 A SUMMARY OF PROCEEDINGS OF THE CITY COUNCIL OF CITY OF THREE FORKS, MONTANA, AUGUST 13TH, 2019

AUGUST 13TH, 2019, The Three Forks City Council met in session at City Hall at 206 Main Street and was presided over by Mayor Gifford. The Mayor called the meeting to order at 7:00 P.M. for the FIRST meeting of AUGUST 2019.

PRESENT: Council members George Chancellor, Deb Mickelberry, Gene Townsend, Steve Dahl and Dennis Nelson were present. Teri Whitesitt was absent. City Attorney Susan Swimley, Sheriff Sgt. Dan McDonough, City Treasurer Kelly Smith, and City Clerk Crystal Turner were also present.

The record reflects a quorum, with the attendance of five (5) council members, and the meeting was held.

The **Pledge of Allegiance** to the American Flag was led by Mayor Gifford. He reminded the public the meeting was being audio recorded.

GUESTS: Broadwater County Sheriff Wynn Meehan, Matthew Parks, Gloria Howland, Jack Smith (Three Forks Voice), Broadwater County DES Coordinator Mike Koehnke, Carl Mohler, Jr., Chuck Wambeke, Rob Gilmore (Northern Rocky Mountain Economic Development District (NRMEDD))

Mayor Gifford asked for any **PUBLIC COMMENTS/CONCERNS** not on the agenda. Matthew Parks, of Bozeman Triathlon introduced himself and thanked the Council for approving his request to hold a triathlon 6/21/2020, in Three Forks. He offered to answer any questions the Council may have had last meeting since he was not able to attend. Mr. Parks stated he does carry insurance in the form of a $10,000,000 umbrella coverage policy. They expect at most 150 racers for the 2020 event. In looking at the area, looks like there is plenty of parking on Talc Road and in the parking areas near I-90 and immediately south of the golf course. He would like to close off the parking lot in Bellach Park to have a safe and open turn around spot. Mr. Parks thanked the Council for its approval of the use of the area.

Gene Townsend asked what time the event will start. Mr. Parks said 8:30a.m. and that they usually wrap up by 1:30 or 2:00p.m. Racers will be done by noon. Gene stated Mr. Parks should coordinate with city crew because he believes sprinklers come on about 10p.m. the night before. Gene said he is happy Matt is doing this triathlon in Three Forks, and happy to have them out here. Matthew Parks left.

Sheriff Meehan provided an update mostly about the designate southern end Broadwater County sheriff deputy. The Sheriff will try keep him down here as much as humanly possible. Gene Townsend questioned if the Broadwater County Commissioners have better funded the Sheriff Office. Sheriff Meehan said they developed budget for FY19/20 using the FY18/19 mills. They are bringing more revenue in through the jail now, so starting to get some cash reserves. Sheriff Meehan told Gene the Commission had trouble budgeting patrol car replacements, but they did allow $80,000 in the budget for vehicle. "It is looking better than we were in FY18/19. Mill levies did go up fairly substantially which amounted to roughly $104,000 increase in revenue overall," Sheriff Meehan said.

Next, Rob Gilmore, the Executive Director of NRMEDD spoke. He informed the Council the District is comprised of a 27-member board, mostly elected officials. "I know we presented a MOU [memorandum of understanding] to the City which has not been signed, but it is non-binding," Mr. Gilmore said. He encouraged the Council to sign the MOU. "We don't charge companies to utilize us. There are no membership fee for the use of our services. We work with a lot of business assistance in this area. Smaller city membership fees are $1-2,000/year while larger city fees can run up to $20,000," Mr. Gilmore informed the Council.

Chuck Wambeke, also spoke on behalf of the Three Forks Chamber of Commerce. He sits on the Civic & Economic Development Committee who have been working with NRMEDD the last couple years trying to be proactive for the types of businesses we attract to this area. Chuck said, "On behalf of the Chamber I'm here to vocalize our support for the City to sign the MOU."

Mayor Gifford said the MOU was provided to former mayor and decided by him not to sign it. Mayor Gifford has not seen nor read the document. Crystal Turner has a copy via email for Mayor Gifford to review. Mayor Gifford stated he has met with Rob Gilmore and spoken to the other cities and Gallatin County who have signed the MOU. Rob Gilmore distributed a few copies of the MOU to the Council and Mayor.

With no other **PUBLIC COMMENT**, the Mayor introduced the Consent Agenda.

CONSENT AGENDA

Approval of the Following:

a. Claim Paid due to Timeliness to Mail Utility Bills on 7/31/2019 in the Amount of $162.88

b. Claims per List
c. Three Forks Rodeo Arena Claims per List
d. Meeting Minutes of 7/23/2019
e. Approval of Task Order #3 with Great West Engineering for GIS Support Services
f. Approve Mayor to Sign Annual Financial Report (AFR) Engagement Letter with Craig Shepherd to Conduct FY18/19 AFR
g. Approve Mayor to Sign Audit Engagement Letter with Rudd & Company to Conduct FY18/19 Audit

The Mayor asked if anyone wished to pull any items from the Consent Agenda. George Chancellor asked to pull claim #144243 to Mike's Electrical and claim #144248 to Sayers Fence. "This is wire damage repair and I think the fencing company should have called 8-1-1 for locates and have to pay the $1,265.39." Mayor Gifford stated he tends to agree with the Mr. Chancellor. Gene Townsend asked Chuck Wambeke to speak to this concern.

Chuck Wambeke, Chairman of the Three Forks Rodeo & Events Center board, explained they had some modifications to the stalls and Scott Sayers did put his auger through the circuit of wires which feeds the lights. "We didn't tell him there were wires running through there. We should have called 8-1-1 and done a check, but Chuck didn't believe the 8-1-1 crew would have found it because it was on the property, not in the right-of-way. When we spoke of this at the Board meeting last night the Board recommended to pay the bills and eat the cost of Mike's Electrical," Chuck said.

George Chancellor said, "As a contractor I always feel it is the contractor's responsibility to call and find out this." Chuck said he can talk to the vendors if the Council wishes and added, "But like I said the Board approved paying both bills."

Gene Townsend said he knew what happened but disagrees the electrical contractor should be penalized or the fencing contractor be penalized. Gene added, "Scott was with two of our board members at the time, who were helping him. It was a mistake and I guess there are a lot of mind fields out there. We could maybe go back and speak with Scott Sayers, but 2 members were with him and I think we should eat this one."

Deb Mickelberry asked if 8-1-1 locates on private property, since they would not come onto her property when she was building her home. Folks (unknown speakers) agreed 8-1-1 does not come onto private property to locate. Carl Mohler, Jr. corrected the record saying, "It depends on what

they are locating. They will locate their own service; like the gas company will locate the gas line on the private property." Some Council members discussed Wendell Ewan having the chance to locate the wires in the rodeo arena. Steve Dahl asked what method Wendell uses to locate on private property. Kelly Smith and Crystal Turner replied he uses a standard metal detector; it is not more powerful than what anyone else has nor does he have records/maps of what is on private property.

Councilman Chancellor moved we accept the Consent Agenda. Councilman Townsend seconded the motion.
Motion Passed Unanimously.
Susan Swimley asked if Mr. Chancellor meant to include the two claims he originally pulled. He said yes.

PUBLIC HEARINGS
Public Hearing and Decision on a Resolution of the Three Forks City Council for the Purpose of Declaring Certain City Property as Surplus and Authorizing its Disposal
Mayor Gifford read the resolution into the record in its entirety noting it would be Resolution #308-2019 if approved.

Gene Townsend asked what "highest responsible bidder" means. Susan Swimley explained similarly to MCA's definition regarding a governing body accepting the "lowest responsible bidder", the governing body must vet out legitimate bids. "You don't have to accept a bid for a lawn mower from me saying I will pay $1,000,000 – that would be overpaying for such equipment. The governing body reviews and ensures each bid is legitimate prior to accepting one," Susan explained. Gene asked that all this equipment is "as-is and without guarantees"? Crystal Turner explained she has the publication ready to send to the newspapers and it does state "as-is and without guarantees".

Mayor Gifford said he would like to work with the Mason Moore Foundation on the 2013 Interceptors. He added, "Some of the really small communities in the State which are very rural and economically depressed. Deputies use their personal vehicles and slap on decal stickers on their cars showing they are law enforcement during their shift." Susan Swimley reminded the Mayor to keep in mind these vehicles have been well used. Dennis Nelson wondered if September 5, 2019, is enough time to get the advertising out and responsible bidders the time to view the equipment and make a bid. Crystal Turner said she believed it was enough time.

Councilman Townsend made a motion to accept Resolution #308-2019. Councilman Nelson seconded the motion.
Motion Passed Unanimously.

Public Hearing and Decision on a Resolution Amending the 2018-2019 Budget for Acknowledge Unanticipated revenues and Amend Expenditures Exceeding the Original Appropriations
Mayor Gifford read Resolution #309-2019 into the record in its entirety.

Gene Townsend asked about playground Bellach Park. Mayor Gifford explained the Three Forks Kiwanis chapter disbanded and donated the rest of their funds to the City to purchase park equipment at Bellach Park. Kelly Smith further explained the funds were received last year and the former Mayor price-checked with various vendors the equipment the Kiwanis had picked out. The equipment was ordered the end of May 2019, but not all the hardware nor assembly instructions have been received.

Councilman Nelson moved to approve Resolution #309-2019, a resolution of the Three Forks City Council providing the amendment of the fiscal year 2018-2019 budget to acknowledge unanticipated revenues and amend expenditures exceeding the original appropriations. Councilman Chancellor seconded the motion.
Motion Passed Unanimously.

Public Hearing and Decision on a Resolution Adopting the Preliminary Budget for Fiscal Year 2019-2020
Mayor Gifford read Resolution #310-2019 into the record in its entirety. Crystal Turner explained she printed three copies of the revenue and expenditure budgets: one copy with the Mayor, one in her Council packet file and one on the table for the Council to review. They were posted on the website in their entirety for public/council review as well.

Kelly Smith informed the Council and Mayor that every packet has a "Revenues Over (Under) Expenditures" and the "Revenues Compared with Expenditures" reports. She added the City has received our taxable value from the Department of Revenue and she expects we will get about $22,000 more this year than last year.

There was no public comment.

Gene Townsend questioned the Fire Relief Agency Fund – are we at the end of the sunset is that why it is budgeted at $0? Kelly Smith said we always budget to expense all we get to them, but it would sunset this year if utilized as the way it was "sold" to the public. However, the sunset language did not make it on the ballot the people voted for so technically the City could tax this perpetually. The last actuarial study showed we were almost fully funded. Kelly has budgeted for an actuarial study the upcoming fiscal year just in case our auditors requires one but she does feel, with the retiree deaths these past few years that the City is fully, if not over funded.

Mayor Gifford asked Kelly Smith to explain the rest of the budget highlights to all present. Kelly explained the Water Fund will expense more this year because we have been awarded a Treasure State Endowment Program (TSEP) grant (and most likely an RRGL grant and match) for Water Preliminary Engineering Report. She said, the Budget Committee has budgeted to purchase a new truck for Steve Johnston and a mini-excavator for the City rather than leasing one. We also have Geographic Information Systems (GIS) budgeted to have Great West Engineering train our staff on utilizing our existing program. Helton-Peterson Park has budgeted getting new playground equipment as well; it was budgeted last year but never ordered so we will order new equipment this year. Dennis Nelson added the budget includes a 3% raise to employees which the Budget Committee recommended. Gene Townsend asked what the health insurance increase is for this fiscal year. Kelly Smith replied it will increase 8% this year. She wrapped up her presentation on the budget highlights that any SID funds with remaining money will have that money moved to the Street CIP fund per the Budget Committee's recommendation.

Councilman Nelson made a motion we approve Resolution #310-2019, a resolution of the Three Forks City Council adopting the preliminary budget for fiscal year 2019-2020. Councilman Townsend seconded the motion. **Motion Passed Unanimously.**

REPORT OF OFFICERS

City Clerk Crystal Turner reported to the Council that the City has been awarded the TSEP planning grant in the amount of $15,000. Crystal also said many people around town may have already noticed the blue numbers written on the sidewalks around 3rd Avenue East. This is inventory of trip hazards. Once we receive the data from Precision Concrete, she will draft

letters to each property owner asking them if they wish to participate in removing those.

Crystal spoke directly to the Water & Sewer Committee next, saying she drafting a bulk water sales rate resolution based on their direction from the 7-23-2019 Committee meeting. She also drafted an ordinance change to address travel-trailer park rates. She will distribute both to the Committee members present tonight and email them to Teri Whitesitt.

Crystal reported she attended a one-hour webinar/demonstration regarding social media record retention. These records should be preserved the same as hardcopies in City Hall. There are companies which preserve records of the entire history: the original post, all edits and comments even if the comments have been removed. The quote is $199.00/month. Crystal will look into this with one other company which offers social media record retention. Susan Swimley echoed the importance for the City to keep these records somehow. The Council members did not state at the meeting whether or not they wished to move forward with this service.

Last, Crystal said she had been asked to scan and email a document to TD&H Engineering regarding the bleacher project. Because of the office furniture move last week she was not able to do this right away, but upon scanning it she realized Chuck Wambeke's signature was on the document and it should be a mayor signature of authorization. Dennis Nelson explained the project has moved to Phase 3 which details a structural engineer report and soils testing at the rodeo grounds. This is a $7,000 change order. Dennis reported TD&H accomplished the engineering a week ago and are ready to move forward with getting the finalized plans to Jackson Contracting. He did not realize it was a monetary change order. He hopes the Council will allow the Mayor to sign the change order and Crystal said we could publish the Council's approval for the Mayor to sign on the next consent agenda to. Dennis said, "I didn't realize it needed to be approved by the City Council, so I jumped the gun. We would like the Mayor to sign the change order so we can forward it to TD&H." Councilman Chancellor made a motion we proceed with the cost of the change and allow the mayor to sign it. Councilman Nelson seconded the motion. **Motion Passed Unanimously.**

City Treasurer Kelly Smith reported she has started to work on getting documentation to Craig Shepherd for the Annual Financial Report (AFR) and Crystal has started to work on getting documents to the auditors as well.

Sgt. McDonough did not have a report.
City Attorney Susan Swimley did not have a report.

REPORTS OF COUNCIL COMMITTEES
No Council Committees to report.

UNFINISHED BUSINESS
There was no unfinished business.

NEW BUSINESS
Southern Broadwater Co. Emergency Services Building Project
Mike Koehnke distributed a map of the southern end of Broadwater County, and a proposal for an emergency services building. "This area is growing really fast. About two years ago I made a proposal for an emergency services facility on this end of Broadwater County," Mike said. "It is a long-term plan and may even become a Red Cross shelter." He spoke of possible funding sources and the initial concept.

Mayor Gifford asked if any taxes from the Targeted Economic Development District (TEDD) would go towards supporting the emergency services building. Mr. Koehnke was unsure how that will play out at this time. Mayor Gifford explained a few property owners are proposing a TEDD near I-90 and Hwy 287 which is roughly 600 acres. His concern is the reduced taxes collected would put a strain on school, fire, emergency, any value increase that grows after the TEDD money that would instead go to their request for a sewer district. Mayor Gifford stated he has concern with our emergency (volunteers) services going out there. He is also concerned about properties contribution to the school district within the TEDD.

Mr. Koehnke said Sheriff Meehan would be designing his facility, rural trustees would design their facility, and ambulance design their facility - but all could be in one building which would save in overall construction costs. "What we did in Townsend, was use MSU graduate students to design an ambulance facility," Mike said. Dennis Nelson asked what the project timeline would be. Mike said he was unsure at this point. Susan Swimley asked if the Rural Fire board has met yet to discuss this and discuss what this joint facility will do with our (the city's) relationship. Mike said this would be a new district with a separate board of trustees.

Gene Townsend asked if Broadwater County has talked to the developers who promised money or land. Mike said yes, but some former developers in Broadwater County have gone into bankruptcy or changed ownership, and our county allowed land to continue to be taxed as agriculture until the lot(s) were developed. Susan Swimley said this was due to the Supreme Court case Heidecker vs. the State of Montana. Mike said the Rural Fire District has a piece of property in Wheatland Meadows.

Gene continued the Rural Board also discussed being "in the hole" about $750 for any Homeowner Association (HOA) fees and really we would like to dump that land. Gene said the conversation that keeps coming up at the Rural Board is, "With a huge district covering both counties (and almost to Norris on the Madison Road) to say to the property owners in Gallatin County that we [the Rural Board] are going to build a facility in Broadwater County would be difficult to justify. We get about $12,000 out of Broadwater County and $140,000 out of Gallatin County? Why build a substation six miles away from Three Forks? Where is the ideal place to have a substation? Most of the volunteers are coming from the city limits. These are the things the Board will have to talk about. It doesn't look like a good investment to some of the taxpayers within our district." Gene addressed a history of previous developers all promising to promote an emergency service facility which never formed. Susan Swimley commented on the difficulty this may create for our (City) services. "We share everything from buildings, equipment, and manpower," she said.

Ordinance/Code Compliance shelved to the next meeting.
This item has been continued to the 8/27/2019 City Council meeting.

PUBLIC COMMENTS/CONCERNS (For items not on the agenda)
Chuck Wambeke updated the Council on the 2019 NRA Rodeo. There were no major incidents and they implemented security for the first time and performed bag checks and things like that. "We received a little bit of pushback but not too bad and went ok. Attendance was 1,948 on Friday, doesn't count kids we let in for free. Attendance on Saturday 2,660 – another record for a Saturday night," Chuck reported. The revenues were about the same as last year.

MAYOR & COUNCIL ANNOUNCEMENTS

Mayor Gifford shared concerns with the development out there (meaning Broadwater County). "The more is built out there the more it will put a strain on our own emergency services."

Gene Townsend commented that it is time Broadwater County stepped up to the plate and spend some of its own money. When we get some folks from their government, their Commissioners, who say "We'll step up to the plate then our Rural Board will probably stand behind it too."

Mayor Gifford agreed and said it sounds like a lot of promises, and at the end Three Forks will get stuck holding the bag.

AGENDA ITEMS FOR THE NEXT COUNCIL MEETING: 8/13/2019

- Presentation by Prospera
- Resolution Adding Bulk Water Sales Rate to the Fee Schedule
- First Reading of an Ordinance Adopting Travel-Trailer Park Rates to #9-4
- Code Compliance Officer position

ADJOURNMENT

Councilman Nelson moved to adjourn. Councilwoman Mickelberry seconded the motion. There was no public comment.

Motion Passed Unanimously. (8:13 P.M.)

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Sean Gifford, Mayor Crystal Turner, City Clerk