

Minutes of Public Hearing of the Budget and Regular Council Meeting
Valier Town Council Valier Civic Center
August 13, 2018

Mayor Glenn Wunderlich presided.

Council members present: Raymon Bukoveckas, David Widhalm, Norma Bukoveckas and Steve Nelson.

Town Staff present: McKenzie Graye, Deputy Clerk/Treasurer.

Mayor Wunderlich brought the Public Hearing for the FY 2019 Budget to order at 6:30 PM

Mayor Wunderlich called for any questions or comments on the Budget. None heard.

Alderman Widhalm moved to close the public hearing. Alderman Nelson seconded. Mayor Wunderlich called for the vote. Motion passed unanimously. The hearing was adjourned as scheduled at 7:00 PM

Mayor Wunderlich called the regular council meeting to order at 7:00 PM

Council members present: Raymon Bukoveckas, David Widhalm, Norma Bukoveckas and Steve Nelson.

Town Staff present: McKenzie Graye, Deputy Clerk/Treasurer.

1. Mayor Wunderlich led the Pledge of Allegiance.
2. Mayor Wunderlich called for any corrections or additions to the July 11, 2018 regular council meeting minutes. None heard. Mayor Wunderlich called for a motion to approve the July 11, 2018 regular council meeting minutes. Alderman Nelson moved to approve and Alderwoman N. Bukoveckas seconded. Mayor Wunderlich called for a vote on the motion. Motion carried unanimously. Then Dan Hendrick stood and objected to the statement in the minutes that he did not present proof that Jim McCaughin operates a business from his home. Mayor Wunderlich called for order. No action was taken.
3. Public Comment.
Ross Drishinski introduced himself and spoke about law enforcement issues. Drishinski is running for Sheriff in the upcoming election.

Dan Hendrick, 903 Minnesota, Valier complained about his neighbor, Jim McCaughin, allegedly operating a business out of his home at 832 Minnesota Avenue. He also complained about McCaughin's grandchildren playing around the equipment and his washing of equipment outside.

4. Ordinance #184 Chapter 9, Financial Provisions; 1-9-1 Bids for Contracts.
First Reading of the Ordinance.

**ORDINANCE #184
CHAPTER 9
FINANCIAL PROVISIONS**

1-9-1: BIDS FOR CONTRACTS:

Competitive, advertised bidding is required for certain purchase and construction contracts.

- A. A contract for the purchase of any automobile, truck, other vehicle, road machinery, other machinery, apparatus, appliances, equipment, materials or supplies for construction, repair or maintenance shall comply with Montana Code Annotated 7-5-4302 and 7-5-4305, except as provided in MCA 7-5-4303, 7-5-4310 or Title 18 Chapter 2, Part 5.

5. Resolution #165 A Resolution for Adopting a Budget for the Town of Valier FY Ending June 30, 2019.

WHEREAS, pursuant to Montana Code Annotated 7-6-4024, the Town Council of the Town of Valier, Montana has held public hearings on the proposed budget of the Town of Valier fiscal year ending June 30, 2019 as required by law; and

WHEREAS, pursuant to Municipal Budget Law contained in Title 7, Chapter 6, Part 40 of the Montana Code Annotated, the Town Council of said Town of Valier has held hearings and passed resolutions as applicable under the above sections.

NOW THEREFORE BE IT RESOLVED by this Town Council that the Budget be approved and that checks/warrants be issued in accordance with laws pertaining thereto.

IT IS HEREBY MOVED, SECONDED AND CARRIED by the Town Council that the resolution set forth above be adopted for fiscal year ending June 30, 2019, (Attachment A); and

WHEREAS, the above resolution adopting the budget was passed by the Town Council; and

WHEREAS, the Municipal Budget Law contained in Title 7, Chapter 6, Part 40 of the Montana Code Annotated, provides for the fixing of various tax levies to raise funds sufficient to meet said expenditures authorized in the budget; and

WHEREAS, the Montana Department of Revenue is required to certify to the Town Council the value of a mill in the Town; and

WHEREAS, the Montana Department of Revenue has provided the Town Council with a certified value of a mill in the Town; and

WHEREAS, with the certified millage for the Town, it is possible to establish the precise number of mills which must be levied to fund the final Town Budget; and

WHEREAS, the value of a mill Town-wide is \$684.75; and

WHEREAS, money, other than payments from agency funds, may not be drawn from the treasury of the Town and an obligation for the expenditure of money may not be incurred, except pursuant to an appropriation.

NOW THEREFORE BE IT RESOLVED that the final Town budget as set out in the attachments be hereby adopted as the final budget subject to conditions set forth below.

FURTHER BE IT RESOLVED by this Town Council that the levies as detailed below be fixed and adopted for the fiscal year ending June 30, 2019, based on the value of a mill of \$684.75 town-wide.

BE IT FURTHER RESOLVED that the Town Council hereby delegates appropriation authority to the Mayor of the Town of Valier for expenditure of funds from any or all of the following:

- (a) debt service funds;
- (b) enterprise funds;
- (c) internal services funds;
- (d) trust funds;
- (e) federal, state, and private grants accepted and approved by the governing body;
- (f) special assessments; and
- (g) donations

Alderman Nelson moved to approve Resolution #165. Alderman Widhalm seconded. After discussion, Mayor Wunderlich called for the vote. Motion passed unanimously.

6. Resolution #166 Resolution of Intent to Raise Water Rates for the Users of the Municipal Water System.

WHEREAS, under Section 69-7-101, Montana Code Annotated, the Town has the power and authority to regulate, establish, and change as it considers proper, rates,

charges, and classifications imposed for utility services to its inhabitants and other persons served by the municipal water system. Rates, charges, and classifications must be reasonable and just; and

WHEREAS, based on an audit review of the municipal water system, the Town does not meet the net revenue requirement for bonds previously issued and to cover all operating expenses; and

WHEREAS, the water rates have not been increased since 2010 to keep up with the increasing operating expenses; and

WHEREAS, it will be necessary for the Town to collect sufficient revenues to repay the Bonds and to pay the costs associated with the operation and maintenance of the Town's Water System (the "System");

NOW, THEREFORE, BE IT RESOLVED BY the Town Council of Valier as follows:

Section 1. Current Rates: The current monthly rate is \$27.95 per one Equivalent Dwelling Unit ("EDU").

Section 2. Equivalent Dwelling Units: The Town previously adopted the equivalent dwelling unit methodology for imposing rates and charges, which is based on the size of the line servicing each connection. A ¾ inch service, which is the standard service for single family residential users, is 1 EDU. The following table shows the number of EDUs for each size of service:

<u>Diameter</u>	<u>No. of Hookups</u>	<u>EUDs per Hookup</u>	<u>Total EDUs</u>
¾"	314	1.00	314.00
1"	4	1.79	7.16
1 ½"	2	4.00	8.00
2"	3	7.14	21.42
TOTAL	320		350.58

Section 3. Rate Increase for 2018-2019

For the year 2018-2019 the Town intends to charge users of the System a monthly base rate connection charge of \$30.25 per EDU, effective as of November 1, 2018 (the "Monthly Charge"). The proposed new Monthly Charge for the use and availability of the System, based on the figures in the table above, is as follows:

<u>Diameter</u>	<u>Cost per EDU</u>	<u>Multiplier</u>	<u>Monthly Charge</u>
¾"	30.25	1.00	30.25
1	30.25	1.79	54.15
1 ½"	30.25	4.00	121.00
2"	30.25	7.14	215.98

This represents an increase of approximately 8.3% over the current rate for a single-family residential dwelling with a ¾" line.

Section 4. Rate Increase for the Year 2019-2020

For the year 2019-2020 the Town intends to charge users of the System a monthly base rate connection charge of \$32.10 per EDU, effective as of November 1, 2019. The proposed new Monthly Charge for the use and availability of the System, based on the figures in the table above, is as follows:

<u>Diameter</u>	<u>Cost per EDU</u>	<u>Multiplier</u>	<u>Monthly Charge</u>
¾"	32.10	1.00	32.10
1	32.10	1.79	57.45
1 ½"	32.10	4.00	128.40
2"	32.10	7.14	229.19

This represents an increase of approximately 6.3% over the proposed rate for 2018-19 for a single-family residential dwelling with a ¾" line.

Section 5. Rate Increase for the Year 2020-2021

For the year 2020-2021 the Town intends to charge users of the System a monthly base rate connection charge of \$33.95 per EDU, effective as of November 1, 2020. Each user of the System is charged a monthly base rate connection charge to pay the costs of operation and maintenance of the System and debt service on the Bonds and establish appropriate reserves. The proposed new Monthly Charge for the use and availability of the System, based on the figures in the table above, is as follows:

<u>Diameter</u>	<u>Cost per EDU</u>	<u>Multiplier</u>	<u>Monthly Charge</u>
¾"	33.95	1.00	33.95
1	33.95	1.79	60.77
1 ½"	33.95	4.00	135.80
2"	33.95	7.14	242.70

This represents an increase of approximately 5.8% over the proposed rate for 2019-2020 for a single-family residential dwelling with a ¾" line.

Section 6. Usage Charge: The current charge of \$1.99 per one thousand gallons of water usage will not change.

Section 7. Public Hearing: A public hearing on the rate increases for the System shall be held on September 19, 2018, commencing at 7:00 PM at the Civic Center, 514 Montana Street, Valier, Montana.

Section 8. Notice: The Town Clerk/Treasurer is hereby authorized to publish or cause to be published a copy of a notice of the passage of Resolution #166 in the Valerian newspaper on August 23, 2018; September 6, 2018 and September 13, 2018 by law and to mail or cause to be mailed a copy of said notice to all persons who own property in the Town and to all customers of the Town at least seven (7) days and not more than thirty (30) days prior to the Public Hearing. The mailed notice must contain an estimate of the amount that the property owner or customer will be charged under the proposed rate increase.

Section 9. Effective Date of Resolution: This resolution shall be immediately filed with the Town Clerk/Treasurer and shall become effective upon passage.

Alderman R. Bukoveckas moved to approve Resolution #166. Alderman Widhalm seconded. After full discussion, the Mayor called for a vote. Motion passed unanimously.

7. Approval of grant writer/administrator. Mayor Wunderlich presented the packets received from the Request for Qualifications for Grant Writer/Administrator. Alderman Nelson moved to approved Lori Benner and Nittany Grantworks as the Town's grant writer/administrator. Alderwoman N. Bukoveckas seconded. Mayor Wunderlich called for discussion. Mayor Wunderlich called for a vote. Motion passed unanimously.
8. Appointment of Official Representative to the Port Authority Board. Mayor Wunderlich announced the appointment of Alderman Steve Nelson as Valier's official representative to the Port Authority Board.
9. Public Works Report.

These are the highlights for the Public Works Department for the month of July 2018. The Town pumped 5,804,100 gallons of water for the month for an average of 76,116 gallons per day. Bulk water sold 108,160 gallons for the month. The water sample was good for the month. The water levels in the wells are about average for this time of year. The wastewater treatment facility sample results for the month were good. Mayor Wunderlich asked if there were any questions on the Public Works Report. None Heard.
10. Law Enforcement Report. No one was available for a law enforcement report.
11. Consent Items.

There were no requests for permission to build to approve. There were no requests for business license. Alderman Ray Bukoveckas moved to approve the regular business claims. Alderman Widhalm seconded. After discussion, Mayor Wunderlich called for a vote. Motion passed unanimously.
12. Announcements. The next regular council meeting will be held on Monday, September 10, 2018 at the Valier Civic Center. A Public Hearing for the water rate raise will be held at 7:00 PM on Wednesday, September 19, 2018 in the Valier Civic Center.
13. Alderman R. Bukoveckas moved to adjourn the meeting. Alderman Widhalm seconded. Motion passed unanimously and Mayor Wunderlich adjourned the meeting at 8:25 PM.