

## City Council Meeting December 11, 2018

Present: Mayor John Williams and Councilpersons Jolene Verlanic, Mike Esser, Lori Shaw and Greg Koczur

Also Present: City Clerk/Treasurer Michelle Richards, City Attorney Gary Ryder, Public Works Director Bryan Swan, Police Chief Cory Hert, and Planning/Zoning/Code Official Kami Egan

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

### **Consent Agenda:**

Councilperson Verlanic moved to approve the Consent Agenda. Councilperson Esser seconded the motion. No discussion or public comment. Motion carried with all in favor.

- Minutes of 11/27/18 Regular Meeting
- Claims Roster 12/7/18

### **Departmental Reports:**

Reports were given by Police Chief Hert, Planning/Zoning Official Egan, Attorney Ryder, Public Works Director Swan and City Clerk/Treasurer Richards.

### **Mayor's Communications:**

The \$4.5 million settlement entered into by the City of Colstrip with Avista Corporation regarding their merger with Hydro One is now in jeopardy due to the Washington Utilities Commission rejecting the merger proposal. One of the issues is the Canadian government involvement, which they feel may not be in the best interests of the public.

Mayor Williams is concerned of NorthWestern Energy's rate increase proposal before the Montana Public Service Commission. He encouraged everyone to read the information available online.

The Montana Coal Board meets December 20<sup>th</sup> in Billings. The City of Colstrip does not have a grant application for this meeting but will be preparing a request for their next meeting.

The Colstrip Reception held each legislative session in Helena will be January 17<sup>th</sup>. The Montana League of Cities and Towns will also be hosting a reception for the legislators for the first time on January 23<sup>rd</sup>.

Mayor Williams reported the City of Colstrip recently marked its 20<sup>th</sup> Anniversary as an incorporated city. An event will be held in January to celebrate this milestone.

Mayor Williams will be attending the quarterly SouthEastern Montana Development Corporation meeting in Miles City this week.

### **Public Hearing:**

Mayor Williams opened the hearing on the Colstrip Community Impact Advisory Group Final Report for the PSE Settlement Funds at 7:23 pm.

Jim Atchison, SouthEastern Montana Development Corporation and resident at 7405 Castle Rock Lake Drive, encouraged the City Council to move forward with the plan. He feels it is a good plan and sets a model for other impact funds that may be received.

Senator Duane Ankney, Senate District 20, feels it is important to remember that this plan is a guiding document. It does not adopt any rules or details regarding the granting of the funds.

Joe Novasio thanked everyone that served on the CCIAG and stated that nothing they do will make everyone happy. He feels there are only two entities that will be affected, which is the City of Colstrip and this part of Rosebud County. He encouraged moving forward with this plan.

Duane Martens, Rosebud County Commissioner, reported the Rosebud County Commissioners approved the plan today at their meeting. There was a question on what happens after this as far as where does the money go. The Attorney General's Office is preparing an escrow account to receive the money from Puget Sound Energy and will monitor the funds until the Community Impact Foundation board is formed.

Wally McRae, Rocker Six Cattle Company, asked if this issue is only for Units 1 and 2 or is it for all four units. If it only involves Units 1 and 2, will there be an effort by someone regarding Units 3 and 4. Mayor Williams responded that in the resolutions prepared by the City and County, only the closure of Units 1 and 2 were referenced. However, Puget Sound Energy feels it encompasses all four units. He does not know what will happen in the future regarding the other units.

Representative Geraldine Custer, House District 39, is in support of Resolution No. 2018-R22. She would have liked to have seen more detail in the plan but trusts that the foundation board will follow the settlement guidelines.

Mayor Williams closed the hearing at 7:37 pm.

**Public Comment:**

Tyler Egan, Schoolhouse History and Art Center, contacted three electricians regarding the gutter and exterior lighting project but has only received a response from Colstrip Electric Inc.

**New Business:**

Councilperson Esser moved to approve Resolution No. 2018-R22, approving the Final Report of the Colstrip Community Impact Advisory Group regarding the \$10 million settlement funds from Puget Sound Energy. Councilperson Verlanic seconded.

Discussion: Councilperson Koczur feels the plan does not answer any questions. He thinks it is terrible and is not happy with it. Councilperson Verlanic asked what happens if the City Council does not approve the plan and if there is a deadline. Mayor Williams confirmed the deadline for plan to be approved is December 31, 2018. He does not know what will happen if it is not approved.

Public Comment: Senator Duane Ankney, Senate District 20, commented they really don't care and doesn't feel PSE will come back with anything better. He reiterated the plan is just a guiding document to layout recommendations.

Councilperson Shaw asked if one of the reasons this plan was formed is because the impacts will not be known until Units 1 and 2 shut down. Senator Ankney responded that is correct and also because half of the members of the CCIAG were from Helena and the CIF board that will be established with this plan will be comprised of local people.

Stacy Yates asked Councilperson Koczur what exactly he wanted to see. He is confused. Councilperson Koczur responded he thinks the funds are going to go to other places and be broke up and more money should have been negotiated. Stacy clarified there was no opportunity for negotiation. He agrees the town people deserve more money but it is what it is.

Joe Novasio stated we need to take the fight to Helena and fight for more.

Mayor Williams stated Colstrip is collateral damage but we can do something with this plan. The plan is not perfect and agrees the amount is not enough, but we need to do the best we can with these funds.

Jody Williams, 7443 Castle Rock Lake Drive, reminded the City Council members they are servants to the people that elected them and is their job to find out what the electorate and vote the will of the people regardless of our personal feelings.

Councilperson Verlanic commented this plan provides for an organization that can also accept funds from other future possible settlement cases and/or private donations.  
Motion carried with all in favor.

Councilperson Verlanic moved to approve Engineering Task Order No. 26 with Kadrmas, Lee and Jackson for updating the Growth Policy in the amount of \$40,000. Councilperson Esser seconded.  
Discussion: None.  
Public Comment: None received.  
Motion carried with all in favor.

Councilperson Verlanic moved to approve a Lobbyist Contract w/Bob Gilbert in the amount of \$4,000. Councilperson Shaw seconded the motion.  
Discussion: None.  
Public Comment: None received.  
Motion carried with all in favor.

Councilperson Verlanic moved to approve declaring December 24, 2018 as a paid holiday for City Employees. Councilperson Shaw seconded the motion.  
Discussion: None.  
Public Comment: None received.  
Motion carried with all in favor.

**Adjournment:**

Mayor Williams adjourned the meeting at 8:00 pm.