

PROCEEDINGS OF CITY COUNCIL MILES CITY, MONTANA

REGULAR COUNCIL MEETING

December 10, 2013
7:00 p.m.

CALL TO ORDER

The Regular Council meeting was held Tuesday, December 10, 2013, in the City Council Conference room at City Hall, 17 S. 8th Street, Miles City, Montana. Mayor C.A. Grenz called the meeting to order. Council Members present were Roxanna Brush, Sue Galbraith, Mark Ahner, John Uden, Bill Melnik, Jerry Partridge, John Hollowell and Dwayne Andrews.

Also present were City Attorney Dan Rice, Public Utilities Director Al Kelm, Public Works Director Scott Gray, Police Chief Doug Colombik and City Clerk/Council Recorder Lorrie Pearce.

PLEDGE OF ALLEGIANCE

Mayor Grenz led the Council in the Pledge of Allegiance.

APPROVAL OF COUNCIL & COMMITTEE MINUTES

Regular Council Minutes – 11/26/2013

** *Councilperson Uden moved to approve the minutes of the Regular Council Meeting of November 26, 2013, seconded by Councilperson Brush and passed unanimously, 8-0*

Finance Committee Minutes – 12/4/2013

Finance Committee Meeting December 4, 2013

The Finance Committee met Wednesday, December 4, 2013, at 12:00 p.m. in the City Hall Conference Room. Present were Chairperson Mark Ahner and Committee Members John Uden, Roxanna Brush and Bill Melnik.

Also present were Public Service Director Al Kelm, Fire Chief Dale Berg, Mayor Grenz and City Clerk/Recorder Lorrie Pearce.

Ambulance Debts to Collection for an amount of \$33,278.21

Councilperson Brush asked Chief Berg why there are so many old accounts on the collection list and then some August accounts, also why some of them have a total of \$100. He explained that the ambulance account was assigned under the City Clerk and he thought the issue was being taken care of. Once the ambulance account was his responsibility again, he noticed that he hadn't received a bad debt report. He called Solestone about the problem, and now they are cleaning up the report, per City policies. Chief Berg stated that the City is about two years behind on collections. Chairperson Ahner asked if next quarter the report will be current. Chief Berg said he will call John Ungaretti, General Manager of Solestone and have him run a report.

** *Committee Member Melnik moved to recommend approval of sending ambulance debts for an amount of \$33,278.21 to collection, seconded by Committee Member Uden and passed unanimously, 4-0.*

Rate adjustments to DNRC Water Loans and Reissuance of Bonds and Tax Certificate

Chairperson Ahner explained that the spreadsheet received from Department of Natural Resources and Conservation shows our loan rates are decreasing from 3.75% to 3.00%. He discussed the first spreadsheet (current rate vs. new rate), that shows a savings of \$453,556, and the second spreadsheet (new rate vs. new rate after pre-payment), shows a savings of \$28,093. This would include the \$20,000 down payment which is the excess amount in Debt Reserves. It will cost the City \$3,850 for Dorsey to produce the Bond Resolution and Tax certificate. He also explained that Resolution 3652 needed to be discussed today, so it can get on the December 10, 2013 Council meeting to be discussed and approved. The closing date for the rate adjustment is January 29, 2014.

Director Kelm explained that if the resolution is approved, the new debt service reserve will be \$299,847 after pre-payment, a savings of approximately \$28,000. Everything will be paid out of the three debt service accounts, so it will not cost the City any extra money.

Councilperson Uden asked what the savings will be per year. After calculating the \$453,556 and dividing it by 25 years, it was noted that there would be a savings of approximately \$18,000 a year.

Councilperson Ahner commented that if the rate adjustment is approved, it may be an opportunity to accelerate the water line replacement or decrease the water rate.

PROCEEDINGS OF CITY COUNCIL MILES CITY, MONTANA

- ** *Committee Member Uden moved to recommend approval of the reissuance of bond for the DNRC water loan at a rate decrease of 3.75% to 3.00%, for a savings of approximately \$453,556, and contingent upon the City Attorney reviewing Resolution 3652, seconded by Committee Member Melnik and passed unanimously, 4-0.*

Request of Citizens
None

Discussion

Mayor Grenz thanked Councilperson Uden and Councilperson Melnik for their services over the years.

Councilperson Melnik mentioned that Stabler Steel has been sold to Border Steel. He was wondering if the lease that is in effect right now needs to be transferred. Mayor Grenz commented that he has been asked why Stabler Steel is not fenced.

Adjournment

Having no more business to come before the Committee,

- ** *Committee Member Uden moved to adjourn the meeting, seconded by Committee Member Melnik and passed unanimously, 4-0.*

The meeting was adjourned at 12:40 p.m.

- ** *Councilperson Brush moved to approve the minutes of the Finance Committee Meeting of December 4, 2013, seconded by Councilperson Melnik and passed unanimously, 8-0*

SCHEDULE MEETINGS

None

REQUEST OF CITIZENS & PUBLIC COMMENT

None

APPOINTMENTS

None

PROCLAMATIONS

None

STAFF REPORTS

City Clerk Pearce asked the Council if they would communicate directly to her on all issues and problems.

Director Gray commended the snow removal crew, saying they had a lot of snow to deal with, and they have done a great job. He also reminded the public that any snow being shoveled or blown must be kept on their property and not on the streets. He said it becomes a hazard at times.

Director Kelm mentioned that his department is working on a public service announcement for tips and hints to prevent meter and pipes from freezing in cold weather.

CITY COUNCIL COMMENTS

Councilperson Brush commented that Councilperson Uden and Councilperson Melnik had done quite a lot for the City and thanked them for their years of service. She mentioned that the Cowboy Invitation wrestling tournament will be in Miles City January 10th and 11th, with approximately 16-18 teams participating. The program is looking for volunteers. If interested, call Kara Harris at 951-3003. She was also concerned that there isn't enough emergency shelters available for the winter months in Miles City. She is

PROCEEDINGS OF CITY COUNCIL

MILES CITY, MONTANA

looking for a transitional home for the homeless. If anyone is interested in helping, they can call her.

Councilperson Partridge asked for an ambulance report in January. He would like it to focus on the comparison of money spent and accumulated before and after Solestone was hired.

Councilperson Uden hopes our new council members know what an outstanding crew the City of Miles City has, and said that it's been a pleasure being on the Council for 8 years.

Councilperson Melnik commented that the 18 years he has been on Council has taught him a lot about the City, and made him a better citizen. He offered his assistance if needed.

Councilperson Hollowell thanked Councilperson Uden and Councilperson Melnik for their time. He was also very pleased with the response from the City on handling the snow storm. He reported that Dale Stevenson had passed away, and wanted to thank him and his family for their support to the City.

MAYOR COMMENTS

He thanked Councilperson Uden and Councilperson Melnik for all their hard work and appreciated everything they have completed. He also complimented the snow removal crew on a wonderful job keeping up with the snow. He asked for a Council poll on City Hall closing at 1pm on Christmas Eve. With a consensus of 6-2, it was agreed to close City Hall on December 24, 2013, at 1 pm.

COMMITTEE RECOMMENDATIONS

Councilperson Brush announced that the Ordinance for Site Plan Review was passed by the Planning Board, but a final document was not completed before the agenda was published. It will be on the Council agenda for the January 14, 2014, meeting.

PUBLIC HEARINGS

ORDINANCE NO. 1260: An Ordinance Amending Section 24-53 And 24-54 Of The Code Of Ordinances Of The City Of Miles City, Montana, So As To Remove The Requirement For Site Plan Review For Four-Plex And Below.

Mayor Grenz called three times for comments from opponents, then three times for comments from proponents. Hearing no comments either for or against, the hearing was closed.

RESOLUTION NO. 3646: A Resolution Approving the Work Plan and Budget for Fiscal Year 2013-2014 for Business Improvement District No.101.

Mayor Grenz called three times for comments from opponents, then three times for comments from proponents. Hearing no comments either for or against, the hearing was closed.

**PROCEEDINGS OF CITY COUNCIL
MILES CITY, MONTANA**

BID AWARDS

None

BID OPENING

None

OLD BUSINESS

ORDINANCE NO. 1260: *(Second Reading)* An Ordinance Amending Section 24-53 And 24-54 Of The Code Of Ordinances Of The City Of Miles City, Montana, So As To Remove The Requirement For Site Plan Review For Four-Plex And Below.

****** *Councilperson Brush moved to approve Ordinance No. 1260 by title only, seconded by Councilperson Uden. On roll call vote, the motion passed by unanimous consent, 8-0. Ordinance No. 1260 was adopted.*

RESOLUTION NO. 3646: *(Second Reading)* A Resolution Approving the Work Plan and Budget for Fiscal Year 2013-2014 for Business Improvement District No. 101.

****** *Councilperson Galbraith moved to approve Resolution No. 3646 by title only, seconded by Councilperson Melnik. On roll call vote, the motion passed by unanimous consent, 8-0. Resolution 3646 was adopted.*

NEW BUSINESS

ORDINANCE NO. 1261: *(First Reading)* An Ordinance Amending Ordinance Number 1796 to Change the Zoning of Lot F-1, also Referenced as Tract 1-F, of the Horizon Park Subdivision, and Addition to the City of Miles City, Custer County, Montana, From Heavy commercial (HC) to General Commercial (GC), and Providing an Effective Date, and a Hearing Thereon.

Councilperson Ahner asked if the change was requested by the owner of the property. Councilperson Brush answered yes, and that it was recommended by the Zoning Board. Councilperson Ahner commented that the change from heavy commercial to general commercial allows apartments and asked for clarification on what other buildings are allowed. Mayor Grenz said that what was proposed was a multi plex on one corner of the lot, and the other corner would be an agricultural business. The Mayor also commented that if the owner puts in a residential area the Zoning Board would look very hard at what kind of business would be approved.

Councilperson Brush asked what lot is being changed. Attorney Rice said that all four lots are being changed because nothing has been subdivided and no plat has been recorded to change the legal description of the property.

Councilperson Hollowell asked if the Bobcat business will fit under general commercial. Director Gray replied yes.

****** *Councilperson Hollowell moved to approve Ordinance No. 1261 by title only, seconded by Councilperson Brush. On roll call vote, the*

PROCEEDINGS OF CITY COUNCIL

MILES CITY, MONTANA

motion passed by unanimous consent, 8-0. Mayor Grenz referred the Ordinance to the Finance Committee.

RESOLUTION NO. 3651: A Resolution Authorizing The City Of Miles City To Enter Into A Montana Department Of Commerce Community Development Block Grant Contract.

Councilperson Hollowell asked if the grant is for the feasibility study. Councilperson Ahner replied yes.

****** *Councilperson Galbraith moved to approve Resolution No. 3651 by title only, seconded by Councilperson Melnik. On roll call vote, the motion passed by unanimous consent, 8-0. Resolution 3651 was adopted.*

RESOLUTION NO 3652: Resolution Relating to First Amended and Restated Water System Revenue Bonds (DNRC Drinking Water State Revolving Loan Program); Amending Authorizing Resolution Adopted February 12, 2008 and Bonds

Councilperson Ahner explained that refinancing this loan with a rate deduction from 3.75% to 3.00% will save the City \$453,000 over a 25 year period, or \$18,000 a year. A cost of \$3,850 would be paid to Dorsey to reissue a new bond, which would be paid from the excess reserves account.

****** *Councilperson Ahner moved to approve Resolution No. 3652 by title only, seconded by Councilperson Hollowell. On roll call vote, the motion passed by unanimous consent, 8-0. Resolution 3652 was adopted.*

RESOLUTION NO 3653: A Resolution Authorizing The Assignment Of Certain Leases From Kenneth R. Stabler And Alane L. Stabler to Border Steel & Recycling, Inc., A Montana Corporation.

Mayor Grenz explained that section 5 of the old lease gives consent to transfer the lease. Attorney Rice explained that after the 1st of the year, if the transaction falls apart, the leases would stay as they are and the lease assignment would not take effect. Councilperson Galbraith asked if it follows the lease policy. Attorney Rice replied that the lease hasn't expired so it doesn't need to go to bid.

****** *Councilperson Hollowell moved to approve Resolution No. 3653 by title only, seconded by Councilperson Andrews. On roll call vote, the motion passed by unanimous consent, 8-0. Resolution 3653 was adopted.*

APPROVAL OF NOVEMBER CLAIMS

Councilperson Ahner reviewed the claims and noted that travel vouchers should be attached to the credit card statement. Also, the airport did not have any receipts attached to the credit card statement.

****** *Councilperson Uden moved to approve November claims, seconded by Councilperson Melnik. On roll call vote, the motion passed by unanimous consent, 8-0.*

**PROCEEDINGS OF CITY COUNCIL
MILES CITY, MONTANA**

ADJOURNMENT

****** *Councilperson Uden moved to adjourn the meeting, seconded by Councilperson Melnik and passed unanimously, 8-0.*

The meeting was adjourned at 7:40 p.m.



C.A. Grenz, Mayor



**Lorrie Pearce
City Clerk**