

**Finance Committee Meeting  
May 30, 2012**

The **Finance Committee** met May 30, 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. Also present were Mayor Chris Grenz, Fire Chief Dale Berg, Grant Administrator Dawn Colton, Public Utilities Director Al Kelm and Recorder City Clerk Becky Stanton.

**Ray and Peg Jerrel proposed lease agreement at the Industrial Site west of Miles City**

Chairperson Ahner explained that Mr. Jerrel wanted to combine two leases consisting of three lots into one lease. The above lease is a standard lease agreement for the Industrial Site and it is a five year lease with a one-time option to renew for an additional five years.

*\*\*Committee Member Melnik moved to recommend to the City Council to approve the lease, seconded by Committee Member Partridge. Motion carried unanimously, 4-0.*

**Resolution No. 3484 – Proposed Agreement with Laurence R. Martin to provide Labor Relations Services**

*\* \* Chairperson Ahner deferred this item per Mayor Grenz's request because of on-going negotiations with the unions and that more clarification is needed on some details in the contract in order to make a decision on it.*

**Request to Install a Restroom at Spotted Eagle for \$14,810.**

Chairperson Ahner explained the request to the Committee and asked Grant Administrator Colton for her input. She explained that the revenue and expenditures would occur in FY 2012-2013. She provided the budget numbers to the Committee.

*\* \* Chairperson Ahner moved to recommend to the City Council to approve the request, seconded by Committee Member Melnik. Motion carried unanimously, 4-0.*

### **Request to Purchase a Used Roller for \$24,800**

Director Kelm explained that the Department had budgeted \$60,000 to purchase a roller but they had found a good used roller at Redo for \$29,500. They will trade in the old roller for \$4,700, for a net price of \$24,800.

- \* \* *Committee Member Melnik moved that the Finance Committee approve the purchase of a used roller, seconded by Committee Member Brush. Motion carried unanimously, 4-0.*

### **Bid Review of Paving Project on Lincoln Street from Montana Avenue to Head Start School**

Director Kelm explained the project to the Committee. The area has new water lines already so now is the time to pave it also. He explained the cost of the project is \$187,308 to pave approximately 12 blocks. The funds are available in Street Maintenance District 205. The bid did include bids for cold mix, hot mix and street leveling along with the paving project for Street Maintenance District 205.

- \* \* *Committee Member Brush moved to recommend to Council to approve the paving project, seconded by Committee Member Melnik. Motion carried unanimously, 4-0.*

### **Resolution No. 3496 Amending budget to appropriate revenues for RSVP**

Chairperson Ahner explained the reason for the budget amendment is to cover revenues and expenditures for the last three months of this fiscal year. RSVP initially had a budget for July 2011 through March 2012.

- \* \* *Committee Member Brush moved to recommend to Council to approve the Resolution, seconded by Committee Member Partridge. Motion carried unanimously, 4-0.*

### **Ambulance Debts to Collection**

Fire Chief Berg explained why these accounts are being turned over to collection to the Committee.

- \* \* *Committee Member Partridge moved to recommend to Council to approve the ambulance debts going to Collection, seconded by Committee Member Brush. Motion carried unanimously, 4-0.*

**Ordinance No. 1230: An Ordinance Amending the definition of “Kennel”, defining “Animal Rescue Shelters”, Providing a Permitting Process Therefore, regulating the Operations thereof, Designating Animal Rescue Shelters as a Permitted Use in Certain Zones, Providing for a Hearing Thereon, and providing an Effective Date Thereof.**

Chairperson Ahner reviewed the changes with the Committee so everyone was aware of the changes made to the Ordinance.

\* \* *Committee Member Melnik moved to recommend to Council to approve the Ordinance, seconded by Committee Member Brush. Motion carried unanimously, 4-0.*

**Resolution 3494 – A Resolution, Pursuant to §69-7-111 of the Montana code Annotated, of intent to Increase Sewer Rates and providing for Municipal Rate Hearing**

Director Kelm explained the TSEP process and noticing of the Resolutions that go with the TSEP grant. Grant Administrator Colton explained that the TSEP grants are reviewed starting July 6, 2012, and then once the legislators meet, they will determine which applications are approved or not approved. This is normally done at the end of the legislative session.

Chairperson Ahner explained that the Mayor wanted to lower water rates to offset the increase in sewer rates. Chairperson Ahner wanted to hold a public hearing for reducing the water rates at the same time as the hearing for increasing the sewer rates.

Director Kelm explained that this is a Resolution of Intent that will move the City forward to public hearings on the increase in order to get the Phase I project moving forward. The money for the project will be provided by the State Revolving Fund (SRF) and cash from the City. In order to qualify from the SRF, the sewer rate increase is necessary in order for the City to be able to repay the loan. There will not be any TSEP funds used for this project.

\* \* *Committee Member Partridge moved to recommend to Council to approve the Resolution, seconded by Committee Member Melnik. Motion carried 3-1, with Chairperson Ahner voting nay.*

**Request of Citizens**

-None

There being no further business, the meeting was adjourned at 12:50 p.m.

Finance Committee:

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Chairperson Mark Ahner

Respectfully Submitted:

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City Clerk Becky Stanton