

MINUTES OF THE CITY COUNCIL OF LAUREL

April 2, 2002

A regular meeting of the City Council of the City of Laurel, Montana, was held in the Council Chambers and called to order by Mayor Bud Johnson at 7:10 p.m. on April 2, 2002.

COUNCIL MEMBERS PRESENT: Lauren Van Roekel Doug Poehls
 Ken Olson Mark Mace
 Gay Easton Daniel Dart
 Dan Mears John Oakes

COUNCIL MEMBERS ABSENT: None

Mayor Johnson asked the council to observe a moment of silence.

Mayor Johnson led the Pledge of Allegiance to the American flag.

MINUTES:

Motion by Alderman Olson to approve the minutes of the regular meeting of March 19, 2002, as presented, seconded by Alderman Dart. Motion carried 8-0.

CORRESPONDENCE:

- a. Beartooth RC&D: Information regarding its regional Comprehensive Economic Development Strategy meeting on March 26, 2002.
- b. *Newsline* – Montana Department of Transportation Planning Division, March 2002.

PUBLIC HEARINGS:

- a. **Ordinance No. O02-15: Ordinance amending Chapter 3.04 of the Laurel Municipal Code relating to annual financial statement.**

Mayor Johnson opened the public hearing.

Mayor Johnson asked three times if there were any comments. There were none.

Mayor Johnson closed the public hearing.

- b. **Ordinance No. O02-16: Ordinance amending Chapter 3.08 of the Laurel Municipal Code relating to awarding contracts.**

Mayor Johnson opened the public hearing.

Mayor Johnson asked three times if there were any comments. There were none.

Mayor Johnson closed the public hearing.

- c. **Ordinance No. O02-17: Ordinance amending Chapter 5.12 of the Laurel Municipal Code relating to beer wholesaler fee.**

Mayor Johnson opened the public hearing.

Mayor Johnson asked three times if there were any comments. There were none.

Mayor Johnson closed the public hearing.

- d. **Ordinance No. O02-18: Ordinance amending Chapter 5.16 of the Laurel Municipal Code relating to gambling licenses.**

Mayor Johnson opened the public hearing.

Mayor Johnson asked three times if there were any comments. There were none.

Mayor Johnson closed the public hearing.

- e. **Ordinance No. O02-19: Ordinance amending Chapter 5.20 of the Laurel Municipal Code relating to amusement license fees.**

Mayor Johnson opened the public hearing.

Mayor Johnson asked three times if there were any comments. There were none.

Mayor Johnson closed the public hearing.

- f. **Ordinance No. O02-20: Ordinance amending Chapter 5.40 of the Laurel Municipal Code relating to taxicab license procedure.**

Mayor Johnson opened the public hearing.

Mayor Johnson asked three times if there were any comments. There were none.

Mayor Johnson closed the public hearing.

- g. **Ordinance No. O02-21: Ordinance amending Chapter 5.44 of the Laurel Municipal Code relating to license fee for transient merchant.**

Mayor Johnson opened the public hearing.

Mayor Johnson asked three times if there were any comments. There were none.

Mayor Johnson closed the public hearing.

CONSENT ITEMS:

- a. **Claims for the month of March 2002 in the amount of \$111,105.19.**

A complete listing of the claims and their amounts is on file in the Clerk-Treasurer's Office.

- b. **Receiving the Committee Reports into the Record.**

--Budget/Finance Committee minutes of March 4, 2002 were presented.

--Budget/Finance Committee minutes of March 13, 2002 were presented.

--City Council Committee of the Whole minutes of March 19, 2002 were presented.

--Emergency Services Committee minutes of March 25, 2002 were presented.

- c. **Resolutions.**

- 1) Resolution No. R02-21: Authorizing the Mayor to sign an agreement with Valley Welders Supply, Inc.

RESOLUTION NO. R02-21

AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT WITH VALLEY WELDERS SUPPLY, INC.

- 2) Resolution No. R02-22: Authorizing the Mayor to sign the supplemental agreement with Montana Rail Link Lease No. 500572.

RESOLUTION NO. R02-22

AUTHORIZING THE MAYOR TO SIGN THE SUPPLEMENTAL AGREEMENT WITH MONTANA RAIL LINK LEASE NO. 500572.

- 3) Resolution No. R02-24: Authorizing the Mayor to sign an agreement with Larsen & Associates.

RESOLUTION NO. R02-24

AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT WITH LARSEN & ASSOCIATES.

The mayor asked if there was any separation of consent items. Alderman Olson separated item 6.c.2) out of the consent agenda. This item was placed under Items Removed From the Consent Agenda.

Motion by Alderman Easton to approve the remaining consent items as presented, seconded by Alderman Van Roekel. Motion carried 8-0.

COMMUNITY ANNOUNCEMENTS (ONE-MINUTE LIMIT):

None.

CEREMONIAL CALENDAR:

Mayor Johnson presented plaques to Blaine Grossman and Miles Walton for their service on the Laurel Volunteer Fire Department. Blaine Grossman is retiring after 20 years of service as a fireman for the Laurel Volunteer Fire Department. After 26 years as a fireman, Miles Walton is retiring from the department. In addition, Miles served on the Laurel City Council and on committees during those years. Mayor Johnson congratulated them and thanked them for their service to the City of Laurel.

SCHEDULED MATTERS:

a. Confirmation of Appointments.

Mayor Johnson announced that an updated committee list had been completed, and the list was distributed to the council. Some additional appointments or reappointments will be made in June.

Public Works Committee:

Mayor Johnson appointed Dave Siljestrom to the Public Works Committee. Mr. Siljestrom presented comments at the public hearing regarding the lighting district and served on the review panel for that issue.

Motion by Alderman Van Roekel to approve the appointment of Dave Siljestrom to the Public Works Committee, seconded by Alderman Mears. Motion carried 8-0.

b. Joel Wagner – Wagner Financial Services: Administration of the City of Laurel’s IRS Section 125 Plan.

Joel Wagner presented a brief explanation of the Section 125 Plan, or Flex Plan, that Wagner Financial Services administers for the City of Laurel since 1985. Wagner Financial Services is a third-party administrator that specializes in Section 125 Flex Plans, 401K Plans, and employee benefits throughout Montana and Wyoming.

The Flex Plan was created by the IRS, and the final regulations came out in January 2002. Section 125 began in 1979 and has been modified through the years. The Flex Plan was developed by the IRS to do the following: 1) let the employee have premiums for health insurance deducted from his/her paycheck before taxes; 2) pay for childcare costs tax free; 3) to withhold money from the paycheck before taxes are computed to cover unreimbursed medical expenses.

Vance Holbrook meets with the City of Laurel’s employees each year to determine the yearly amount each employees wants withheld before taxes are computed. The total amount is then divided between 24 pay periods and is held in trust with Wagner Financial Services. An employee must

provide an Explanation of Benefit statement, a bill, or a cancelled check with a request for reimbursement from the plan. The daycare plan is administered in a similar manner. The tax savings for the employee includes federal, state, and FICA taxes.

The estimated tax savings for the City of Laurel was \$2,009.45 during 2001. The employee distribution for 2001 was \$27,059, with an estimated tax savings of \$8,011. Each employee's designated amount must be used during the calendar year or it is returned to the City of Laurel. Employees are allowed to change the amount of the childcare benefit if a change of status is necessary. Mr. Wagner stated that the employees are usually quite accurate in their estimations of dollars to designate for their Flex Plan. There were 36 participants in the program last year. A new plan document will be presented this year.

The federal limit for the childcare benefit is \$5,000 per calendar year, and the State of Montana limits the Flex Plan to \$4,800 per calendar year. The unreimbursed medical portion is unlimited up to the amount of the paycheck. Wagner Group fronts the money for the reimbursements as of January 1st of each year.

Mayor Johnson thanked Mr. Wagner for his presentation.

- c. **Resolution No. R02-23:** Authorizing the Mayor to execute an agreement with Wagner Financial Services relating to an IRS Section 125 Plan.

RESOLUTION NO. R02-23

AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH WAGNER FINANCIAL SERVICES RELATING TO AN IRS SECTION 125 PLAN.

Motion by Alderman Poehls to approve Resolution No. R02-23, seconded by Alderman Van Roekel. Motion carried 8-0.

ITEMS REMOVED FROM THE CONSENT AGENDA:

Item 6.c.2), Resolution No. R02-22, was removed from the consent agenda.

RESOLUTION NO. R02-22

AUTHORIZING THE MAYOR TO SIGN THE SUPPLEMENTAL AGREEMENT WITH MONTANA RAIL LINK LEASE NO. 500572.

Alderman Olson explained that one date in the schedule for the agreement needed to be changed in this resolution. The resolution should read: June 1, 2003 - \$1,187.32. The correction will be made in the resolution document.

Motion by Alderman Olson to approve Resolution No. R02-22 with the change of date to June 1, 2003, as corrected, seconded by Alderman Dart. Motion carried 8-0.

AUDIENCE PARTICIPATION (THREE-MINUTE LIMIT):

None.

COUNCIL DISCUSSION:

City Attorney Matt Erekson stated that the employee personnel files were centralized into one secure location last week. The exact details regarding access to the files are still being determined. Mayor Johnson thanked Matt for his work to accomplish this endeavor.

Alderman Olson mentioned that the Emergency Services Committee requested input from the department heads regarding the 9:00 p.m. whistle, and he asked the council for their input. Alderman Easton commented that there is a lot of interesting history surrounding the whistle. Mayor Johnson asked him to present that information soon in order to enter it into the record.

Alderman Easton recently attended the Council on Aging meeting. The Laurel Senior Center has scheduled a raffle for April 15th to raise money for a new bus. Alderman Easton also attended the Yellowstone Conservation District meeting.

Alderman Mears recently distributed an article about Hepatitis B.

Alderman Dart offered to serve as a liaison between the various clubs and the City of Laurel regarding use of the Riverside Park buildings and grounds.

Alderman Poehls has tickets for the Laurel YMCA's major fundraiser that is scheduled for Sunday, April 7th. Tickets are \$25.00.

UNSCHEDULED MATTERS:

Mayor Johnson stated that the next Council Workshop is scheduled for Tuesday, April 9th, at 7:00 p.m. in the Council Chambers. The date on the agenda was incorrect.

Mayor Johnson plans to schedule another Saturday council workshop to discuss the council work plan soon.

The Elected Officials' Workshop is scheduled for May 8-10th in Billings.

There being no further business to come before the council at this time, the meeting was adjourned at 7:44 p.m.

Cindy Allen, Secretary

Approved by the Mayor and passed by the City Council of the City of Laurel, Montana, this 16th day of April, 2002.

John E. Johnson, Jr., Mayor

Attest:

Mary K. Embleton, Clerk-Treasurer