

City Council Meeting
July 23, 2013

Present: Mayor Rose Hanser, Councilpersons Evan Stewart, John Williams, Tom Jankowski, and Lawretta Miller

Also Present: City Attorney Gary Ryder, Fire Chief Ryan Reid, Public Works Director Jake Prentiss, Building/Planning Official Jan Morgan, City Clerk/Treasurer Michelle Richards and Police Chief Cory Hert

Mayor Hanser called the meeting to order at 7:00 pm. Following the Pledge of Allegiance, City Clerk/Treasurer Richards called the Roll Call.

Consent Agenda:

Councilperson Stewart moved to approve the Consent Agenda. Councilperson Miller seconded the motion. Discussion: Councilperson Jankowski asked about Claim #18080 for medical services. Police Chief Hert explained the claim was to collect evidence regarding a criminal investigation. Motion carried with all in favor.

- a. Minutes of 7/9/13 Regular Meeting
- b. Claims Roster 7/18/13
- c. June Financial Report
- d. Journal Voucher Nos. 2013-03 & 2013-04

Departmental Reports:

Reports were given by Police Chief Hert, Building/Planning Official Morgan, Fire Chief Reid, City Attorney Ryder, Public Works Director Prentiss and City Clerk/Treasurer Richards.

Mayor's Communications: None.

Public Comment and Participation:

Mayor Hanser opened the Public Hearing for the Water and Sewer Rate Increases at 7:12 pm. Greg Koczur, 7446 Castle Rock Lake Drive, understands that they have to pay for water and sewer but commented that after the last water rate increase some people/businesses stopped irrigating their lawns and have brown grass. He asked the City Council to consider leaving the rates during the summer months at the current rate to promote irrigation. He also suggested delaying capital projects that are not critical and pay down the debt first.

Jim Atchison, representing SouthEastern Montana Development Corporation and 7405 Castle Rock Lake Drive, is concerned about utility cost increases and realizes this is happening all over southeastern Montana due to mandates and replacement needs. He asked the City Council to consider all funding options available due to the impact on small businesses.

Laurence Pitt, 1441 Piedmont Drive, feels if the amount of watered being used is reduced then the amount the city pays to PPL Montana should be reduced thus lowering the cost to the users. There may be expenditures such as construction of new buildings that could be eliminated if they are not really needed. There may be options instead of purchasing water from the power plant that would be cheaper or cheaper processes that could be used regarding the treatment of water and wastewater. He also asked about reducing staff, salaries and/or benefits.

Phillip Baney, 82 Orchard Drive, is concerned about the effect of the rate increases on the elderly people on fixed incomes. He thinks there should be another way to do things cheaper.

Mike Johnson, 6757 Hollister Circle, commented about the number of college kids hired during the summer, the employee who sits at the sewer treatment plant 8 hours per day, the employee at the water treatment plant 8 hours or more during the week but on the weekend the plants only run for 1 ½ hours, public works employees riding around together in a pickup all day and two clerks at the front desk. He thinks there are things that could be trimmed. He feels it is senseless to hire college kids during the summer when we already have ample full-time employees not doing much.

Ken Stokes, 11 Sage Court, feels a 13% increase is alot especially for those on social security.

Mayor Hanser closed the hearing at 7:30 pm.

Mayor Hanser opened the hearing for the 2012-2013 Budget Amendments at 7:30 pm. No comments received. Mayor Hanser closed the hearing at 7:31 pm.

Mike Johnson, 6757 Hollister Drive, asked about the charges for water and sewer even though it is not turned on or being used. He contacted Billings and Miles City and they do not charge if the service is not being used.

Greg Koczur, 7446 Castle Rock Lake Drive, doesn't feel it is right to charge someone if they are not using the service.

Jim Atchison, representing SouthEastern Montana Development Corporation and 7405 Castle Rock Lake Drive, thanked the city for cleaning up the tree branches following the storm last week. Mr. Atchison invited city officials to the annual Energy Open in Colstrip on August 15th and 16th. He also reported the census for Colstrip is up to 2,333, an increase of 85 people.

Unfinished Business:

Councilperson Stewart moved to approve Resolution No. 2013-R09, to increase the water and sewer rates. Councilperson Jankowski seconded the motion. Discussion: Councilperson Williams is not in support of the proposed rates. He feels the city should utilize entitlement share funds, general fund money or protested taxes to reduce the bond debt and control the

rates. He doesn't feel it would be appropriate to reduce the employees' compensation and benefits. He agrees with Mr. Koczur's comments about our community turning brown when people stopped watering their yards after the last rate increase. Councilperson Jankowski doesn't like to see rate increases either but the city's enterprise funds should pay for themselves but their not and haven't been for awhile. Need to make it so that these funds pay for themselves and stop the hemorrhaging. Councilperson Miller agrees with the direction the city wants to go but also agrees with the comments made during public comment. She would be agreeable to reviewing this again to look at any other options. Councilperson Stewart commented there have been several meetings and discussions about the water and sewer rates. He doesn't agree with using property tax dollars as that takes away from funding general fund activities and departments. He agrees with Councilperson Jankowski that the enterprise funds are supposed to pay for themselves. The city willfully assumed the debt back in 2001 and wasn't forced to do that. He commented that implementing half of the increase October 1st and the other half April 1st is to alleviate the impact to the citizens. He would like to see some water conservation information shared with the community. He feels the city needs to move forward with the rate increases. Mayor Hanser doesn't feel a \$4.82 per month increase is overly oppressive and puts the city in a better financial position. The city is already looking at refinancing the water and sewer bonds to save money and ways to make the systems more efficient. Public Works Director Prentiss commented the sewer plant is 41 years old and double the age of an average sewer plant. He also commented that environmental regulations have gotten tougher and tougher and costs a lot of extra money to be in compliance.

Laurence Pitt, 1441 Piedmont Drive, commented the city should use money to pay off the debt and implement a 10 year plan.

Mike Johnson, 6757 Hollister Drive, asked what the interest rate is on the water and sewer bonds. City Clerk/Treasurer Richards reported the rate is 4%.

Greg Koczur, 7446 Castle Rock Lake Drive, suggests delaying this and come up with a different solution.

Phillip Baney, 82 Orchard Drive, stated the city has several water tanks and asked if we need all of them since it costs to maintain them.

Councilperson Stewart voted in favor. Councilpersons Jankowski, Miller and Williams voted nay. Motion failed 1-3.

New Business:

Councilperson Jankowski moved to approve Resolution No. 2013-R10, amending the 2012-2013 fiscal year budget. Councilperson Stewart seconded the motion. No discussion or public comment received. Motion carried with all in favor.

Councilperson Jankowski moved to approve the Maintenance Worker/Utility Operator Position Description amendment. Councilperson Miller seconded the motion. Discussion: Councilperson Jankowski asked where the changes came from. Mayor Hanser explained the changes came from her with input from former Public Works Director John Bleth. Motion carried with all in favor.

Councilperson Stewart moved to approve the Fire Department Administrative Assistant Position Description. Councilperson Jankowski seconded the motion. No discussion or public comment received. Motion carried with all in favor.

Councilperson Jankowski moved to approve a part-time Fire Department Administrative Assistant position at \$12.00 per hour for up to 10 hours per week. Councilperson Miller seconded the motion. No discussion or public comment received. Motion carried with all in favor.

Bryan Vanderloos, of Kadrmas, Lee and Jackson Engineering, explained a contingency was accidentally omitted out of the Pine Butte Drive Rehabilitation Phase II project. A contingency is necessary for unforeseen issues and a problem has already been identified. Due to the condition of the roadway, more material will be necessary to stabilize the road. Councilperson Williams moved to approve a \$50,000 contingency for the Pine Butte Drive Rehabilitation Phase II project. Councilperson Jankowski seconded the motion. No discussion or public comment received. Motion carried with all in favor.

Administrative Matters:

Mayor Hanser reported there will be a Budget/Finance Committee meeting on July 30th at 6:30 pm.

Councilperson Miller requested the issue of council member's compensation be put on the next City Council agenda. Mayor Hanser has already scheduled it on the agenda.

Adjournment:

Mayor Hanser adjourned the meeting at 8:30 pm.

Michelle Richards, City Clerk/Treasurer