

Finance Committee Meeting April 12, 2012

The **Finance Committee** met April 12, 2012, at 12:00 noon in the City Hall Conference Room. Present were Chairperson Mark Ahner and Committee Members Bill Melnik, Jerry Partridge and Roxanna Brush. Councilperson John Uden was also in attendance. Also present were Public Utilities Director Allen Kelm, City Planner Dianna Broadie, Judge Al Homme, and Recorder City Clerk Becky Stanton.

Bid Review of Natural Oasis Dock Repairs

Chairperson Ahner explained the different options for materials and the estimates the City received from the different vendors. Cretex Concrete Products quoted \$95,368.00 for precast concrete slab beams with dimensions of 6'x12'x9". ProBuild quoted \$22,455.40 for Moisture Shield decking with a lifetime warranty and \$22,126.28 for decking with a 20 year warranty. Bloedorn Lumber quoted \$32,219.20 for Timbertech decking which requires screws.

Director Kelm stated that the Moisture Shield decking did not require screws in the top because it was fastened down underneath. Research has shown that Timbertech fades and molds. Director Kelm could not find any negative reviews on Moisture Shield. Mold is not covered by Timbertech's or Moisture Shield's warranties. He had asked Jon Bass of ProBuild and Matt Owen, manager of Special Sales for Timberroots Distributing in Butte to attend the meeting so that they could answer any questions the Committee members might have.

The Mayor asked what is the lifetime warranty term and Mr. Bass said 50 years. Chairperson Ahner discussed mold in the product. Mr. Owen said that every fiber is encapsulated in plastic and if the City set it in the water, Moisture Shield will warranty it. It will sit about a foot above the water in the Oasis however. Committee Member Brush asked about the upkeep for the product. Mr. Owen said just to wash off the debris. Councilperson Uden asked about the product being slippery and withstanding extreme temperature changes. Mr. Owen stated there have been no problems with these issues.

Director Kelm recommended the City choose the product with the lifetime warranty. Jon Bass said that the warranty states 20 years. In order to receive a 50 year warranty, the City and ProBuild need to get on the phone with Moisture Shield to assure them that it is in a Commercial application. The 50 year warranty is only for Commercial applications.

* * *Chairperson Ahner moved to recommend to the City Council to accept the quote from ProBuild for \$22,455.40 for the Moisture Shield materials and decking with*

a lifetime warranty required for the repair and replacement of the docks at the Natural Oasis and to be included with the Capital Improvement will be the contracted price for the installation, seconded by Committee Member Melnik. Motion carried unanimously, 4-0.

City Court Relocation Proposal

Judge Homme stated the current situation with the City Prosecutor's office next door to the Judge's office gives the appearance of ex parte communication between the two offices. That is absolutely not correct but the appearance is there anyway. It would be better if they were not in the same facility. The City Council chambers are not comfortable for holding court. The OSHA fire requirements are not being met as there is not a fire escape or any smoke alarms in the building. The Judge has located an office to rent but it would need to be remodeled to his specifications. The cost to the City would be \$13,200 in rent and up to \$8,000 in start-up costs. The Judge's office brings in about \$230,000 gross revenues. Discussion

*** Committee Member Partridge moved to recommend to the City Council to accept the proposal to relocate the City Court office. There was no second to the motion so the motion failed.*

Ordinance No. 1238: An Ordinance Amending Ordinance No. 796 to Change the Zoning of Lots 6 Through 15 of Block 12 of the Miles Addition to the City of Miles City and Lots 6 Through 10, and the West Half of Lots 11 Through 14 in Block 12 of the Clark Addition to the City of Miles City From "A" Residential to General Commercial District, and Providing an Effective Date Thereof.

*** Committee Member Brush moved to recommend to the City Council to approve Ordinance No, 1238, seconded by Committee Member Melnik. Motion carried unanimously, 4-0.*

Montana-Dakota Utilities Request for a Franchise

Chairperson Ahner requested that Nick Haag from Montana-Dakota Utilities (MDU) explain the Franchise request. Chairperson Ahner asked Mr. Haag why the franchise is for gas distribution only and not electric poles and lines, why was MDU requesting a 25 year term and do any other towns or cities charge for the franchise fees.

Mr. Haag stated that there is a state statute that allows Utility Companies the right to use Cities right-of-ways for electric and telephone. It does not include gas so they need a franchise. The 25 year term for the lease started when the franchises began. MDU made it a longer term so renewal occurred less often. The City can make that term 10 or 15 years. The US Supreme Court ruled it was illegal to charge fee in Montana.

* * *Committee Member Brush moved to recommend to the City Council to approve the Montana-Dakota Utilities franchise for 10 years, seconded by Committee Member Partridge. Motion carried unanimously, 4-0.*

Request of Citizens

Director Kelm said the diving boards are scheduled to be reinstalled on Wednesday, April 11, 2012, by Nolley's Welding. Nolley's repaired them, Transcisco sandblasted and painted them and they are ready for use.

There being no further business, the meeting was adjourned at 1:20 p.m.

Finance Committee:

Chairperson Mark Ahner

Respectfully Submitted:

City Clerk Becky Stanton