

MINUTES OF A REGULAR MEETING OF  
THE CITY COUNCIL OF THE CITY OF  
CONRAD, COUNTY OF PONDERA, STATE  
OF MONTANA, HELD AT CONRAD CITY HALL  
ON FEBRUARY 7, 2023

The City Council of the City of Conrad, County of Pondera, State of Montana, met in regular session at the Conrad City Hall on February 7, 2023, at 6:00 p.m.

Present: Mayor Miller, Aldermen Cates, Breeding, Hunsucker, and Schoenrock; PWD Zimbelman, and Finance Officer Ritter. City Attorney Jones present by phone.

Absent with permission: Police Chief Padilla

Guests present: Maria Cates, Debbie Kersten, Keith Thaut, Diana Agre, Jacob Konen, and Bobbie Shular present by phone.

The meeting was called to order by Mayor Miller at 6:00 p.m.

Agenda change: The Police Department Report by the Chief of Police will present his January 2023 monthly report on the February 21, 2023, meeting.

Motion by Alderman Hunsucker, second by Alderman Cates to approve the minutes from the January 17, 2023, regular meeting, as presented.

Motion Carried Unanimously

Claims #26956 & #26976 through #27032 (refer to the claims register).

Motion by Alderman Breeding, second by Alderman Schoenrock to approve claims as presented.

Motion Carried Unanimously

Water contracts: None

Correspondence: None

Public Comment: A citizen brought a bill issue before Council, requesting a late-fee be re-assessed. The late fee was assessed as the payment arrived late from the customer's bank. The bank batched the city utility bills and submitted the payments late. The City, and Council agreed the bank is at fault, thus the City will not refund the late fee. Suggestions on managing this in the future were recommended to the citizen. Additionally, the City agreed some communications (website, Facebook, etc.) to the public would be helpful as this could be an issue for anyone who uses their bank to pay the City bill.

Refer to City Ordinance 376.

An inquiry was made if the dog park is still a possibility.

Public Works Department Report: Public Works Director (PWD) Zimbelman presented there has been an increase of leaks this winter, some of which is the City's property and being private services. The streets have been sanded as needed, there will be lots of clean up in the

fall. There have been some storm drains that have frozen up. This is a consistent problem in the winter when it thaws and freezes, these are cleared when time allows. PWD Zimbelman attended the bid meeting for the East Side Lift Station. PWD Zimbelman attended the annual Canal meeting February 6, 2023, water shares are up \$1.00 from last year at \$33.00 per share. The quarterly safety committee meeting was completed, these meetings are a requirement from the Department of Labor and Industry. The annual Tri-City Interlocal meeting/dinner was held in Cut Bank on January 20, 2023. PWD Zimbelman has been working with Chief Padilla on different situations. PWD Zimbelman has been working with Finance Officer Ritter on utility rates and a new job description for building inspector.

Finance Office Report: Finance Officer Ritter presented analytics from the on-line payment portal. There are 19 accounts set up with autopay and 122 users set up for one-line payments. The total amount collected from December 22, 2022, through February 6, 2023 is \$16,416.04 with \$2,282.45 of that amount being over the phone (IVR) payments. The website has been viewed over 2,700 times to date. The office staff has been working on reviewing the City policy manual. Finance Officer Ritter expressed to the departments to be a little more careful in purchasing supplies and pay attention to costs. Finance Officer Ritter has continued to work with a consultant on closing entries and will then be working on the Annual Financial Report (AFR) for both the City and Tri-City Interlocal, an extension of these reports was given by Local Government Services (LGS) to February 14, 2023.

Blue Sky Villa (BSV) submitted a revised surplus letter on February 2, 2023. At the January 17, 2022 Council meeting, a request was made by Council for BSV to use a different letter format and without reducing capital improvements from the surplus balance. There has been communication back and forth with BSV requesting the letter be amended as above although the City has not received one to date. City Attorney Jones reviewed in the meeting the lease agreement provision that addresses the surplus reserve and advised Council to either decide not to accept the capital improvements, which would activate the distribution of excess surplus funds, or to accept the capital improvements as noted in the letter. City Attorney Jones can provide a letter requesting BSV to consider revising the surplus fund letter per format the City is requesting. The letter will be directed to Horizon Lodge Garden Apartments, Inc (HLGA) and each of the BSV Board Members.

Motion by Alderman Breeding, second by Alderman Schoenrock to table the discussion/action on the BSV Reserve Surplus Funds Letter pending a letter from City Attorney Jones to HLGA, BSV and Board Members.

Motion Carried Unanimously

Triple Tree Engineering submitted a 2<sup>nd</sup> Street Lift Station Rehabilitation Bid Recommendation. Bids were opened and read aloud at 3:00 pm, February 2, 2023, at City Hall. One contractor (Mike Coleman Construction) submitted a bid for the project, acknowledging both addendums and including a 10% bid bond as required in the contract documents. The only qualified bidder submitted a bid price of \$529,667 and the bid was not itemized. The bidder's base price is 34% higher than the engineer's opinion of probable construction cost. Triple Tree Engineering has not worked with Mike Coleman Construction in the past. According to Triple Tree, two references provided by the contractor were contacted and both were positive; however, the projects were not like this project. The

contractor has lift station experience, but those references could not be reached. The City has the option of awarding the base bid or not awarding the project. In Mayor Miller's opinion, the project bid was too high and the bid did not show costs itemized and might be better to re-bid the project.

Motion by Alderman Hunsucker, second by Alderman Cates to re-bid the Lift Station project.

Motion Carried Unanimously

The Accident Committee met on February 1, 2023. Corrective and preventative action has been implemented. No additional corrective action or policy changes were recommended by the committee.

Motion by Alderman Hunsucker, second by Alderman Cates to approve the Accident Committee recommendation with no additional corrective action or policy changes.

Motion Carried Unanimously

Discussion: Water/Sewer/Garbage rate increases were discussed with a Power Point presentation to sum up the increases, along with Bobbie Shular from Montana Rural Water calling in to assist with questions and explanations. Bobbie Shular referred to Montana Code Annotated codes §69-7-101, §7-13-4304, and §7-13-4308. Ms. Shular also made recommendations for discussion to include Cost of Living increases and/or inflation increases, between 3%-4% annually. The calculations presented by Bobbie Shular help to determine the minimum charges needed to service debt payments and to sustain operations and maintenance of the system. The increased rates are the calculations to sustain and operate the current system but also are needed for when the City applies for a financial package from lending agencies; the closer the community is to the target rate the better it is for the City. The increased rates will help the City to receive a higher score with agencies and the higher the probability to receive requested money for projects. Further discussion and review of the information will continue.

A sidewalk ordinance (Ordinances §8-1 Streets and Sidewalks and §8-2-6 Immediate Repair) violation is noted for Council for Durnell, LLC (TNT Tavern). Mr. Durnell declined attending the meeting tonight, but gave his rationale to Mayor Miller who read the text message to Council. Mayor Miller read the ordinances referenced above; the decision falls on judgement of Council. If Council moves forward to require the owner to immediately repair the sidewalk a motion needs to be passed for immediate repair. If met by refusal, and the City makes the repairs and the owner will be billed for repairs or a lien could be posed on the building, foreclosure on the building, final suit for collection or is turned over to the County for taxes. The City Attorney provided clarifications to Council on the process and explained a letter would be issued if Council opts to require this sidewalk section be fixed. A Public Service Announcement about the ordinances to fix city sidewalks should be posted; other commercial business' sidewalks will be evaluated for repair.

Motion by Alderman Breeding, second by Alderman Schoenrock pursuant to Title 8, Chapter 1 and Chapter 2, (Ordinances §8-1 Streets and Sidewalks and §8-2-6 Immediate Repair) the sidewalk will be required to be repaired

by the owner by June 1, 2023, or the city will proceed according to the ordinance to repair at the owner's expense.

Motion Carried Unanimously

Brad Koon found a State Department of Transportation grant that is a potential option for the City. This grant would enable the City to partake without having to match funds. Discussion will be had on the potential projects that could be done with this grant.

The Genevieve Rieken Anderson balance available for distribution for 2022 is \$40,057.28 and the City receives a distribution of 25% of shares generated which was \$10,014.32. Three [3] requests have been made for funds: Splash Park, Park and Rec, Inc (ballfield lights) and the Pathways Committee. The Pathways Committee request the fund for additional projects to the pathway such as more exercise equipment, pull up bars and a pergola over a memorial bench and water. The Pathway Committee wants to work with Port Authority for additional funding but the funding often requires matching funds. They would someday like a path to the Christian school. The Splash Park has received Genevieve Rieken funds for the last three [3] years. Council will equally divide the funds between Park and Rec Inc. and the Pathways Committee for a disbursement of \$5,007.16 per entity. David Cates recused himself from the vote.

Motion by Alderman Hunsucker, second by Alderman Breeding, to approve a 50/50 split between Park and Rec Inc. and the Pathways Committee.

Ayes: 3  
Nayes: 0  
Recused: 1

Motion Carried

A draft version of the Water/Wastewater Operator II/Building Inspector job description was presented by Mayor Miller. The job description needs to be refined with assurance from City Attorney Jones that all requirements are met. A procedure including MCA requirements and City Codes is also planned. Enforcement authority under Title 4 permits the building inspector the authority to preside over and give citations.

Motion by Alderman Hunsucker, second by Alderman Breeding, to approve the Water/Wastewater Operator II/Building Inspector job description with amendments as necessary from City Attorney Jones.

Motion Carried Unanimously

Other business: None

Items to appear on next agenda: BSV Reserve Fund Surplus Letter, Building Inspector stipend, bid out for engineers).

There being no further business to come before the Council, motion by Alderman Schoenrock, second by Alderman Breeding to adjourn the meeting at 9:37 p.m.

Motion Carried Unanimously



Mayor Jamie Miller

Attest:

Nathan He

\*Finance Officer

\* Council President in lieu of