necessary for the City to collect sufficient utility service revenues to repay Bonds, pay the costs associated with the operation and maintenance of the Utility Systems, and to establish appropriate reserves; and

WHEREAS, pursuant to Section 69-7-111, Montana Code Annotated, if the governing body of a municipality considers it advisable to regulate, establish, or change rates, charges, or classifications imposed on its customers, it shall order a hearing to be held before it at a time and place specified; and

WHEREAS, pursuant to Section 69-7-111, Montana Code Annotated, a notice of public hearing will be mailed to all persons served by the utility notifying them that it is the intention of the City to change and increase the rates and charges for utility services, notice of public hearing was published three times as required, and a notice was mailed to the Montana consumer council; and

WHEREAS, a public hearing will be held on April 8th, 2024, commencing at 7:00 p.m. at Libby City Hall, 952 E. Spruce Street, in Libby, Montana, for the purpose of hearing comments from the public on the utility rates changes and increases; and

WHEREAS, all persons appearing will be given an opportunity to speak at the public hearing.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Libby, Montana as following intention:

Section 1. Existing Monthly Rate Charge.

City and County Rates. The City currently charges residential and commercial users of the utility system residing within the City limits and residing outside the City limits but connected to the City's Utility Systems a monthly charge for water and sewer utility services as shown below. For purposes of this resolution, "County" means property in Lincoln County located outside the City limits.

2023 Water Rates				
Diameter	City Residential	County Residential	City Commercial	County Commercial
.75"	\$ 45.25	\$ 56.60	\$ 56.37	\$ 70.37
1.00"	\$ 46.55	\$ 56.23	\$ 74.97	\$ 93.59
1.25"			\$ 94.14	\$ 117.52
1.50"			\$ 117.25	\$ 146.37
2.00"			\$ 150.51	\$ 187.89
3.00"			\$ 225.48	\$ 205.19
4.00"			\$ 300.46	\$ 273.72
6.00"			\$ 328.92	\$ 410.58

2023 Water Flat Rates		
	City	County
1.00" Fire Supression	\$46.02	\$46.02
2.00" Fire Supression	\$72.56	\$72.56
3.00" Fire Supression	\$87.65	\$87.65
4.00" Fire Supression	\$94.41	\$94.41
6.00" Fire Supression	\$109.37	\$109.37

Sewer Rate
City or County - \$33.48

In addition, the City charges each user of the Water System a usage charge equal to \$2.96 per 1,000 gallons of water and pro rata amount for gallons of water used in other than 1,000-gallon increments and charges each user of the Sewer System a usage charge equal to \$2.85 per 1,000 gallons of water and pro rata amount for gallons of water used in other than 1,000-gallon increments. A flat rate is charged for Fire Suppression Systems with no additional flat rates allowed.

Section 2. New Monthly Rate Charge. The updated utility rates will be as follows.

City and County Rates. The City will continue charging residential and commercial users of the Utility System residing within the City limits and residing outside the City limits but connected to the City's Water System a monthly charge for water as shown below. For purposes of this resolution, "County" means property in Lincoln County located outside the City limits.

2024 Water Rates				
Diameter	City Residential	County Residential	City Commercial	County Commercial
.75"	\$ 55.81	\$ 69.81	\$ 69.54	\$ 71.91
1.00"	\$ 57.42	\$ 70.42	\$ 92.48	\$ 115.43
1.25"			\$ 116.11	\$ 142.15
1.50"			\$ 144.62	\$ 181.77
2.00"			\$ 186.87	\$ 231.74
3.00"			\$ 278.10	\$ 322.58
4.00"			\$ 370.58	\$ 415.23
6.00"			\$ 461.55	\$ 506.39

2024 Water Flat Rates		
	City	County
1.00" Fire Supression	\$57.42	\$70.42
2.00" Fire Supression	\$71.78	\$88.03
3.00" Fire Supression	\$89.72	\$110.03
4.00" Fire Supression	\$112.15	\$137.54
6.00" Fire Supression	\$140.19	\$171.92

2024 Sewer Rates				
Diameter	Residential		Commercial	
.75"	\$ 43.92		\$ 52.71	
1.00"	\$ 52.71		\$ 63.25	
1.25"			\$ 75.98	
1.50"			\$ 91.36	
2.00"			\$ 131.76	
3.00"			\$ 273.19	
4.00"			\$ 307.45	
6.00"			\$ 395.29	

In addition, the City will charge each user of the Water System a usage charge equal to \$2.96 per 1,000 gallons of water and pro rata amount for gallons of water used in other than 1,000-gallon increments and charge each user of the Sewer System a usage charge equal to \$2.85 per 1,000 gallons of water and pro rata amount for gallons of water used in other than 1,000-gallon increments. A flat rate is charged for Fire Suppression Systems with no usage with no additional flat rates allowed.

The City will charge users according to Equivalent Users Classification for Apartments, Duplexes, Mobile Home Courts, Hospitals, Hotels, Motels, Rooming Houses, Residential Institutions, Large Offices, Schools, R.V. Parks, and other commercial and residential uses that are determined to have an increased impact to the water system. The determination of equivalent users classification will be made on an ongoing basis as property use changes are brought to light.

Section 3. Determination of Annual Budget for Water System. Each year the Council of the City shall determine the amount of money needed to pay the costs of the Utility Systems including but not limited to: (a) the payment of the reasonable expense of operation and maintenance of the Water and Sewer Systems; (b) administration of the Water and Sewer Systems; (c) the payment of principal and interest on any bonded or other indebtedness of the Water and Sewer Systems; and (d) the establishment or maintenance of any required reserves, including reserves needed for expenditures for depreciation and replacement of facilities, as may be determined necessary from time to time or as covenanted in the ordinance or resolution authorizing any outstanding bonds of the Water and Sewer Systems. Based on the annual needs of the Water and Sewer Systems, the Council will establish and adjust rates and charges for the use and availability of the Utility Systems.

Section 4. Further Rate Increases. The utility base rates shall increase 4% annually, effective as of the July 1 billing in each year from 2025 through 2027, unless otherwise decreased by the City Council. Subsequent adjustments to the monthly rate charge will be made by resolution of the Council duly adopted after a public hearing with notice thereof given as provided by law.

Section 5. Effective Date of Resolution. This resolution shall be immediately filed with the City Clerk/Treasurer and shall become effective 10 days after filing with the Clerk/Treasurer.

Passed and approved this 4th day of March 2024.

Attest:

Peggy Williams, Mayor

Leann Monigold, Clerk/Treasurer

City of Libby

POLICY FOR USE OF COMMUNITY DEVELOPMENT FUNDS

BACKGROUND

In 2001 the City of Libby received \$8 million from a federal earmark to assist in economic stimulation following the demise of the timber industry and the discovery of asbestos in the community. The Libby Area Development Company (LADC) was formed and distributed money in the form of grants and loans without many guidelines. Several large and important distributions were made such as to help create the Libby Memorial Events Center and development of an additional nine holes at Cabinet View Golf Course. LADC dissolved in 2015 though the City took control over the funds in 2005. The Fund now has approximately \$520,000 remaining and the City desires to have a clearly defined purpose for expending those funds and metrics by which to evaluate their use and any necessary repayments.

PURPOSE

The City believes that other organizations are better equipped with staff and knowledge to loan money to businesses and organizations as gap financing for the purpose of job creation; expansion or capital investment; and that the City should pursue activities that help create the environment for businesses to succeed through community development and investment. To that end, the Fund will hereby be used to leverage other monies related to City projects that can be demonstrated to be in support of community development activities. No new loans to area businesses will be granted.

1. POLICY OBJECTIVES

The objective of this policy is to guide and assist in fostering community development initiatives in order to become an attractive, viable and sustainable place for Libby's citizens, new and existing businesses and visitors.

To complement the policy, the City of Libby will vigorously maintain relationships with local agencies and private industry so that public/private partnerships are cultivated for the deployment of the Funds on eligible projects. It is expected that a description of any anticipated return on investment (i.e., value received) will be prepared with each proposed use of funds.

2. USE OF FUNDS

Funds may be used for projects that:

- (a) Improve infrastructure in the Downtown or other commercial areas within the limits of the City of Libby;
- (b) Enhance the City's recreational and tourist opportunities;
- (c) Enhance the City's appearance and functionality;
- (d) Acquiring land, building or real estate with the express goal of re-investment for purposes stated above.

The Fund may **not** be used for the following purposes...:

- Equipment Purchases
- General Fund Operating Expenses

3. PROJECT ELIGIBILITY AND REVIEW

City Council will be the decision -making body for all requests to use the Community Development Fund and will evaluate each expenditure based on the following criteria:

- Is the proposed use for matching grant funds? What percentage? Are there multiple matching sources, and/or partners?
- Is the project a single-phase or multi-phase project? If multi-phase, will more funds be requested at future phases?
- Is the proposed use for infrastructure? What type and how many beneficiaries?
- Is there an opportunity for the funds to be replenished?

The policies stated herein are adopted and are, at the Council's discretion, revised from time-to-time as needed. Said policies affect decisions made by the City of Libby regarding use of the Community Development Funds made on or after the effective date. No loans existing prior to the effective date will be affected except where collection or liquidation processes are necessary to be enacted.

Dated:

Per Review and Acceptance of the City Council on-_____, J q-i}----/., d.--"0'-/ 9: .

City of Libby Community Development Fund Application and Guidelines for Submission

Thank you for considering the City of Libby's Community Development Fund for your project. The following provides additional guidance of the purpose of the fund; and acts as an aid to strengthen your application and make sure it is in alignment with the requirements of the policy.

Our goal is to foster community and economic development initiatives for the City of Libby by using this fund to provide gap financing and successful leveraging of additional funds and investment into this community. These funds are not intended to be standalone monies for projects.

These are scarce funds, and the City is committed to deploying monies on projects that can prove community wide impacts and strategies for project completion within 2 – 3 years to ensure timely community benefit.

The first step is to complete the attached application. The City is requiring documentation to ensure the Council can establish due diligence and make an informed decision. Requests for additional documents will vary according to the project and phase. We ask that you always start with a telephone call to then guide you on the documents required. The following are some baseline requirements.

1. Narrative on the completed project, details of the specific request, how it fits in to the completed project costs.
2. Total Project Cost and detail of the budget.
3. Narrative on the funding matrix to provide some reasonable certainty of project completion. Please include a description of the funding sources and the level of commitment or work to date with these funding sources.
4. Proposed timeline of the complete project.
5. Description of the project owner's capacity to complete the project and experience with the final project management.
6. List of Community wide benefits. Quantifying these benefits when relevant will strength the application.

City of Libby Community Development Fund Application	Application Date: _____ Received by the City: _____
APPLICANT INFORMATION	

Project Owner:

Is this a business? ☐ Sole Prop. ☐ Corporation ☐ LLC ☐ LLP ☐ Partnership

☐ Other _____

If business:

Legal Business Name _____ Year Business Started _____

Mailing Address: _____

Physical Address: _____

Tax ID _____ Phone No.: _____

Are you current on all Payroll, Income and Property Taxes? ☐ Yes ☐ No

Is your business registered with the Secretary of State? ☐ Yes ☐ No

Is your business qualified to do business in Montana? ☐ Yes ☐ No

Is the business or any members a defendant in a suit or legal action? ☐ Yes ☐ No

Has the business or any members gone through bankruptcy or has a judgment against them? ☐ Yes ☐ No

GRANT REQUEST

Short Description of the Project:
Total Project Cost:
Amount Requested from Community Fund:
Use of Grant Request:

Everything that I/we have stated in this application is correct to the best of my/our knowledge. I/We understand that you will retain this application whether or not my/our request is approved.

Applicant Signature

Date _____

Applicant Signature

Date _____