

CITY OF THREE FORKS, MONTANA, FEBRUARY 13TH, 2024

FEBRUARY 13TH, 2024, The Three Forks City Council met at the Three Forks City Hall (Council Chambers), 206 Main Street and via Zoom. (Zoom is a virtual meeting tool which the City began using due to COVID-19 and social distancing guidelines and continues to use to encourage participation from the safety of one's home.) The meeting was presided over by Mayor Johnston. Mayor Johnston called the meeting to order at 6:00 P.M.

ROLL CALL: City Council members George Chancellor, Roxi McDermott, Gene Townsend, (Warren) Garret Buchanan, and Ed Tharp. City Treasurer Kelly Smith and City Clerk Crystal Turner were present at City Hall. City Attorney Susan Swimley attended via Zoom.

The record reflected a quorum with the attendance of five (5) Council members and the meeting was held.

The **Pledge of Allegiance** to the American Flag was led by Mayor Johnston. Mayor Johnston reminded the audience this meeting was recorded and may be streamed via Zoom and on our Facebook page.

GUESTS: Matt & Kelly Bugland, Christina Cavanaugh, Ryan Lorenz, D.K. Brooks, Victoria & Daryl Miller, Angela Turney, Gloria Howland, Reagan Hotton, Dave & Aida Weigand, Lucas McCauley and Jade Benjamin were present in City Hall. Emily Smith and Leann Bryant attended via Zoom.

PUBLIC COMMENTS/CONCERNS (For items not on the agenda)

Matt Bugland invited all to the Americanism Program at the Methodist Church Annex next week Tuesday the 20th at 7PM. "This will be the second year we bring in the Heritage Girls, high school girls and boy State representatives, and hopefully Voice of Democracy as well to read their contributions throughout the year," Matt said.

CONSENT AGENDA

Mayor Johnston read the Consent Agenda into the record as follows:

- a. Claim Paid due to Timeliness to Mail Utility Bills on 1/31/2024 in the Amount of \$4,898.07
- b. Council Minutes of 1/23/2024
- c. Zoning and Planning Minutes of 7/20/2023 and 10/19/2023
- d. City Claims to be Paid
- e. Three Forks Rodeo Arena Board Claims to be Paid
- f. Amendment to Lee Nellis Service Contract for Impact Fees Consulting Work to Extend the Term to June 30, 2024
- g. ACH Origination Agreement with Manhattan Bank

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- h. Draw #15 for the Water Project from ARPA Local Fiscal Recovery (LFR) Funds in the Amount of \$41,368.24
- i. Task Order #16 with Great West Engineering for Planning Services in the Amount of \$10,000
- j. Contract with Lyon Productions for TV Production, Replay and Advertising Screens at the July 2024 Rodeo in the Amount of \$9,610.00
- k. Approval to After-the-Fact Submission of Montana Community Reinvestment Planning Grant (HB819) Application in the Amount of \$27,500 Signed by Mayor and Submitted on 2/9/2024
- l. Journal Vouchers, Revenue Vouchers, and Cash Report

Councilman Buchanan moved to approve the Consent Agenda. Councilwoman McDermott seconded the motion.

The Mayor moved on to the next item without taking any vote.

PUBLIC HEARINGS

Public Hearing and Decision on a Second Reading of an Ordinance Amending Title 6 Police Regulations, Chapter 4A Animal Control to Clarify the Definition of "Kennel", adding a Definition of "Additional Dog Permit" and "Doggy Day Care", and Edit the Requirements to Obtain an Additional Dog Permit

Mayor Johnston read the title of Ordinance #402-2024 and asked the public or Council if anyone wished for him to read it again entirely into the record. No one requested this.

Councilman Townsend moved to approve Ordinance #402-2024, an ordinance amending Title 6 Police Regulations, Chapter 4 Animal Control, Article A: Dogs, of the Three Forks Code to clarify the definition of a "kennel", adding definitions for an "Additional Dog(s) Permit" and "Doggy Day Care", and edit the requirements to obtain a kennel and/or additional dog(s) permit. Councilman Chancellor seconded the motion. There was no Council discussion nor public comment.

Motion Passed Unanimously.

Public Hearing and Decision on the Zoning & Planning Board's Recommendation Request for Zone Map Amendment from Residential Zoning to Central Business District by Matt and Kelly Bugland and Jade Benjamin for the Properties Located at Lots 1-12, Block 54 of the Milwaukee Land Company's 2nd Addition, Commonly Referred to 604, 608, 618 and 622 S. Main Street

George Chancellor read City Planner Randy Carpenter's staff report into the record and stated, "During the Planning and Zoning meeting there was a rather lengthy discussion. There were fourteen letters that supported the change in zoning, which I won't reread tonight but I will read the new four letters," George said and then he read each into the record: three letters of support from Donna Birkholz of JaMocha Junction, Rane Berg of

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the Chiropractic Clinic of Three Forks, Mickie Imberi of Action Realty Solutions/Ron's Diesel, and one letter in opposition from John and Jeannita Bjorndal.

Applicant Presentation: Ryan Lorenz, attorney for Matt & Kelly Bugland. He asked the Council to address three main points to support this request. 1) The overwhelming public support in favor. "The Council has heard a total of 18 letters in support and only 1 in opposition. The intent is to make this a quilting retreat," Mr. Lorenz said. 2) Montana law sets guidelines for when re-zoning to take place in 76-2-304, MCA. "Councilman Chancellor has already reviewed most of these, and for most of these there will be no change and in some cases there will be an improvement." 3) That the discussion at the Zoning hearing regarding why this was not a CUP change, and that changing this from residential to commercial seems inevitable anyway. "There are a lot of the uses around this property which are not fully residential. The practical effect is that everything is going to stay the same. There was already a commercial use approved for this property as well," he said. Mr. Lorenz urged the Council to approve the amendment. Matt Bugland thanked the Zoning & Planning Board and Council members for the time spent in deliberations of requests that come before each board. Matt said, "The biggest take away I got from that hearing is that most living there already thought it to be commercial property. When the notice was sent out, everyone saw what businesses *could* be allowed in the Central Business District and thought that is what we are going to open." He encouraged rezoning this area properly in the future as planned and added that no one would be grandfathered in to anything horrible for the district, and keep business progressing right now. Matt continued, "There are residents there: three out of the four already are, or are hoping to be, operating businesses in their homes."

Council Comments or Questions: Gene Townsend asked Matt Bugland how many days/nights a week do they plan on renting the rooms out? Matt said that is a better question for Kelly, and stated Jade Benjamin is part owner and will be living on site. Kelly Bugland replied they would be as busy as they are at the other location on Main Street. She said, "The interest is there, we have not done any advertising, but the fabric representative said Bee Lazy Quilting and Retreat is known as the best in the region, not just Montana." Matt Bugland said they hope to have two weeks each month booked out. He added there was a parking concern mentioned previously, that so many of them [the quilters] love to travel together and they often come in vans. Garret Buchanan asked about the fourteen beds, you are not anticipating having fourteen beds full at one time? He also asked if they are planning on doing any renovations? Kelly Bugland said they are already \$100,000 over budget. She said the inspection did not pick up on a lot of things that have had to be corrected. Matt Bugland added, "Between plumbing, HVAC, not removing walls, but we may replace doors, and reinforce where the former owners started to dig out the entrance - there are interior improvements that are happening now and exterior improvements

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will occur when weather permits." Roxi McDermott asked the Bugland's to explain what will be happening inside. Kelly Bugland explained there will be a table that fits 12, five bedrooms that have full size beds, four bedrooms that have twins, four bathrooms (2 full size, 2 half), a large kitchen, the "dining room" will be used as cutting and ironing stations, and the great room/office will be seating for 14 people to place a sewing machine or craft area. Two rooms are built off of a porch so they do not have insulation under the floor joists and will not be used as bedrooms, and then we have another area we call "not a room" which will be a passthrough/walkaround area. Kelly added that Jade is remodeling the basement into an apartment. It has been a large endeavor to return it to a functional building. Gene Townsend verified that the basement will only be for the owner, to which the Bugland's agreed.

Kelly Smith reiterated to the Council that this is not about Matt and Kelly Bugland's business, the type nor how they run a business. "This is about changing the zoning type for this half of a block," she said. Matt Bugland said if you look at the rest of the block, you have Gator Gutters on the other end of the block utilizing the lot for storage, and gets deliveries to that location. We also have a food distribution business next door which gets deliveries and ships out from there. These two businesses have been there for quite some time and, as said previously, believed they were zoned commercially."

Roxi McDermott asked why it was not zoned commercially previously when Pathways was there. Kelly Smith answered that Pathways had applied for a conditional use permit instead.

Public Comment: Dave Weigand said he was going to ask what the intention was for the building, but between the applicant's responses to the Council's questions his questions have been answered. Christina Cavanaugh - concern from the Council about setting a precedent about rezoning, but I believe Matt already pointed out there are conflicting requirements and businesses already in this area. "I have four young kids and we love all the downtown events Three Forks hosts. The Library had this beautiful candy cane lane at the Stroll and the walk between the businesses that were participating on Main Street to the Library was far and dark, and sketchy to walk on the winter ground. It does seem that there are already a number of buildings operating businesses and this makes sense," she said. D.K. Brooks stated he has lived here 25 years and has seen a lot of growth in the community: some good, some not so good. "We support the Bugland's request to change the designation from Residential to Commercial Business District. At this time, it is logical to change the designation, so why wait?" D.K. questioned. Leann Bryant, President of the Chamber of Commerce and small business owner of Hollowtop Heating and Cooling - spoke that if the Council waits to approve this (due to the zoning changes that will be coming later) they would kind of hinder the repair of that building. "Matt and Kelly have started getting that ball rolling, and

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investing in the renovations. There are many things in that building that are not up to code. Not changing the use now, could hinder generating revenue for someone who is willing to invest time and money to bring that building up to code. Pathways (former business at 622 S. Main Street) and Patchways (proposed business for 622 S. Main Street) are similar in their use. There were already residents living there - they were pretty quiet, kept to themselves. These visitors would be similar, other than they will be visiting other businesses in our community," Leann said. Lucas McCauley lives at 604 S. Main Street, and said he is already operating a business at this location. "I think I'm legal since I don't have people coming to my property, and I bought it thinking it was already zoned commercial. I had to jump through a few hoops when I got my loan. So did a neighbor, and not sure where things got haywire and this location seems like a natural progression of commercial business. No one wants a "dirty" business or rowdy business in their neighborhood. But it seems like it would be a normal continuation of business. All the other commercial lots are 25-foot wide, residential lots are 50-foot wide and our lots are all 25-foot wide," Lucas said.

There were no other public comments.

There was no applicant rebuttal.

Councilman Townsend moved to approve the application to amend zoning code from the current zone of residential to the proposed change of Central Business District. Councilman Chancellor seconded the motion. Garret Buchanan asked if this were to go the conditional use route, would that have the same outcome or put the brakes on anything. Kelly Bugland said it would completely put the brakes on the process.

Motion Passed Unanimously.

Public Hearing and Decision on a Resolution Pursuant to 7-3-173, MCA Stating the City of Three Forks' Call for Election to the Voters for the Local Government Review and Study Commission

Mayor Johnston read the resolution, which would be #417-2024 (resolution numbers are out of order but will all be used by the end of the Council meeting), into the record in its entirety.

Crystal Turner explained the process, added that Kelly Smith looked up the 2014 resolution. Gene Townsend said it has passed twice and failed twice in previous ballot measures. This is for the various types of government: consolidated city/county, weak mayor, strong council and city manager, town hall type government, etc. "It's going to be on the ballot no matter what, so we need to figure out how much money to allocate and let them study it if it does pass," Gene explained. Garret Buchanan said he was just learning about this in the online courses he is taking, that self-governing charters are able to set ordinances and plans that do not go

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against the state or federal government. "We can make rules on whatever we want because of the type of self-governing powers," Garret said.

Councilman Buchanan moved to propose three people and \$5,000 in the resolution. Councilman Townsend seconded the motion.

Public Comment: Christina Cavanaugh stated if it goes on the ballot either way, she did not think it should cost a ton to do it. "We live in a small town with the blessing of being able to be more transparent because of that. I think putting a small window on the budget helps keep it genuine," she said.

Crystal Turner explained resolution numbers are out of order tonight, but we missed one number a few meetings back so they will all be correct after tonight's hearings.

Motion Passed Unanimously.

Public Hearing and Decision on a Resolution Closing Kansas Street on Specific Dates due to Reservations at the Three Forks Rodeo Arena, and any Future Dates Reserved for Large Events, which will be Noticed on the Three Forks Rodeo and City of Three Forks Websites and Facebook Pages

Crystal Turner read the resolution into the record in its entirety, noting that she has spoken with the O-Mok-See board who said they do not need Kansas Street closed for their event so she would remove those dates.

Councilman Chancellor moved to approve Resolution #416-2024 a resolution closing Kansas Street on specific dates due to reservations at the Three Forks Rodeo Arena, and any future dates reserved for large events, which will be noticed on the Three Forks Rodeo and City of Three Forks websites and Facebook pages. Councilwoman McDermott seconded the motion.

Garret Buchana asked if it would be all of Kansas Street or only the section of Kansas Street from Milwaukee Street to Highway. Crystal Turner explained it would only be the one block and she would add that to the resolution for clarity.

Motion Passed Unanimously.

REPORT OF OFFICERS

Gallatin County Sheriff Sergeant Desmond Doonan reported the calls for January totaled 242, and there are 81 in February to date. "We're right on track for monthly numbers" Sgt. Doonan said.

City Treasurer Kelly Smith asked if any of the Council was going to comment on the pipe on the table, or should she explain it? Mayor Johnston said he would later. Ms. Smith reported that every year the City is asked by MMIA if we want to continue our membership with them for the next year, they provide all insurance coverage for us. She asked the Council if they wanted to go out? Gene Townsend commented that MMIA is top shelf, awesome, they always do their best for the City's behalf. Much

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of the Council agreed and it was determined not to terminate any services with MMIA.

Kelly also reported Headwaters Economics has put together what they have done with us for the past year, "They are starting to promote their flood awareness program with other communities, and this is the first advertisement about that program. They have covered over \$100,000 in engineering, notices, professionals to work on our flood mitigation project. It probably would not have happened for Three Forks without their and Great West's help," Kelly said.

City Clerk Crystal Turner reported the City received four bids for the Chip Seal Project and the engineer will review and make a recommendation for the award by the March meeting. Gene Townsend gave history to new council members: "We did this last year and got zero bids. The feedback was that we got our bid notice out too late for the construction companies to schedule it. So, we put it out earlier and good to hear we got four bids." He then explained we usually have a 3-year rotation schedule for chip sealing the paved streets.

Mayor Johnston spoke regarding the pipe on the table, which was installed in 1935. "This blew out on Elm and 5th Ave E. There are a lot of dings in it. It eventually broke through; we think the soil down there is "pretty hot". When I was in Public Works for 30 years, I was down there twice, this is the third break. John Chor told me there was another one on 5th and Fir so that is four times of blowing out in the past 12 years or so. There are roughly 4 miles of this type of pipe still in the ground," he said. Someone asked if the main replacement(s) would be part of the existing water project? Kelly Smith answered no, and Steve Johnston said slip-lining would probably be more expensive than replacement.

REPORT OF COUNCIL COMMITTEES (if any)

Gene Townsend reported on behalf of the Budget Committee that he met with Kelly a week ago and we had waited because the County tax revenue had not been received. "The budget is in very good shape. There were maybe one or two funds that were over 50% used at 6 months in the year. Revenues are good, all meeting expectations," Gene reported. Kelly offered to anyone to come in if they want to learn more and she can explain the budget.

Vactor Truck Update on FY2024-2025

Kelly Smith reported Bob Crosiar was notified from the company building the vac truck we ordered for this year. "They could not get a 2024 chassis but will get a 2025. They do not have any for this year size of truck so will have to go to the newer year. It would be an increase in price by \$22,607. This is a lot," Kelly explained. Gene Townsend said that two years ago, the Rural Fire District ordered a new brush truck.

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Same thing - the company that built it was located in Nebraska and had to get a chassis out of California which delayed us almost two years because they were that far behind in production. It cost us a little more than \$6,000 more for a new chassis. I know it's a lot of money but I don't think they are being out of reason. I still think the price we got for the Vactor truck was good," Gene said. Kelly said the company is willing to negotiate, Bob just did not have the authority to negotiate but if the Council is OK with paying extra and he will try and negotiate and get a lesser amount. "The truck won't be done until October anyway so it will be in next year's budget," she said. George Chancellor agrees to allow Bob to negotiate. Ed Tharp agreed. Gene Townsend encouraged Kelly Smith to join because, "It's tough to get a buck out of her."

UNFINISHED BUSINESS

Nothing to update on the Flood or Water projects.

NEW BUSINESS

Appointment of City Council Vacant Seat

Gene Townsend said he was glad Reagan put her name in again. "She did a couple months ago and I think she would make a good council person and I would be happy to have her join us on the board. I know this is off topic a bit, and I don't mind people reviewing the form of government or changing the form of government, but we need people to participate in government," Gene stated. There were no other Council comments.

Councilman Townsend moved to accept Reagan Hooton for the vacant council seat for the Three Forks City Council. Councilman Chancellor seconded the motion.

Motion Passed Unanimously.

The Mayor administered the Oath of Office to Reagan Hooten.

PUBLIC COMMENTS/CONCERNS (for items not on the agenda)

Christina Cavanaugh commented that she is really impressed with the way the Three Forks City Council ran its meeting. "I have never been to a City Council meeting in Three Forks and want to commend you for not just having open discussion, but being willing to change your minds. If we can cling to that in any government, where we have these small groups and personal relationships, it showed me tonight that you guys are in a good spot and doing a good job. You weren't so married to a decision and were willing to listen and re-weigh your thoughts before making your decision," she said.

MAYOR & COUNCIL ANNOUNCEMENTS

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George Chancellor read the Three Forks Area Ambulance monthly update. They are still seeking more volunteers and a new EMT class is beginning in February. TFAA has met 100% of its calls so far in 2024.

Gene Townsend reported he is applying for grants. "The first grant is the AARP community challenge grant to build a pavilion at John Q. Adams Milwaukee Railroad Park that would be between the Depot building and the caboose, an open-air pavilion with roof to put the picnic tables in (we store them on the fake railroad tracks which is partly unsafe because tracks are a big trip hazard). Would like to build a pavilion that would look like the old Gateway to Yellowstone arched building. If the grant is short, would the Parks Department budget be willing to help out to fund the remaining. This would be on city property so need permission. That grant is due 3/6/2024," Gene said. (No council members opposed.)

Gene continued, "The other is due 3/15, a grant application to the Gallatin County Open Space Bond "other projects" which would be used for trail maintenance mostly on Droulliard Trail along Front St./Frontage Road, and if enough money, the small trail along Main Street on Hickory Street to the Magris ball fields. The Council approved Gene submitting these grant applications.

AGENDA ITEMS FOR NEXT COUNCIL MEETING: March 12, 2024

- Public Hearing and Decision on a Resolution Amending the Fee Schedule to Include the Additional Dog Permit Application and Renewal Fee; the Lost Dog Tag Fee; and to Amend the Subdivision Exemption Application Fee Pursuant to 76-3-207(4), MCA; and the Zoning & Planning Board's Recommendation on After-the-Fact Floodplain and Zoning Permit Fees
- Public Hearing and Decision on a Resolution Adopting the Revised City of Three Forks Zoning Map
- Public Discussion on Zoning Code Rewrite, Process, Calendar, Etc. with Zoning & Planning Board and Impact Fee Advisory Committee

ADJOURNMENT

Motion to adjourn the meeting was made by Councilman Tharp, Townsend and Chancellor in unison. The meeting was adjourned by acclimation at 7:50P.M.

Randy Johnston, Mayor

Crystal Turner, City Clerk