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City Of Laurel

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Office of the CAO

November 17, 2025

Mr. Dan Villa
Executive Director
Board of Investments

I would like to explain why the City of Laurel did not nominate itself for the potential location for a new Forensic Mental Health Facility the State of Montana intends to build. Inside the city of Laurel limits there is no location that would be suitable for the facility and so therefore I cannot ask the Laurel City Council to consider applying.

Laurel's Mayor David Waggoner and I have described to you a location just outside Laurel's city limits that has most of the criteria that would make building the facility remarkably successful. The land has adjacent water and sewer lines that are currently being installed. The area also has natural gas, an electrical power line, cable tv, fire hydrants and I believe fiber optic lines. These necessary elements are crucial in providing all the needs a mental health facility development would need. This location would lower the initial cost to construct such a facility versus lands that do not have some or any of the infrastructure to build out such a facility.

As I stated, this location is just outside the city limits and therefore must go through the legal process to be considered for any city services. The City Council passed an annexation resolution in 2008 that set the criteria for receiving city services. To annex any property the City relies on Montana Code Annotated Title 7, Chapter 2, part 42 through 47. If the City of Laurel were to consider any type of annexation from parts 42 through 47, we would need to follow those Montana laws, and this includes the right for public participation and public hearing. Due to the requirements in City Council resolution R08-22, land outside city limits must be annexed to receive city services and this is why Laurel could not apply during the recent process for consideration for the state's facility.

The process city staff has always followed with regards to annexation is a pre-application meeting with owners or potential owners of land to be considered for annexation. This meeting will discuss all the necessary steps Laurel will require and annexation requirements in Montana Code Annotated (MCA). MCA 7-2-44 is the process for annexation of contiguous government land if the state would like to consider the location just outside city limits. In the past, buy/sell agreements could be made until the public process has taken place and a favorable vote for annexation is complete by Laurel's City Council.

If the State is considering any City for the location of the Forensic Mental Health Facility, I would hope that those cities follow their ordinances and resolutions as I have advised our elected officials on following Laurel's ordinances and resolutions.

The right to have the public speak on the benefits or concerns they may have about any annexation or provision of local services is well documented in Laurel. I applaud the efforts to get community involvement in choosing the location for the facility, but I believe the process did not allow the location I pointed out to you during the summer tour to be nominated.

If anyone from the State would like to speak to Laurel's Mayor or city staff, I am sure that we could arrange a meeting to discuss this letter in more detail or what policies we have for the Laurel community.

Sincerely,



Kurt Markegard,
Chief Administrative Officer
City of Laurel

Cc. Mayor David Waggoner