

MINUTES OF THE CITY COUNCIL OF LAUREL

June 3, 2003

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 6:30 p.m. on June 3, 2003.

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.

Mayor Johnson stated that Matt Erekson would leave the council meeting at 6:45 p.m. in order to attend his son's graduation.

MINUTES:

Motion by Alderman Olson to approve the minutes of the regular meeting of May 20, 2003, as presented, seconded by Alderman Lauren. Motion carried 8-0.

CORRESPONDENCE:

The Pipeline Group: Letter of May 14, 2003 regarding Public Education – Contractor Awareness Program in Billings on Thursday, June 12, 2003 at the Billings Hotel and Convention Center.

Laurel Aviation & Technology Week Overview.

Air Pollution Control Board: Minutes of April 8, 2003; Activity Report for April 2003; Agenda for May 13, 2003.

U.S. Department of Justice, Federal Bureau of Investigation: Letter of April 11, 2003 regarding community call to action.

Montana Department of Environmental Quality: Letter of May 6, 2003 regarding New Department of Environmental Quality Storm Water Permitting Requirements.

Cable Montana: Service Reports for April 2003; Service Reports for April 2003 (Park City).

Montana Capitol Restoration Foundation: Letter of May 19, 2003 updating progress of the Capitol Steps CTEP Project.

Montana Department of Commerce: Letter of May 19, 2003 regarding FFY 2003 HOME Funded Projects.

Montana Department of Commerce: Letter of May 20, 2003 regarding preliminary requirements for HOME Investment Partnerships Program funds; Letter of May 20, 2003 regarding Ranking Narratives for FFY 2003.

PUBLIC HEARING: Ordinance No. O03-03: Ordinance amending Chapter 15.04.10 of the Laurel Municipal Code relating to a Board of Appeals.

Mayor Johnson opened the public hearing.

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

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

Mayor Johnson closed the public hearing.

CONSENT ITEMS:

- **Claims for the month of May 2003 in the amount of \$464,131.89.**
A complete listing of the claims and their amounts is on file in the Clerk-Treasurer's Office.
- **Approval of Payroll Register for PPE May 25, 2003 totaling \$89,119.30.**
- **Receiving the Committee Reports into the Record.**
 - Budget/Finance Committee minutes of May 5, 2003 were presented.
 - Council Workshop minutes of May 27, 2003 were presented.
 - Insurance Committee minutes of May 1, 2003 were presented.
- **Resolutions.**
 - Resolution No. R03-54: A resolution approving an agreement between the City of Laurel and the City of Billings, said agreement relating to solid waste disposal.**
 - Resolution No. R03-55: A resolution regarding a Temporary Legal Services Contract.**

The mayor asked if there was any separation of consent items.

Alderman Poehls separated item d.2), Resolution No. R03-55, from the consent agenda.

Motion by Alderman Mace to approve the consent items as presented, seconded by Alderman Olson. Motion carried 8-0.

CEREMONIAL CALENDAR: None.

REPORTS OF BOARDS AND COMMISSIONS: None.

John Smith, Chairman of the Laurel Airport Authority, was scheduled to present the budget report tonight. Due to another commitment, he will present the budget report at the council meeting on June 17, 2003. This is a change from the process that has been followed in the past, and he has normally made that presentation to the Budget/Finance Committee. The Airport Authority really is not part of the city, other than the fact that we are under a contract to do their accounting services. The clerk-treasurer has informed the mayor that the Airport Authority has found another entity to perform that function for them, but he believes that there is a possibility they might still be considered in the audit. However, we will not include them in the process as we have in the past.

COMMUNITY ANNOUNCEMENTS (ONE-MINUTE LIMIT): None.

SCHEDULED MATTERS:

- **Confirmation of Appointments.**

Yellowstone Historic Preservation Board

Mayor Johnson stated that the City of Laurel is in a joint partnership with other cities in the Yellowstone Historic Preservation Board. As part of that process, the city is asked to approve appointments made from other areas. Copies of the letter requesting the appointments and the two applications for appointment are available.

Mayor Johnson appointed Jolene Rieck and Paul Daniels to the Yellowstone Historic Preservation Board.

Motion by Alderman Dart to confirm the appointments of Jolene Rieck and Paul Daniels to the Yellowstone Historic Preservation Board, seconded by Alderman Mears. Motion carried 8-0.

- **Preliminary Budget presentation – Mary Embleton, Clerk-Treasurer.**

Mary Embleton distributed copies of the Preliminary Budget to the council. Mary asked the council to review the budget document and contact her with any questions.

This budget process was started early because we were facing some challenges. The last couple years we have realized, especially in the general fund, that revenues are not keeping pace with appropriations or expenditures. The sooner we realize what the picture will be for the future, the more time we have to formulate some options and solutions to some of the problems that are ongoing in the City of Laurel. This has been quite a challenge. It is preliminary, and it is subject to change. The council is charged with setting the budget. The more the council knows about what is going on now and into the future, the better equipped it will be to address some of the challenges that face the City of Laurel.

Mary presented a brief history of the mill value for the last few years. The mill value has continually decreased over the last few years. It stabilized for a couple years in 2001 and 2002, but last year we experienced a decrease in the value of our mill, which was due mainly to the devaluation of Touch America. In order to build this year's budget, we are estimating a mill to be at \$6,000 this year, which should be a conservative estimate. The Department of Revenue is usually charged with getting the taxable values out to taxing entities by the second Monday in July. This year they have an extension until the first Monday in August. Since we were scheduled to have the Final Budget adopted by July 15th, that extension has disrupted the schedule a bit. If the values are not received until August, it may be necessary to extend the public hearings and put off finalization of the budget until the values of the mill are known and we know how many mills to levy.

Mary reviewed some of the wage and benefit factors that influence the budget. A five percent wage increase will be given this year. The current health insurance plan premiums increased 7½ percent. The Insurance Committee is scheduled to meet Wednesday night and will continue meeting until it arrives at a conclusion for the health plan. The current dental plan gave a fairly substantial 29.8 percent increase. Life insurance premiums remained the same. For every dollar employees earn, the city pays 6.8 percent into retirement, except for policemen. The city pays 14.41 percent of a police officer's wages into retirement. An average 8.8 percent reduction has been experienced for workers' comp. We received a good dividend a few months ago, and Mary believes this is due to the management of that fund from the people who work in the local level all the way up to the MMIA.

Unemployment is still at 2.5 percent, and FICA is also paid. Liability insurance experienced a small increase of 1.5. Liability is based on wages, so the wages go up 5 percent but the rates for liability went up 1.3 percent, so the effect is around six or seven percent overall throughout all the funds.

Mary explained the revenues. The increase in revenues over last year is only about \$95,000 in the general fund. There are some options available. Mary suggested that the city adopt a cable TV franchise ordinance. This untapped revenue stream would provide an estimated \$30,000. The franchise fee is five percent of the gross sales of a cable TV company.

Mary explained the insurance benefits levied. When the preliminary budget is prepared and distributed, an announcement of a public hearing date is placed in the paper. The public hearing has been set for June 17th. People must be notified that the public hearing process is beginning. At the same time, an ad has to be run so public notice is given that the city intends to levy additional mills, or in this case dollars. Since we do not yet know what the mills are worth, we had to do dollars. An ad for a public hearing on that issue was also placed in the paper.

Mary explained the impact of this. House Bill 409 created the ability for the city to levy additional mills over and above the limit set by law in order to make up for the difference and absorb some of the costs for the huge increases in health insurance over the last few years. The City of Laurel has taken advantage of that for the last two years. When Mary attended the League of Cities District meeting recently, she was informed that House Bill 409 had been revised and the revision said that only the difference between last year and this year could be levied. That is a big change from the law that existed before, which meant the 1999 premiums could be compared with the new premiums. This would have had a huge impact to the City of Laurel. After further research, she found out that, because it was levied last year, we retain those dollars and around \$150,000 will go into the general fund.

Mary explained the appropriations sheet in the Preliminary Budget. Revenues increased \$95,000, and the bottom line on the appropriations increase over last year is \$204,000. Things get unbalanced

when revenues do not keep pace with appropriations. The general fund, as presented today, is in deficit spending of \$126,822. That means that cash reserves are intentionally being reduced by at least that much because there are not sufficient revenues to meet appropriations. The law will not allow an increase in mills to make up for it. The mills could be readjusted between all the funds. Mary emphasized that the city can only continue deficit spending for so long. An increase in revenue or a decrease in appropriation is necessary, or the city must knowingly go into cash reserves and hope something will change next year.

Another option would be to create a park maintenance district in order to move that appropriation out of the general fund and into a separate fund. Although that would not really cure the problem, there are advantages and disadvantages to having parks in a different fund.

The department heads have presented bare minimum budgets to the council. It gets more expensive to operate every year. The wage increases, liability insurance, PERS, and all the other contributions add up. This year we could probably get away with it, as a twenty-five percent cash reserve is not a bad figure. However, Mary has seen the cash reserve drop from nearly a million dollars down to \$600,000 in the last three or four years. That trend cannot continue. Mary again stated that this is the preliminary budget.

Mary reviewed some history behind the actual spending in the general fund. Another large amount of revenue is received in June for property taxes. Mary pointed out that any changes in the budget would be reflected in a specific column. She asked the council to review the budget document and contact her with any questions or comments.

Alderman Mears asked what lowered the budget deficit from \$167,000 to \$126,000.

Mary stated that a couple of things happened. Administrative charges from water, sewer, and garbage are a major contributor to the general fund. Those charges are based on actual expenditures from this current year. Once the year is ended, she reviews the general fund departments that have direct relationship with the water, sewer, and garbage and charges a percentage of those charges back to the water, sewer, and garbage. For example, Mary's services, the council services, city attorney, the buildings, city hall, shop, and those things that are in the general fund that contribute to water, sewer, and garbage are charged a percentage to pay back the general fund. Mary did a preliminary projection what the end of the year would be like for those expenses and came up with over \$360,000. That is about \$50,000 more than what had been originally projected and probably accounts for most of that difference.

Alderman Mace asked the amount of the parks budget. Mary stated that the parks budget is around \$160,000. The general fund appropriations sheet showed that the parks and pool budgets are \$136,000 and \$55,000, totaling about \$191,000. Because the general fund is limited by the mills, by the dollars, and by the revenue sources, it is very difficult to be able to increase something intentionally, especially for a park. With a park maintenance district, the dollars are used only for parks and the pool, or whatever is dedicated. The council would then have the ability to raise the maintenance assessment more easily than it could in the general fund. The assessment would be divided amongst the property owners and would be a line item on property tax bills. The district would be citywide, like the street maintenance district. The assessment could be for ½ cent per square foot with a \$200 cap for the bigger lots like the schools. If the assessment were ¾ of a cent or even a penny per square foot, it would make a big difference in the amount of revenue generated.

Alderman Poehls asked regarding the \$6,000 estimate for a mill. He also questioned whether or not Touch America's bankruptcy would affect the mill value and if any relief was received last year.

Mary explained that the \$6,000 estimate was based on properties that have been annexed and new construction, which has an effect on the taxable value. Touch America should not have any more effect because they were just about to zero value last year. The city received no relief last year.

Alderman Poehls questioned why franchise fees were not proposed for other utilities such as Northwestern Energy and Montana-Dakota Utilities.

Although unsure of a definite reason, Mary stated that a possible reason is that cable TV is a non-essential utility. The cable TV franchise fee ordinance has been in existence for many years and that it was the only one that cities were allowed to do.

Alderman Oakes stated that other states have a utility tax on natural gas and electricity and we should check with the State of Montana on this issue.

Mary mentioned that the City of Billings has probably conducted a lot of research because they tried to assess a use fee for public right-of-way for all utilities. They were apparently ruled in error.

Mayor Johnson stated that our form of government presents one challenge. We are a general powers government and can only assess those fees that are specifically given to us by the legislature. The City of Billings, however, is a chartered city, and that empowers them to make some additional avenues that we do not have. In order for us to do that, it would have to be specifically delegated to us to do, being a general powers form of government.

Alderman Oakes disagreed and stated that then we would not be able to charge a TV franchise fee. He said that it is not a tax, but it is just a service fee, and that would be the same as a utility fee.

Mary thanked the council, and the council thanked Mary for her presentation.

Mayor Johnson thanked Mary.

Mayor Johnson stated that it has been some time since the preliminary budget was completed and received by the council at the beginning of June. The whole process was different this year in the fact that the whole council was involved in the budget review process. Although the council was not expected to become experts on the budget, receiving the background presented by the department heads throughout the process allowed a different outlook regarding the budget document than what has been the case in the past. A guideline to adopt the budget a little sooner than we are able to do has been set, and the mayor is comfortable with that. Since the preliminary budget has been accomplished, we will be able to let the process come towards us rather than us having to chase the process. The council should be able to review it and ask questions. The council sets the appropriation levels, and it is a bit uncomfortable to propose the \$126,000 mismatch in revenues and appropriations. That can only be done by virtue of the cash reserves available; however, that is not possible to continue year after year. At some point, the revenue side of the equation or the appropriation level, one of the two, needs to be addressed so that it is brought into balance.

Alderman Olson echoed the mayor's comments. The budget process used this year was different. It involved a lot more man-hours, causing people to put in extra time. The point is that we are on an uncharted path, and much was accomplished by teamwork. There were difficult times, but it happened. Alderman Olson stated that a lot of it happened because the clerk took on an awesome responsibility, fulfilled it, and did a really good job. Alderman Olson also commended the administration for allowing the council to be part of the process, instead of just the Budget/Finance Committee. During the presentations of the last few weeks, the department heads have presented very good reasons why wage increases should be considered. Now the whole council is aware, and members do not have to rely on anyone else's opinion. The preliminary budget was received the first of June, but it does not have to be adopted for a while. Flexibility has been afforded to the council because the time frame set up, due largely because of the administration's push to do so. Alderman Olson stated that the council is challenged to be a leader of the kind of community it wants. He commended Mary for her work and the mayor for insisting that this process be used. He further stated that it brought everything together and that it is up to the council, in teamwork type fashion, to see if we can do something about it.

Mayor Johnson thanked Ken.

Mayor Johnson stated that Wednesday's paper would publish notice that the budget is available for inspection and that the first public hearing is scheduled for June 17th. Approval of the budget must be completed by the second Monday in August or forty-five days after the taxable value is received, whichever is later. The Department of Revenue has until the first Monday in August to provide the information, and then final adoption of the budget could go into September. Since the rest of the work has been done, that will not be necessary. As soon as the values are received, the process can be completed.

Mayor Johnson stated that Mary has made a lot of changes in what is presented in the material. We are on a pathway to present a document that displays figures and also communicates. We have taken the first step this year, and, hopefully, we will continue some more steps. One of the most important things is that the budget will communicate what is going on and the direction that is being taken.

ITEMS REMOVED FROM THE CONSENT AGENDA:

Resolution No. R03-55: A resolution regarding a Temporary Legal Services Contract.

Motion by Alderman Poehls to approve Resolution No. R03-55, seconded by Alderman Olson.

Alderman Poehls asked regarding the maximum hours stated in the contract, as he was under the impression that this contract was going to be for a forty-hour week. The contract states that the maximum would be eighty hours a month, which would be a twenty-hour week. This would be a half-time attorney, with the option for him to charge \$50 an hour if the maximum hours are exceeded.

Mayor Johnson stated that the hours should reflect exactly what is currently being done. The current agreement is two and one-half days a week, which is twenty hours a week. It was structured this way in order for the city to hold costs during this interim period and also to provide for the ability to address additional issues if required.

Alderman Olson asked if the current salary and benefits equal the amount offered in the new contract.

Mayor Johnson stated that the intention was to match the current dollars of salary and benefits. The attorney's budget is currently \$45,900 and the proposed budget is \$48,900.

There was discussion regarding the mileage and commercial travel reimbursement. Mileage between Billings and Laurel is not reimbursable. Mayor Johnson stated that the contract provided for no more benefit than the current attorney receives. If the attorney were to travel somewhere to represent the city, he would be eligible for the same type of reimbursement that is currently provided to the present city attorney.

Number ten in the contract repeals the previous resolution and the letter of understanding.

There was further discussion on compensation. The effort was to match the current attorney's salary. The budget was for \$48,000, which divided by twelve months equals \$4,000. This is a temporary situation and is not meant to continue.

Alderman Dart explained his personal challenge regarding this resolution. Resolution No. R03-04 approved the original contract for municipal legal services on January 21st. On February 17th, there was a representation for civil services that completely contradicted what the council had set forth in resolution. Alderman Dart questioned where the other agreement between the City of Laurel and Mark Anderson would be if the original resolution were rescinded. He stated that this agreement was in fact done without council understanding, and he asked how far we needed to back up on this issue. Alderman Dart stated that a wrong needed to be made right before any other type of resolution were approved.

Mayor Johnson questioned what wrong he meant.

Alderman Dart stated that Mayor Johnson signed an agreement on February 17th with Mark Anderson to provide an hourly rate of \$50 for legal services. He stated that the agreement completely contradicted the original resolution that the council approved to provide for \$2,000 a month and that it changes where this resolution is right now. Alderman Dart was not sure that the agreement would be rescinded if the resolution was rescinded, and he is uncomfortable with this situation.

Mayor Johnson asked if he was uncomfortable that it is being rescinded or not being rescinded.

Alderman Dart stated that he could get past the rescinding of the original resolution, but he questioned if the agreement between the mayor and Mark Anderson was just going to magically disappear. He wondered if it was in the best interests of this council to rescind the other resolution and pass this resolution while the agreement is still there.

Alderman Poehls asked if number ten on the agreement would cover that issue.

Aldermen Oakes and Dart both stated that it would not do so.

Alderman Dart stated that he stands on the difference between right and wrong in his mind. The council approved the original resolution, and he does not feel justified to go forward with this. A contract was entered into outside of the knowledge of this council, and he does not feel right about it.

Mayor Johnson stated that the contract that was approved in that resolution in January was part of two contracts. One contract was to provide for civil services and the other was to provide for prosecution services. The civil contract was the only one that came forward then. The mayor explained that, if he had signed that contract, we would have actually provided for two city attorneys. That presented a dilemma. The idea was to establish a relationship so that services rendered could be paid for in order to allow the city to do certain things and provide some continuity. In entering into the client-attorney memorandum, the idea was that we could establish more firmly what the \$2,000 would have brought to the city. Mayor Johnson and Mark Anderson agreed to the agreement in order to clarify what issues should go to Mark and how the process would work. If the original process had taken place and both contracts had gone forward, it would not have been an issue. One attorney would have provided civil services and another attorney would have provided prosecution services.

Alderman Dart stated that Resolution No. R03-04 authorized the mayor to sign a contract with Mark Anderson. He did not see anything that pertained to prosecution. He stated that he would have felt more comfortable if the council had been advised that this was taking place.

Alderman Oakes stated that regardless of whether the contract was signed, the resolution was signed, which put it into effect. By making this side agreement with Mark Anderson, this resolution was violated. He said that he does not agree with this resolution, and he could not be convinced that it is the right thing to do.

Alderman Van Roekel questioned if the letter of understanding came from Mark Anderson as his perception of the job.

Mayor Johnson stated that it was intended to be temporary until a more permanent agreement could be worked out. The dilemma came forth from the process when only part of the proposed restructuring was passed. Mayor Johnson said that he certainly heard Alderman Dart's point. Mayor Johnson was trying to respond to the resolution as passed and yet provide some safeguard for the city, so the contract was not signed. Mayor Johnson stated that passage of a resolution gives him the option to sign a contract, and it does not bind him to sign a contract. If the council passes a resolution, it does not mean that he has to sign it. It does not mean that it had to be signed at any particular moment, but it gives the mayor authorization to sign into it. He did not feel comfortable signing that contract, nor did Mark feel comfortable signing the contract, because the duties spelled out in the contract were in direct conflict with an existing city attorney position. The memorandum of understanding stated that we would proceed from that point, based on the \$50 per hour, as a method to provide services that were deemed necessary or worthy until we could get it worked out. Soon after that, the present attorney submitted his resignation and that compounded the issue even a little further. The memorandum of understanding was provided to allow Mark and the city to have a relationship. Mayor Johnson and Mark agreed that by the time he reached the level where he was billing \$2,000 per month, we probably would have sorted out how his duties should exist and how we should work because the city attorney was still in place at that time. His contract would have provided for a second city attorney to provide civil legal services. If there was a mistake made, maybe it was in not bringing that fact out.

Alderman Van Roekel asked if the process would have moved, as is being proposed here with the current resolution, from the memorandum of understanding to a contract.

Mayor Johnson stated he would have signed the contract that the council authorized him to sign when everything got arranged.

Alderman Van Roekel asked if the memorandum of understanding really is not as binding as what it seemed to be.

Mayor Johnson stated that the memorandum of understanding was such that if we made a request to Mark, he could then respond and know what the dollar amount involved. There were a couple of projects that we wanted him to start on, but Mark did not feel comfortable signing the contract as an attorney because we already had a city attorney. The contract that the mayor was authorized to sign

with Mark authorized him to be the city attorney, and yet the city had an employee who was the city attorney.

Alderman Poehls questioned whether the mayor should have sent the resolution and contract back to the council at the time he chose not to sign the approved agreement with Mark Anderson. Alderman Poehls suggested that the council should be informed regarding the issue if the council gives the mayor authorization to sign a contract and he chooses not to do so.

Mayor Johnson said that the point was well made and he was in favor of that. It was a difficult situation and maybe all sides were not considered. He was concerned about paying \$2,000 a month and signing a conflicting contract more than anything else. He stated that he certainly was not doing anything at the disregard of the council's thoughts.

Alderman Van Roekel questioned the compensation, the maximum hours, and what would happen if the maximum hours were not worked while Mr. Anderson took a couple weeks of vacation. He questioned if the city would be obligated to pay the \$4,000 a month or if the rate of reimbursement would be adjusted accordingly.

Mayor Johnson stated that it probably would not happen, but if the hours worked were less, the billable hours would be less.

Alderman Van Roekel stated that there would be a less amount reimbursed and that would be good for the city. Mayor Johnson anticipates that the city would not find itself in that situation.

Alderman Oakes asked if Matt is furnished with a half-time secretary now.

Mayor Johnson stated that the proposed structure should exactly reflect what is currently available, nothing more and nothing less. If there is a mistake in that, we will have to address that. Whatever resources Matt has available would also be available to Mark.

Alderman Mears stated that we would not have had to go through any of this if Matt had just been appointed a year and a half ago.

Mayor Johnson stated that he could not answer that. When Matt submitted his resignation, he told the mayor that he had some issues with some judges and courts in Billings and he felt he should address those. Mayor Johnson said that he did not make the appointment, and if he felt that is a legitimate point, that is his thought.

Alderman Olson questioned whether, in light of the fact that our attorney did tender his resignation upon filling of the position, what we are doing is right for Matt. Matt is ready to go but has stayed on for whatever reason. We are asking him to stay on when he has tendered his resignation. Alderman Olson acknowledged Alderman Dart's statements, but he is comfortable to rescind Resolution No. R03-04. He emphasized that it is time to move forward, as Matt would still be resigning no matter when the position is filled. This is an opportunity for Matt to relinquish responsibility to the City of Laurel.

Alderman Dart stated that the field was slim when the city originally started looking at this attorney situation. He also stated that Mark, with no reflection on Mark as an attorney or an individual, is a big unknown to him. He would feel better if there were opportunity to visit with him to discuss issues and if he had been involved in the process.

Mayor Johnson stated that an interview committee was formed. Mark was introduced at a couple of council meetings and also made himself available at the recent Elected Officials Workshop. Mayor Johnson suggested that would indicate some interest. Mayor Johnson stated that trying to find the answer for our community in this regard is not going to be a simple process. Another Montana community recently went through this and spent a fair amount of time doing so. Mayor Johnson accepted responsibility if mistakes have been made, as he did not mean to leave anyone out. He stated that he could see now that unintentional consequences of intentional acts are part of what is taking place. The mayor asked the council to look at the issue in its overall impact on the community. The city may need to end up with a different structure. There is a lot of information that needs to be reviewed by the community. This would allow us to start that process.

Alderman Mace stated that Mark Anderson made himself available at a personality training session at the library in April.

Mayor Johnson said that Mark has made some efforts. If the council wants to know him well, that could be promoted. City attorneys are not plentiful, as being a city attorney is not one of the focuses in law school. We are challenged in that regard and communities have to find their own answer. Regardless of the situation, we still have a process ahead of us regarding the city attorney position.

Alderman Van Roekel asked what Mark would say is his passion and purpose in wanting to work for the City of Laurel.

Mayor Johnson said that Mark has been given an opportunity to look into being the city attorney. The temporary agreement would allow him an opportunity to find out whether the position is going to fit him. He may decide that it does not do so. Mark attended some council meetings and had planned to attend the workshop last week until a client changed an appointment. The mayor said that would indicate that he is definitely interested and willing to visit with the council.

Alderman Van Roekel asked if Mark wanted the city to contact him here, or if he would be available at his office, and if he would bill us for that.

Mayor Johnson stated that the billing would depend on what is involved. The ability to visit with him has already been demonstrated, as several people have visited with him. Mayor Johnson thinks that communication is fine.

At this point, Alderman Poehls called for the question.

A vote was taken on the motion to approve Resolution No. R03-55. Motion carried 5-3, with Aldermen Oakes, Dart, and Mears voting nay.

AUDIENCE PARTICIPATION (THREE-MINUTE LIMIT):

City Judge Jean Kerr spoke regarding the issue of the city attorney position.

Jean has read the proposed contract to hire Mark Anderson and had a few items to point out for the council's consideration. The first point was the wage of \$4,000 a month for twenty hours worth of work and \$50 per hour for additional time. Matt puts in an average of twenty-five to thirty hours a week for the city. Since Matt is on a salary, he does not charge when we call him. He stays after work and helps Jean through things, and the city is not charged for that because he is at a base salary rate. Matt feels that the twenty-hour week is stretched. Matt does not accomplish the court and city work as he would like to do, and he puts in those extra hours without additional pay. Jean stated that the council should budget at least \$4,500 or more if the contract is approved as written. Mr. Anderson, Mayor Johnson, Alderman Easton, and Jean were present during Mark's interview. At that time, Mark Anderson said that he was interested in both the city and the court side, and that was when there were two contracts for \$2,000 a month salary each. Jean said that meant he was interested and willing to do the job for \$40,000. That did not include any support, phone calls, or copying at a rate of ten cents per page. Jean stated that the attorney should not charge the city for long distance phone calls or copies because phone calls and copies should be made here. It has been said that the support is going to remain the same. Matt and Jean have both informed the council and finance committee that Sherri is not in compliance as far as support. They have reported as well that realistically Matt does not receive as much of Sherri's time with his office duties as he wishes because she is busy with the court. The court gets busier all the time, and this would be the perfect time to pull back. Sherri will either be working weekends or the court will suffer if it is mandated that she be available for three-eighths time. The judge can also appeal the Supreme Court for extra help. Jean questioned the hiring process of this position. She said that it has not been advertised. Tom Pardy has asked her what is happening with the city attorney situation. Jean said that Mr. Pardy was interested at one time, and she thinks he still would be if it were properly advertised. Jean sat next to Mark Anderson at the meeting at the library. Mark told her that he is a very unorganized person. He also had trouble filling out that DISC profile, and she had to help him with that. Jean thinks there needs to be more thought process in picking an attorney. She stated that Mark is a nice guy and a young attorney. The court has done some checking, and he does not get a good review from Billings as far as his knowledge or as far as being able to do the job that she thinks we are asking him to do here.

COUNCIL DISCUSSION:

Code books need to be taken to the council secretary for the updates.

Alderman Van Roekel stated his decision and explained his reasons not to run for re-election to the council. He wanted to finalize his decision a month ago, but he has been wrestling with it. He has finally decided and wanted to share it before it was published in the paper. When Alderman Van Roekel ran for election, his job was much less intense than it is today. He had already been serving on the church board, but he definitely wanted to run, serve the community, learn, and be challenged. However, he has not been satisfied with his work in all three of those areas and something needs to give. Alderman Van Roekel stated that he just had to make the decision to not run for re-election. He wanted to make the decision in May in order to allow more time for someone who has the heart and more time to give thought to it. He apologized for taking longer than intended to make the decision.

Alderman Olson stated that the city is going to be the loser and that he admired Lauren for the time he served the city. He hoped that Lauren would reconsider the decision, and he said that he has always admired Lauren.

Alderman Olson stated that the Preliminary Budget presentation Mary made was just the beginning and that the council had a great amount of information to absorb and review.

Alderman Mace expressed his thanks to Lauren for all his years so far. Alderman Mace also spent the last couple months trying to decide regarding re-election, and he has chosen to run again since there are still a lot of things out there for him to do.

Mayor Johnson commented that Alderman Van Roekel left his mark on the council in a very direct way. While Mayor Johnson served on the council, Lauren came to one council meeting and made a forthright and straightforward remark that he was really not ready to vote on an issue. After Mayor Johnson was elected, that thought came back to him. That statement was the seed that began the process of scheduling council workshops between council meetings. Other members of the council were a little challenged about getting agendas on Saturday at noon and having to vote on issues the next Tuesday night. There were many challenges on how to handle issues and the answers and effects. Mayor Johnson thanked Lauren for making that remark, for being the person that he is, and for his service on the council.

- **Review of committee minutes**

Mayor Johnson reviewed some items in the City-County Planning Board minutes of May 1, 2003. A couple of remarks at the conclusion of those minutes were reviewed at the department head meeting today. The minutes state that a traffic control device will be installed at the off ramp on the interstate. The minutes also state incorrectly that a traffic control device will be installed at Southeast 4th and South 1st. At this time, only one traffic control device will be installed. The other issue was the evaluation to do a condemnation process of the end of South 4th. Mayor Johnson urged the council to review those minutes.

The Review of Committee Minutes has been added to the Council Discussion on the agenda as another opportunity to make sure that the information is reviewed.

UNSCHEDULED MATTERS:

There being no further business to come before the council at this time, the meeting was adjourned at 8:06 p.m.

Cindy Allen, Secretary

Approved by the Mayor and passed by the City Council of the City of Laurel, Montana, this 17th day of June, 2003.

John E. Johnson, Jr., Mayor

Attest:

Mary K. Embleton, Clerk-Treasurer