

A REGULAR COMMISSION MEETING OF THE LEWISTOWN CITY COMMISSION ON MARCH 2, 2026 WHICH WAS HELD AT THE CENTRAL MONTANA COMMUNITY CENTER AND STARTED AT 7:00 P.M.

CALL TO ORDER

Chairman Day called the meeting to order.

PLEDGE OF ALLEGIANCE

Chairman Day asked everyone to stand and say the Pledge to the Flag.

ROLL CALL

Present were Commissioners: Bowser, Buehler, Day, Hewitt, Warren, and Shaver. Commissioner Robertson was absent.

APPROVAL OF MINUTES

Commissioner Day stated that without objection and based on the corrections the minutes for February 17, 2026 are approved.

COURTESIES

There were none.

PROCLAMATIONS

There were none.

BOARD AND COMMISSION REPORTS

Commissioner Bowser reported the Library met on February 18th. A new library employee has been hired. It was suggested to use Hoopla as the new online program for reading. The Library Director is continuing to work on a substitute librarian program and interested parties need to apply through the job service.

Commissioner Buehler reported she attended the Audit Committee meeting on February 19th at noon. Commissioner Buehler commented one of the auditors were in attendance to review both past findings and possible findings going forward. It was a great opportunity to ask questions and would recommend that next year the meeting with the auditor be schedule with the whole Commission. Commissioner Buehler explained that both the City Manager and Finance Officer were in attendance, which was helpful to review the audit process, understand the findings, and how the findings can be remediated and steps going forward.

Commissioner Buehler reported she attended the Central Montana Foundation meeting on February 24th. There were three grants awarded to the Central Montana Clay Crushers, FHS After Prom Patry and the Lewistown Parks and Rec. Commissioner Buehler commented there was discussion on the large push for scholarship review is coming up. Commissioner Day asked what the grant for the Lewistown Parks and Rec was for. Commissioner Buehler answered it was for the pickleball group. City Manager Phelps

answered the pickleball people applied for the grant in partnership with the Park and Recreation Department.

Commissioner Bowser reported on the ordinance committee. There was some discussion on overnight parking on Main Street and a way to deter citizens from driving home after drinking at the local establishments.

Commissioner Day reported the Park and Recreation Board will meet on March 4th.

CITY MANAGER REPORT

City Manager Holly Phelps reported on the following items:

City Manager Phelps discussed the Board of Adjustments and their process in reviewing variances. City Manager Phelps stated the Board of Adjustment will be absorbed and dissolved, and in its place will be the Planning Commission. Therefore, the Planning Commission's roles and responsibilities will include those of the Board of Adjustments (BOA) and the roles of the City County Planning Board will kind of be under one roof. City Manager Phelps currently the BOA has two roles: one to hear and decide appeals when it is alleged there is error in any order, requirement, decision or determination made by an administrative official in the enforcement or interpretation of the zoning code. The second one is to authorize upon appeal in specific cases such as variances from the terms of the zoning code. The BOA makes the final decision. Lewistown City Code 11-13-5 states the BOA is empowered to study and take action on a request for a variance. City Manager Phelps explained that before granting a variance the following criteria must be met:

1. that special conditions and circumstances exist which are peculiar to the land or lots, or something inherent in the land which causes the hardship, and which are not applicable to other lands in the same district. City Manager Phelps explained the example discussed was someone trying to build on a hillside, which inherent with the land that would potentially do or cause some hardship to the development of the property.
2. that a literal interpretation of the provisions of this ordinance would deprive the applicant of rights commonly enjoyed by others in the same district. City Manager Phelps commented that one of the things the BOA discussed was that across the street from the proposed location there are condos. It has already been allowed in the area by one owner and the area is in a R3 zone. City Manager Phelps stated we couldn't have a regulation that wasn't consistently applied.
3. that granting the variance will not confer on the applicant any special privilege that is denied by the ordinance to other land in the same district and is the minimum variance that would alleviate the hardship.
4. that granting of the variance will be in harmony with the general intent and purpose of this ordinance and with the 2024 Lewistown Plan. City Manager Phelps explained that herself and the City Attorney Tyler West were in attendance. The Commission was provided the staff report and the finding of facts from the BOA meeting. City Manager Phelps commented that she feels the BOA members did a great job in articulating each criteria, deliberated on each variance and how or why the criteria was met for each variance. Commissioner Buehler stated that just for clarification that process the City is instituting with the Planning Commission has not yet been implemented. City Manager Phelps answered yes, the Planning Commission does not have any bylaws and have not met yet. Commissioner Buehler commented the recent decision made by the BOA on the apartment complex would not have come to the City Commission prior. City Manager Phelps answered correct, the BOA is the only board that has the final decision-making authority. If the Planning Commission was in place, then the City Commission become the board of appeals for the Planning Commission. Commissioner Buehler stated that since the BOA made their decision the variances are final. City Manager Phelps answered yes, pending any appeals. There is an appeals process. City Manager Phelps explained the BOA approved the setback variance and parking variance. The variance was amended, the applicant asked for 54 feet and the BOA

only approved 45 feet. There was some discussion on parking and new state laws related to parking spaces. City Manager Phelps reviewed with the Commission City Code 11-13-4 subtitle D, which talks about the appeals of the Board of Adjustment. It says appeals to the BOA may be taken by any aggrieved person or by any officer, department, board of the City affected by any decision. The appeal should be made within a reasonable time and the BOA shall fix a reasonable time to hear the appeal, and it should not exceed 30 days. Commissioner Shaver asked City Attorney West to explain how criteria 1 and 2 qualifies for the variance. City Attorney West reminded the Commission that the BOA made a decision on each one of the variances separately. City Attorney West explained the BOA looked at the criteria for each variance. Looking at #4 that granting of the variance will be in harmony with the general purpose and intent of this title and with the Lewistown comprehensive plan. BOA had unanimous findings for all three variances that the variances were in harmony with the 2024 Lewistown City Plan. #3 that granting of the variance requested will not confer on the applicant any special privileges as denied by this title to other land in the same district and is the minimum variance that would not alleviate the hardship. City Attorney West explained the developer asked for the setback variance or the parking variance were special requests and wasn't a privilege and a reasonable request for the neighborhood. #2 literal interpretation of the provisions of this title would deprive the applicant the rights commonly enjoyed by other tracts in the same district. The developer had to ask for the parking variance in order for them to make the building work and to meeting the City and State law requirements for off street parking. The developer would not be able to make the building work without the variance. The BOA felt that what was presented is in tune with 2024 Lewistown Plan and current code. #1 special conditions and circumstances exist, which are peculiar to the land lot or something inherent in the land, which causes hardship and which are not applicable to other land in the same district. City Attorney West asked if that answered Commissioner Shavers question. Commissioner Shaver answered yes, that they got it wrong. Commissioner Buehler asked if there is a parking lot included in the development. City Manager Phelps answered yes there is a 24 unit parking lot, storm retention and snow storage. Commissioner Day commented that as part of the land use plan the housing shortage was identified and now with these units being built, at what point is it decided the town is good on housing. City Manager Phelps answered she doesn't know that there ever will not be a housing crisis, but it is more about the mix of housing. There was some discussion regarding the area of the proposed development and the effect of more traffic, snow removal and review the TIER I and TIER II streets of the snow ordinance. Commissioner Warren asked if a certified engineering impact study was done. City Manager Phelps answered it was not required; this was already a subdivided lot and already zoned. City Manager Phelps reported the state middle school wrestling tournament will be held this upcoming weekend.

The building permit summary for January and February was included in the City Manager report.

City Manager Phelps explained a copy of the draft audit findings and a copy of the draft response to those findings was handed out before the meeting. City Manager Phelps stated she does intent to push back on the auditors, there were a couple of findings that felt a little misplaced. City Manager Phelps stated the City has made leaps and bounds of progress over the last few years. City Manager Phelps explained a new finding this year is City Court finding. The auditors went up to City court and talked with staff. The auditors returned to the City and explained the auditors did not like the way the court was doing their bookwork or reconciliation and would like the City to regulate them. City Manager Phelps stated the City currently has an agreement with the County regarding justice court where it states at a minimum payments and balance reports from the full court system should be submitted monthly to the City. City Manager Phelps explained she has a hard time with a finding that is totally beyond our control and processes. The next finding was bond covenants and this finding has been addressed numerous times and corrected for the years and this year the finding is regarding the reserve account for the pool loan. City Manager Phelps stated the auditors would like the reserve amount to be held at the City and not the County. City Manager Phelps further commented the loan has been in place for 10 years so not sure why

this is a finding. City Manager Phelps reported the budget exception is there and will be correct for the upcoming year. The debarment certificates have been discussed in previous years.

The City continues to move forward with the zoning updates.

PUBLIC COMMENT – non agenda items

There was none.

CONSENT AGENDA

Commissioner Buehler made the motion to approve the consent agenda and Commissioner Hewitt seconded the motion. The motion passed unanimously. The consent agenda was the acknowledgment of the claims that have been paid from February 13, 2026 to February 28, 2026 for a total of \$82,764.60

***REGULAR AGENDA – Resolutions, Ordinances & Other Action Items:**

1. Discussion and action on entering into an agreement with Snowy Mountain Development Corporation 2026 Targeted Economic Development District (TEDD) and authorizing the City Manager to sign the agreement

City Manager Phelps reported that during the Committee of the Whole this evening two board members from the Tax Increment Finance (TIF) and Targeted Economic Development District (TEDD) gave a presentation on both the TIF and TEDD. The presentation included where the districts are located, how they were determined, the benefit, how people can apply and legislative changes. City Manager Phelps explained the administration of the TEDD is done by Snowy Mountain Development (SMD). The City works well with SMD and SMD coordinates the meetings, meets with potential applicants and the board is in favor of the Commission approving the agreement. Commissioner Buehler made the motion to approve entering into an agreement with Snowy Mountain Development Corporation 2026 Targeted Economic Development District (TEDD) and authorizing the City Manager to sign the agreement and Commissioner Hewitt seconded the motion. Commissioner Day asked for questions from the audience and Commission. There being none, the question was called for and the motion passed unanimously.

2. Discussion and action on entering into an agreement with Snowy Mountain Development Corporation 2026 Tax Increment Finance District (TIF) and authorizing the City Manager to sign the agreement

City Manager Phelps explained this is the same agreement as discussed in item #1 and this one is for the TIF. City Manager Phelps stated there was a slight increase in the cost and again the board is in favor the Commission approving the agreement. Commissioner Hewitt made the motion to approve entering into an agreement with Snowy Mountain Development Corporation 2026 Tax Increment Finance District (TIF) and authorizing the City Manager to sign the agreement and Commissioner Warren seconded the motion. Commissioner Day asked for questions from the audience and Commission. There being none, the question was called for and the motion passed unanimously.

3. Discussion and action on allowing City staff to submit the annual Certified Local Government Grant Application to the Montana State Historic Preservation Office and the authorization to enter into a grant agreement once the grant is approved

City Manager Phelps explained the City applies for this grant annually and helps with the funding of the historic preservation office. There is a match and we are able to use staff time, office space rent and other basic things. The grant is \$6,000 and is a great way to keep the historic preservation office going.

Commissioner Buehler made the motion to allow City staff to submit the annual Certified Local Government Grant Application to the Montana State Historic Preservation Office and the authorization to enter into a grant agreement once the grant is approved and Commissioner Bowser seconded the motion. Commissioner Day asked for questions from the audience and Commission. There being none, the question was called for and the motion passed unanimously.

4. Discussion and action on approving a purchase for a flow meter for the wastewater treatment plant from Mountain Equipment Technology, Inc

City Manager Phelps explained this is a electronic flow meter for the wastewater treatment plant. This is replacing a like item with like item and this included the installing of the meter, making sure it communicates with our software. This purchase is set up through the City's SCADA which why there is only 1 bid. Commissioner Bowser made the motion to approve the purchase for a flow meter for the wastewater treatment plant from Mountain Equipment Technology, Inc and Commissioner Warren seconded the motion. Commissioner Day asked for questions from the audience and Commission. There being none, the question was called for and the motion passed unanimously.

5. Discussion and action on entering into an independent contractor agreement with Pamela Vosen for planning services and authorizing the City Manager to sign the agreement

City Manager Phelps explained that Ms. Pamela Vosen used to be the County Planner and now provides contract service for some things with Fergus County. City Manager Phelps further explained Ms. Vosen is willing to help with some of the City planning items. The items would be floodplain permits and subdivisions. Commissioner Bowser made the motion to approve entering into an independent contractor agreement with Pamela Vosen for planning services and authorizing the City Manager to sign the agreement and Commissioner Buehler seconded the motion. Commissioner Day asked for questions from the audience and Commission. There being none, the question was called for and the motion passed unanimously.

CITIZENS' REQUESTS

There were none.

COMMISSIONER'S MINUTE

Commissioner Buehler thanked the City Manager for taking the time to discuss in detail the BOA and the process.

Commissioner Buehler asked about the Berg property. City Manager Phelps answered it is still the City's property. The developer needed to close on the Berg property prior to December 31, 2025 and that did not happen so now it is available. The developer would like to continue discussions.

Commissioner Bowser asked how long until there is a Planning Commission. City Manager Phelps answered we are waiting on confirmation of the County appointees and the Conservation District appointee and then make sure there aren't any items. So hopefully the first part of April.

Commissioner Bowser attended basketball games at the Civic Center and there were a lot of comments about the improvements at the Civic Center and the memories of the WIT.

Commissioner Shaver stated he thinks the BOA got it wrong with what they did with the variance. Commissioner Shaver commented there is a need for housing and don't think it should be rushed.

Commissioner Hewitt asked if the camper on East Watson was taken care of. City Manager Phelps answered there is no one living in it and just storing it at this time.

Commissioner Day asked if the audit committee was firm on meeting at noon Thursday lunch hour and if it could be changed. Commissioner Day stated noon is fine, but open to looking at a different time.

ADJOURNMENT

Chairman Day adjourned the meeting.

Dated this 2nd day of March, 2026.

Loraine Day, Commission Chairman

ATTEST:

Nikki Brummond, City Clerk