

Finance Committee Meeting March 06, 2012

The **Finance Committee** met March 06, 2012, at 6:00 p.m. in the City Hall Conference Room. Present were Chairperson Mark Ahner and Committee Members Jerry Partridge, Bill Melnik and Roxanna Brush. Also present were, Public Utilities Director Allen Kelm, Grant Administrator Dawn Colton, and HR/Payroll Officer Billie Burkhalter.

Request to reduce Flood Plain regulation variance fee

Chairperson Ahner stated Floodplain Administrator Sam Malenovsky had explained why she would like to request lowering the Flood Plain regulation variance fee to \$75. She wants to make the charge more consistent with the Board of Adjustment rates. The variance does not take much time to complete and felt that it would reduce the impact to property owners.

* * *Committee Member Partridge moved to recommend to the City Council to reduce the cost of the Floodplain regulation variance fee to \$75, seconded by Committee Member Melnik. Motion carried unanimously, 4-0.*

Request for Grant Application/Engineering Study for Hazard Mitigation of Water Treatment Plant

Grant Administrator Colton explained the City is eligible for the Hazard Pre-Disaster Mitigation Grant Program and a potential project that could be funded by this would be to improve the levee structures around the Water Treatment Plant. A preliminary engineering study would have to be conducted in order to determine exactly what improvements are needed and to estimate construction costs. Kadrmas, Lee & Jackson (KLJ) Engineering has submitted a proposal for the study for \$18,148. If the City is awarded a grant to improve the levees this study will be eligible for reimbursement, but if the study is not approved the City will have to pay KLJ costs.

Chairperson Ahner explained that KLJ would conduct an analysis of the Water Plant site to determine potential alternatives for construction of new levees and as of yet the alternative costs are unknown. He questioned the validity of doing this as the City faced a major flood for a sustained time with problems concerning erosion, however no major issues arose. He explained that Director Kelm had stated the concern with the Water Plant is the potential of ice jams on the Yellowstone River and the possible flooding of the plant. Chairperson Ahner is concerned that if the City were to obtain this federal grant it would be required to pay 25% of the final costs which could be a substantial amount.

Chairperson Ahner questioned Director Kelm as to whether \$18,148 was

available in his budget under Professional Services. Director Kelm stated this was not a budgeted item in his budget.

* * *Committee Member Partridge moved to recommend to the City Council to proceed with the engineer contract with KLJ and to proceed with the study for possible disaster mitigation of the Water Treatment Plant , seconded by Committee Member Brush. On roll call vote motion carried 3-1 with Chairperson Ahner dissenting.*

Request to Purchase Soft-Start Equipment for Treatment Plant

Director Kelm stated Grant Administrator Colton had applied for a Department of Environmental Quality Energy Study Grant. After the study was completed it made the City eligible for additional monies to correct deficiencies that were found in the Wastewater Plant and the Water Treatment Plant. The deficiencies that would be the biggest energy savings and payback are to install Variable Frequency Drives (VFD's) on 9 of the motors at the Water Treatment Plant and 5 VFD's on motors at the Wastewater Treatment Plant. The monies that are available to the City in grant form and rebates are \$48,400 from the Department of Environmental Quality and \$18,675 available from Montana Dakota Utilities administered through the Department of Environmental Quality for a total of \$67,075 to upgrade the facilities for energy conservation

* * *Chairperson Ahner moved to recommend to the City Council to move forward with the acquisition of the 14 Variable Frequency Drives for the Wastewater Plant and Water Treatment Plant with a reimbursable grant amount of approximately \$67,000, seconded by Committee Member Melnik. Motion carried unanimously, 4-0.*

Discussion of Ordinance No. 1233 – Capital Improvements Impact Fees

Chairperson Ahner requested the Committee review Ordinance #1233 – Capital Improvements Impact Fees as after its first reading in Council it will be sent to the Committee.

Request of Citizens

-None.

There being no further business, the meeting was adjourned at 6:45 p.m.

Finance Committee:

Chairperson Mark Ahner

Respectfully Submitted:

HR/Payroll Officer Billie D. Burkhalter