

REGULAR COUNCIL MEETING ----- FEBRUARY 18, 2020

The Regular Council Meeting was called to order at 5:30 p.m. by Mayor Erickson. The following Council members were present: Carr, Heitman, Nistler, and Young. Council members Karst and Ozark were absent. Those also present were City Clerk Fuhrman, Captain Edwards, Street Foreman Runnigen and Beki Brandborg of Echo Enterprises.

Mayor Erickson led the Pledge of Allegiance.

Public Comment on any agenda item: NONE

Council member Carr made a motion approving the consent agenda including, the payment of claims for February 18, 2020 in the amount of \$480,355.63, the Valley Court Apartment claims in the amount of \$1,132.26, and the minutes of the February 3, 2020 Regular Council Meeting. The motion was seconded by Council member Young, and carried unanimously.

Beki Brandborg of Echo Enterprises from Helena, Montana was in attendance to express interest in the purchase of Valley Court Apartments. She is an affordable housing developer that specializes in USDA/Rural Development projects. Brandborg and her partner purchase properties with the intention of continuing Rural Development status, keeping the current tenants, and maintaining the subsidy into perpetuity. She provided examples of projects completed within her five years of experience that include affordable rental properties in Hamilton, Wolf Point, and Culbertson, Montana. All renovations are completed with two aspects in mind: handicap accessibility and improving energy efficiency by updating doors, windows, insulation, and heating systems. They seek supplemental funding through the Low Income Housing Tax Credit program and a loan from the Board of Housing to complete the renovations. Brandborg further explained the purchase process as a Rural Development transfer and assumption application that takes over a year to complete. Mayor Erickson inquired that if the City moved to sell, all testing and evaluation would be at no cost to the City to which Brandborg confirmed. Mayor Erickson also clarified that the City would continue collecting rent until the transfer of ownership is completed. There was continued discussion on another buyer being interested in purchasing Valley Court Apartments, but intended to transition assistance from the Rural Development program to Section 8 Housing. There was concern about the current tenants being displaced if the property underwent a status change. Mayor Erickson noted that if the sale was to go through to Brandborg, she would assume the remaining balance of the loan. Council member Nistler motioned for approval to sell Valley Court Apartments to Brandborg. The motion was seconded by Council member Carr and carried unanimously.

Sarah Stanger from Anderson Zurmuehlen gave the fiscal year 2018-2019 audit report via conference call. She talked about the auditor's findings listed on page 85 and following in the audit report. She discussed that the five findings noted are all repeats and the issues may be unavoidable due to staffing size and other factors related to being a small local government. Included in the findings were: 1) proper segregation of duties, 2) Fire Relief Association actuarial valuation that was not completed, 3) cash overdrafts in the grant funds, 4) not contributing monthly to the Valley Court Apartments reserve account, and 5) maintaining excess cash in the sewer utility fund. Council member Young made a motion approving the fiscal year end June 2019 audit. The motion was seconded by Council member Carr, and carried unanimously.

Unfinished Business:

- Levee Safety Committee Report – Mayor Erickson noted there was a meeting with Interstate Engineering including John Lamb and John Bach to familiarize all with the flood study.
- Update on GNDC noncompetitive grant – NONE

Mayor Erickson reported that the Montana Department of Revenue's Alcoholic Beverage Control Division held trainings for bar owners and licensees as well as for elected officials. Council members Heitman, Karst, and Young attended. The mayor also noted that the clerks are looking into what other towns are doing for benefits and the percentage paid by the city for said benefits. There will be a meeting on February 25, 2020 at the Cottonwood Inn to discuss the Keystone XL with TC Energy's Tayla Snapp. There will be a Downtown Association meeting on February 25, 2020. There will be a County Commissioner's meeting on Wednesday at 10:00 a.m.

Committee Reports: There were no reports for Personnel, Water, Cemetery, or Fire. Captain Edwards noted that they reviewed grant priorities with Kathy Granger.

Department Head Reports:

City Clerk Fuhrman reported that the MMIA Employee Benefits Program announced a rate adjustment between 5-7% for the 2020-2021 coverage year. The anticipated adjustment would increase insurance premiums to over \$800 per participating employee. Mayor Erickson requested the Insurance Committee meet in the next month

or two. It was noted that notification for withdrawal from MMIA insurance is required by March 1, 2020. Additionally, a Wage Compensation Committee meeting will be held February 24, 2020 at 5:00 p.m.

Street Foreman Runningen reported that they are working on cleaning up ice and added that there have been complaints with curb lines that are full. The Street Department has been working on getting the steamer going for the Water Department. Street Foreman Runningen noted that there have been no water breaks.

Captain Edwards reported on the various trainings the Police Department had participated in recently, including sexual assault and alcohol topics. Also noted was the amount of overtime accumulated due to short staff and trainings. They have been able to cover overtime expenses with DUI Task Force and Vision Zero funds. Call volume has maintained. The staff has been discussing goals for the department. Regarding the ongoing hiring process, Captain Edwards said an offer had been made but the background check failed. There are three qualified applicants that will interview March 4, 2020. Captain Edwards requested more Police Commission attendance at interviews and noted that Council member Young had attended the previous round of interviews. Captain Edwards attended interviews for the Sheriff's Department and could potentially recruit from those candidates. He also expressed the need for council support on new processes.

Public Comment: NONE

Council member Carr made a motion to adjourn the meeting. The motion was seconded by Council member Young, the meeting adjourned at 6:18 p.m.

ATTEST:

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Rikki Fuhrman  
City Clerk – Treasurer

Rebecca Erickson  
Mayor