

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

REGULAR COUNCIL MEETING

January 22, 2013

7:00 p.m.

CALL TO ORDER

The Regular Council meeting was held Tuesday, January 22, 2013, in the 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 Dwayne Andrews, Roxanna Brush, John Hollowell, Mark Ahner, Jerry Partridge, John Uden, Bill Melnik and Sue Galbraith.

Also present were Deputy City Attorney Erica Griffith, Fire Chief Dale Berg, City Planner Dianna Broadie, Police Captain Casey Prell, Public Utilities Director Al Kelm, and Council Recorder City Clerk Becky Stanton.

PLEDGE OF ALLEGIANCE

Mayor Grenz led the Council in the Pledge of Allegiance.

APPROVAL OF COUNCIL & COMMITTEE MINUTES

Regular Council Minutes – 1/8/2013

****** *Councilperson Uden moved to approve the minutes of the Regular Council Meeting of January 8, 2013, with corrections, seconded by Councilperson Galbraith. The motion was passed unanimously, 8-0.*

SCHEDULE MEETINGS

Finance Committee: Tuesday, January 29, at 6:00p.m.

Public Safety Committee Meeting: Wednesday, January 30, at 12:00p.m. - Noon

Public Service Committee Meeting: Wednesday, January 30, at 12:30p.m.

REQUEST OF CITIZENS & PUBLIC COMMENT

Ken Stabler, Stabler Trucking, gave the Council a timeline that relates to leasing land behind Tire Rama in the Industrial Site. In 2008 he met with John Marks, City Planner, about putting a 70 foot truck scale on the above land. He had visited with Fred Scheid of Tire Rama and Sam Onstead of United Parts to determine if they wanted the land, and they did not. In 2010 Councilperson Ahner and the City Council drafted a lease agreement for approximately \$2,100 annually for ten years, and then revisit it for another ten years. Mayor Whalen did not sign the lease. He did not feel that the City Council had a fair and equitable process to making the property available to the general public. In 2011, Mayor Grenz took over, but nothing has happen. The next Mr. Stabler heard was that the City was going to place the above land out for competitive bid. He does not want to sue the City. He can't figure out why someone who is born and raised in Miles City, who is trying to increase his business and do some things for the City, can't rent property from them. He owns a small business, but it does pay over \$200,000 in property taxes and leases to the County and the City. If this land goes out for competitive bid, he will not feel he was treated fairly. He felt the City and he had a deal three years ago and wondered why they did not still have a deal.

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MILES CITY, MONTANA**

Councilperson Uden asked Deputy City Attorney Griffith if there was anything that would give Mr. Stabler the right to continue with his rental agreement approved by Council. She stated that since there was not a resolution, the lease is not valid. MCA Code states that any resolution has to be in writing. She will review the process for competitive bids to lease property.

Councilperson Ahner stated the Finance Committee and the City Council had approved the lease of the five vacated lots that Tire Rama did not want. Mayor Whalen would not sign the lease until procedures were in place on how to deal with the purchase or lease of City owned property. He was concerned about the City being sued if they did not do a competitive bidding process. The City has subsequently adopted a Resolution to do competitive bidding on the purchase or lease of vacant City land. There was not any money paid by Stabler Trucking.

Councilperson Andrews stated the City has already made an agreement so he feels the city owes Mr. Stabler an opportunity to lease the land since he started the process before the adoption of the Resolution.

Councilperson Ahner offered the suggestion that the land be placed for competitive bid and Mr. Stabler have the option to match the highest bid.

Councilpersons Galbraith, Hollowell, Uden and Mayor Grenz wanted to wait until they receive an Attorney's opinion.

*** Councilperson Uden made a motion to defer this until Council receives a legal opinion; Councilperson Melnik seconded the motion. The motion passed unanimously, 8-0.*

APPOINTMENTS

-None

PROCLAMATIONS

-None

STAFF REPORTS

-None

CITY COUNCIL COMMENTS

Councilperson Ahner – Interlocal agreement is close to being agreed upon. He passed out a copy of a letter from City Labor Attorney Larry Martin dated January 14, 2013. It was in reference to the mediation and who would be part of the mediation team. It reminded the Council that they had final approval of the mediation outcome.

Councilperson Uden – the Council determines who will represent them during mediation.

Councilperson Galbraith – Flood Control Ordinance needs to be updated. She toured the Water and Wastewater Plants and wanted to commend the crews for saving money.

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Councilperson Hollowell – Requested updates on Phase I for the sewer projects and Riverside Restroom Project. Public Utilities Director Kelm gave the updates. He asked if Dennis Hirsch and Mike Rinaldi were using up-to-date building codes. Deputy City Attorney Griffith said that it was updated. He then mentioned that Chapter 2, Article IV, Division 6. City Engineer, in the City Ordinances needs to be followed or changed.

MAYOR COMMENTS

-None

PUBLIC HEARINGS

ORDINANCE NO. 1250: An Ordinance Revising Sections 16-43 Of The Code Of Ordinances Of The City Of Miles City, Montana So As To Prohibit The Discharge Of Firearms On City Owned Or Leased Lands Within Three (3) Miles Of The City Limits Except At Approved Shooting Ranges.

** *Mayor Grenz referred this to Public Safety Committee and it will be on the February 12th Council meeting.*

OLD BUSINESS

ORDINANCE NO. 1250: An Ordinance Revising Sections 16-43 Of The Code Of Ordinances Of The City Of Miles City, Montana So As To Prohibit The Discharge Of Firearms On City Owned Or Leased Lands Within Three (3) Miles Of The City Limits Except At Approved Shooting Ranges.

** *Mayor Grenz referred this to Public Safety Committee and it will be on February 12th Council meeting.*

BID AWARDS

-None

BID OPENING

South Strevell/Merriam Street – Water/Storm Sewer Project

The work for the bids is as follows:

- A = Mobilization
- B = S. Strevell Avenue rebuild, Stower to Wilson
- C = S. Strevell Avenue water line improvements, Stower to Wilson
- D = S. Merriam Avenue storm improvements, Stower to Wilson
- E = S. Merriam Avenue water improvements, Stower to Wilson
- F = S. Jordan Avenue water improvements
- G = S. Custer Avenue water improvements

Public Utilities Director Kelm opened the bids and they are as follows:

1. Nelcon – A-C \$1,595,788.50 A-G \$2,954,036.50 A-E \$2,224,301.50
2. JEM Contracting - A-C \$1,137,958. A-G \$1,787,301 A-E \$2,521,976
3. Jacksons Contractors Group - A-C \$1,298,839.50 A-G \$2,436,039.50 A-E \$1,842,079.50
4. COP Construction - A-C \$1,182,913 A-G \$2,698,422 A-E \$1,927,322
5. Western Municipal – A-C \$1,308,191 A-G \$2,405,465 A-E \$1,835,056

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MILES CITY, MONTANA**

*** Councilperson Ahner made a motion to send the bids to the Finance Committee for review and recommendations, seconded by Councilperson Uden. The motion passed unanimously, 8-0.*

NEW BUSINESS

ORDINANCE NO. 1249: An Ordinance Restricting The Budgeting And Expenditure Of General Fund Cash Reserves

*** Councilperson Ahner moved to approve the Ordinance, read in its entirety, seconded by Councilperson Brush.*

Mayor Grenz explained that the City is spending more money than it is bringing in. He feels this ordinance will prevent that. Councilperson Andrews asked if the City wants to fund the study for the dike, then Council would have to pass by 2/3 vote to do it. He feels it ties Councils' hands to fund unforeseeable situations. While it is important to be fiscally responsible, if there are funds available to pay for important problems, then the Council needs to be able to do so.

Councilperson Partridge stated that this is a clever way for the Mayor to control the funds that the Council has always operated with. The Mayor is going to reach over and tell the Council how they are going to spend the money, which is not the Mayor's job.

Mayor Grenz replied that he feels it is his responsibility to make sure the City has some money to operate with.

Councilperson Andrews asked Councilperson Ahner what the current cash reserves balance was and if it accumulates each year. Councilperson Ahner stated it was about \$801,000 and, yes, it does accumulate.

Councilperson Ahner stated that he supports the ordinance in general, but there are ramifications if the Council adopts this ordinance. He said it would be nice if there was a balanced budget, but that has not occurred in the nine years he has been a Councilperson. The cash carryover has always been used to balance the General Fund. For the current fiscal year, there was about \$200,000 used to balance the General Fund. With the passage of this ordinance, this can still be done, but it will take 2/3 majority of the Council to do it. He mentioned the projects that could potentially use some of the cash reserves and they are \$38,000 for the Riverside Restroom Project, \$15,000 for the prisoner transport van, and \$10,000 for the County Jail Assessment. None of these items have been budgeted. Currently there is a Capital Improvement Fund and this fund will be used to pay for capital items. Council needs to look at this Ordinance carefully to determine if they want to pursue it. The only way to increase revenues for the General Fund is for property values to generate more property taxes. He believes that the new construction should be hitting the tax rolls and increasing the revenues. He would like to see a 10 year analysis done on property taxes.

Councilperson Partridge stated that you can put a lot of lipstick on this, but it is still a pig. The Council is giving up its responsibility to whoever has the votes. That is what politics is, the votes. So if you want to run the City with just enough money, and the Mayor take all money and swirl it away for whatever purpose, this will do it. This whole thing stinks.

Mayor Grenz stated that his office does not have the authority to spend money; that comes from the Council.

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** *On roll call votes, the motion passed with Mayor Grenz casting the tie breaking vote. Councilpersons Galbraith, Partridge, Hollowell and Andrews voted nay. This Ordinance will go to the Finance Committee.*

RESOLUTION NO. 3571: A Resolution Authorizing The City Of Miles City To Enter Into An Agreement With Tumblewood Development, Inc. For Sanitation Inspection Services For Calendar Years 2013

** *Councilperson Ahner moved to approve the resolution, read by title only, seconded by Councilperson Uden.*

Councilperson Brush noted that the Health Board has approved the contract with Tumblewood Development.

** *On roll call vote, the motion then passed unanimously, 8-0.*

ADJOURNMENT

** *Councilperson Uden made a motion to adjourn the meeting, seconded by Councilperson Brush. Motion passed unanimously.*

The meeting was adjourned at 8:10 p.m.


C.A. GRENZ, Mayor


Becky Stanton, City Clerk