

**PROCEEDINGS OF THE BOARD OF THE COMMISSIONERS**  
**MEAGHER COUNTY, MONTANA**

**August 7, 14, 21, 2012**

**Tuesday**

August 7, 2012

8:45am-2:45pm

Met in Commissioner's Chambers

**Meeting Called to Order:**

Vice Chair Hurwitz called the meeting to order at 8:45am.

**Commissioners Present:**

Vice Chair, Ben Hurwitz.

**Bruce Smith—Road Report/Gravel Crushing:**

Road Supervisor, Bruce Smith, met with Hurwitz to present his monthly road report. Hurwitz began by asking him about the status of the fence and roof projects at the County Shop. Smith told him they were both done and looked good. There is a bridge down by the old Higgins place that got a bad report, he said. Hurwitz wondered if it could be fixed with some culvert work. Smith told him it was possible but would require some engineering. The Road Crew moved a cattleguard at the Brewers' and chip sealed a bridge at Hansons'. They have also been doing a lot of mowing, he added.

Hurwitz asked him how much time his crew had spent watering the roads for the Red Ants Pants Music Festival. Smith gave a breakdown of the time each worker had spent, saying it came out to about four man-days.

*Commissioner Townsend* joined the meeting at 9:00am.

Townsend asked Smith what the State is doing on Highway 360. Smith said the work is all the way out toward Fort Logan. He was not sure, but he thought it looked like they were adding shoulders to the highway. They have scraped the grass away all the way to the Camas Creek turnoff.

Smith told them the engineer of the fencing job at the airport would like the County to fill a few holes toward the old dump. (Road Crew Foreman) Tim Collins was out there with a grader, he said. He added that things were quiet and it might not be a bad idea to put some more gravel over the old dump anyway. They agreed to drive out to the area and take a first-hand look.

When they returned, the following action was made:

**Action 1:**

Hurwitz moved to have the Road Crew spread pit run gravel to level a dip where the new airport fence is going. Townsend seconded. A vote was held and passed unanimously (2-0). It is so moved.

*Gravel Crushing*

After a brief discussion about gravel crushing, the following action was made:

**Action 2:**

Hurwitz moved to bid out the crushing of 30,000 yards of gravel (3/4-minus), 20,000 yards on land in the Martinsdale area, and 10,000 yards at the County Pit Number One. Townsend seconded. A vote was held and passed unanimously (2-0). It is so moved.

## **Harmon Trust Funds:**

### **Action 3:**

#### **RESOLUTION 2012-#77**

Hurwitz moved to honor the request of the board of the Mountainview Medical Center and stop the monthly reimbursement payments the County had been making to the hospital to pay the interest and principal of two FHA loans the hospital is using to pay for the long-term care facility. Townsend seconded. A vote was held and passed unanimously (2-0). It is therefore resolved.

Hurwitz then told Townsend it had come to his attention that the County is still on the hook for the balance of the loans, as they had committed the funds in the Harmon Trust account as collateral. He suggested sending a letter to the FHA requesting to be kept apprised of any activity on the loan.

## **Jim McDanel—Triangle Mapping Program:**

County IT Supervisor, Jim McDanel, visited with the commissioners to discuss the mapping program Triangle had offered to the County at no cost. He briefly gave an overview of the program and told the commissioners that (City of White Sulphur Springs) Mayor, Julian Theriault, would like to map all pipes and sewage lines onto it. The City can use it for their stuff and the County can use it for its stuff. Clerk & Recorder, Dayna Ogle, was skeptical, worried that it would create more work, he added. But he told her he would make all the updates. He told them he would push forward if it was okay with them. The commissioners agreed.

## **Minutes:**

Hurwitz moved to approve the minutes from the previous meeting (July 17, 2012) with changes. Townsend seconded. A vote was held and passed unanimously (2-0). It is so moved.

## **Jim Richard—CTEP Grant-Writer:**

Jim Richard dropped by to have Vice Chair Hurwitz sign some paperwork related to the CTEP projects that are in the works. He reviewed and signed.

## **Sixteenmile Creek Discussion:**

The commissioners briefly discussed Fish, Wildlife and Parks's recent decision to proceed with their fishing access project at Sixteenmile Creek, in spite of widespread opposition from local landowners. They both shared their frustration at the decision.

## **Kari Jo Kiff—Health Nurse Update:**

County Health Nurse Kiff presented her monthly report to the commissioners. Of note, she reported that all new contracts have been returned with signatures, and she has a new filing system in place. She asked whether the revenue from insurance, which comes into the MCH County revenue codes, goes toward the County budget, or if it needs to be moved manually. It was agreed to discuss the issue with Clerk & Recorder Ogle. She wondered if the CSBG funds allocated to summer youth employment for the year had been utilized. If not, she felt she could use them. She discussed a couple programs available to help parents of newborns get cribs. She said she is going to start a Facebook page to help get word of County-related news and emergencies to the public. She concluded by telling the commissioners she would like to purchase a new laptop. They agreed, saying she has plenty of money in her budget.

## **Kimberly Deschene—County Attorney Report:**

County Attorney Deschene was out of town on official business. She had met informally with Hurwitz before the meeting and had nothing to report.

## **Lunch:**

The commissioners broke for lunch at noon.

## **Dayna Ogle—Clerk & Recorder Update:**

### *Taxable Valuations*

Clerk & Recorder Ogle visited with the commissioners to update them on several issues. First she handed the commissioners the County's taxable valuations, which she had received from County Assessor, Becky Hurwitz-Leger. Hurwitz suggested waiting, however, till Chair Schlepp was there to continue work on the budget. Ogle then gave them mill levy calculation sheets.

### *Balancing Claims Warrants and Payroll Accounts*

Ogle explained that there was a \$79.88 debit in the Payroll Clearing Cash Account and a \$79.88 credit in the Claims Warrants Cash Account. She asked for permission to do a journal voucher to balance the accounts.

### **Action 4:**

#### **RESOLUTION 2012-#78**

Hurwitz moved to approve Journal Voucher #548, to transfer liabilities between Payroll Clearing (7910) and Claims Warrant Clearing (7930), per auditor Sharon Tripp. Townsend seconded. A vote was held and passed unanimously (2-0). It is therefore resolved.

### *Insurance*

Ogle explained that when she received the first premium bill for from Blue Cross/Blue Shield, there was a \$1.25 per person per month fee for a Cobra Services Agreement. She told them that a Cobra Services Agreement was not part of the contract they had signed and the fee was not included in the premium rates they were given. She added it was a bookkeeping nightmare, having had to add the \$1.25 on to the amount deducted from each participant's paycheck. She said insurance agent, Julie Blockey, was trying to get Blue Cross/Blue Shield to waive the fees. If they would not, Ogle suggested, they could have Blockey cover the fees.

Ogle then discussed a credit the County had from the Standard, the company providing life insurance under the old MACo Health Care Trust. She listed some employees who overpaid, who she suggested should get refunds, and a few employees who had underpaid. She recommended the County write off that amount, as it was only a few dollars.

### *TV District*

Ogle told Hurwitz she thought his idea to put a question regarding the TV District on the ballot was not a good idea. For starters, during a presidential election the County is required to use the Automark machine. To create a special ballot for the Automark would cost way too much, she argued. She recommended doing a mail survey instead. Hurwitz asked when the next opportunity would be after the upcoming presidential election. The City does not use the Automark so that would be a possibility, she replied, but a mail survey would reach more people.

Townsend asked if the TV District was well defined. Ogle replied that it was not and that the wording of the District needs rewritten. Hurwitz said he wanted to do the survey first though. Townsend shared his concern of cost. Ogle told him it would be much cheaper to do the survey than to put it on a ballot. Hurwitz said that Public TV Director, B.J. Hawkins, should be involved in writing the survey.

### *Grassy Mountain Fire District*

Ogle informed the commissioners that Grassy Mountain Fire District Board Member, Rich Siebken, had received a letter from Greg Jackson, of MACo, saying that MACo does not provide worker's comp coverage for volunteers of a special district. As of right now, the County would be liable if something were to happen to a volunteer using a County truck. Hurwitz wondered if it would not be better just to bring Grassy into a County fire district. Ogle told them that some counties pay worker's comp premiums for special district. She would look into that more.

## **Jon Lopp—Sheriff Report:**

Sheriff Lopp met with the commissioners to give his monthly report. He said it was a busy month with many incidents. There were 35 incidents in four days alone during the Red Ants Pants Music Festival. He handed the commissioners a DUI Task Force Plan, which they reviewed and signed. By participating in the Task Force, the County is eligible for money for programs related to DUI prevention.

He told them his department would like to switch from the Exxon gas credit cards, as it is not always possible to find an Exxon station, to a state-issued gas only card, which they could use at many more places. The commissioners agreed.

He said he had talked to the City about money for a new vehicle. They said they had not budgeted for it, so it would have to wait till the next budget year. He said they should have something in writing going forward.

He concluded by talking about the security at the Music Festival. Festival Organizer, Sarah Calhoun, had hired a private security team, which was basically incompetent. She paid them \$10,000 for the four days. Lopp suggested having the Sheriff Department take over security duty at next year's festival, do it right, and make some revenue for the County.

**Public Comment:**

There was no public comment.

**Claims:**

Commission was presented Voucher #1306, CK#44311 through CK#44377 totaling \$47,236.24. Commission approved and signed checks as presented. Also presented were Health Insurance Voucher #1004, CK#218217 through CK#218223, totaling \$21,228.85; Payroll Deduction Voucher #1003, CK#218210 through CK#218216, totaling \$93,021.27; and Payroll Voucher #1, CK#218193 through CK#218209, totaling \$13,615.44. Commission approved as presented.

**Meeting Adjourned:**

Vice Chair Hurwitz adjourned the meeting at 2:45pm.

**Next Meeting:**

Commissioners are scheduled to meet Tuesday, August 14, 2012.

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CLERK & RECORDER

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CHAIRMAN

SEAL

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VICE-CHAIRMAN

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COMMISSIONER

Note: Minutes taken by Assistant to the Clerk & Recorder, Nate Sanders.  
Distributed August 14, 2012 to Chairman Schlepp, Commissioner Hurwitz, Commissioner Townsend, and Clerk & Recorder Ogle

**Tuesday**  
August 14, 2012  
8:30am-3:00pm  
Met in Commissioner's Chambers

**Meeting Called to Order:**

Chair Schlepp called the meeting to order at 8:30am.

**Commissioners Present:**

Chair Nancy Schlepp, Vice Chair Ben Hurwitz, and Commissioner Herb Townsend.

**Sue Phelan—Treasurer Update**

County Treasurer, Sue Phelan, presented her monthly report to the commissioners. She also discussed new janitor/maintenance person, Ken Martin, and how things are working so far. She asked if there was a procedure for when he needs to buy supplies. Schlepp checked and told her there is \$1800 in his supply budget. They discussed a few other issues and Phelan left the meeting at 9:15am.

*Mike Leonard*, a landowner from Grassy Mountain joined the meeting at 9:30am.

**Tintina Resources/Infrastructure Planning:**

The commissioners discussed the necessity of being ready for the copper mine to be up and running. They had received an e-mail from Sarah Hamlen giving an overview of many of the issues she felt need considered. Hurwitz said he had watched a program about municipalities that had declared bankruptcy due to lack of or just poor planning. It was agreed that infrastructure in particular would be a significant issue when the mine is up and running.

**Jodi Tierney, Mid-Montana Insurance and Greg Jackson, MACo JPIA—Insurance Renewal:**

Jackson handed the commissioners a breakdown of the County's coverage and renewal costs. He began with property and liability, explaining that MACo looks at the County's five-year loss history in calculating the loss ratio. The County's liability loss ratio is extremely good, at just 2%, he added, which qualifies it for the maximum 5% credit. The property loss ratio is 58%.

*Grassy Mountain Fire District Board member, Rich Siebken*, joined the meeting at 10:05am.

The premium dropped from \$20,020 to \$17,798 due to a decrease in assessment. The liability premium dropped from \$2161 to \$1819. There will be a new premium for reinsurance, \$2514. The property premium has increased due to an increase in value. There is a loss-ratio adjustment of \$1001, or a decrease of 5%, and the County will get up to a 3% credit for loss control, which will come in a separate check.

Jackson next addressed worker's comp. He said there would be no rate changes this year for Meagher County. Its mod factor is already maxed out at 1.25 so the premium cannot go any higher. There would be another credit to the County, for worker's comp, which would also be coming in a separate check.

*Agent Agreement*

Jackson addressed the issue of agent retention—whether to keep Tierney as agent or switch to another agent. He said that Emelia McEwen has been involved with MACo's safety program right from the start and she is very dedicated to it. MACo can make whatever arrangements Meagher County needs. There are 33 out of 48 member counties who have agent involvement in their worker's comp programs. They will pay more, however. Jackson also asked the commissioners to consider locality and response time. Agent involvement, he added, would

change the commission from 3% to 6%, which would be an expense to the Trust, not added to premium.

Tierney handed the commissioners a list of loss control services she could provide as agent to the County. She said she also has the ability to work with people from the Department of Labor's Safety Bureau. They can help with jobsite visits. And McEwen will also continue to work with the County. Jackson added that the safety training site is provided for free. Tierney told the commissioners the County has been on the On Track safety program for three years. The key to success, she stressed, is quarterly meetings with the commissioners and the department heads.

Schlepp told Tierney that one of the issues she has with Tierney as an agent is when the Early Back to Work Program became law, it was Tierney who told the commissioners the program was their problem. Schlepp later heard, however, that it is usually the agent who helps out with certain programs. Jackson pointed out to Schlepp that MACo has a template policy on its website, which all counties can adopt.

Hurwitz shared his frustration that the Back to Work program is nothing more than a way to get the bill off the worker's comp desk onto the County instead. Schlepp and Townsend agreed that they would like a little time to look things over. Tierney left the unsigned agreement behind. She and Jackson left at 11:15am.

### **Rich Siebken—Grassy Mountain Fire District:**

Board Member, Rich Siebken, visited with the commissioners to share some concerns about the Fire District. He began by telling the commissioners that, in light of a letter from Greg Jackson at MACo, stating that MACo does not provide worker's comp coverage for special districts, County Fire Chief, Rick Seidlitz, threatened to take the County fire truck back. Siebken said he can have it, that no one can use it anyway. There is no one out there with any training, other than a two-hour seminar two years ago. But nobody has been called out since. The utility lot belongs to the homeowners association, he added. He has asked for details of training, equipment, and many other things.

He told the commissioners that the State will provide three days' worth of training at no cost. No one knows about it though, he continued. Hurwitz asked him who the State will train. Siebken replied that he had asked Seidlitz and Board President, Erin Fryer, for lists of firefighters. The volunteers have no equipment or pagers. Jackson, Siebken continued, told him that unless there were actually firefighters, there was no sense getting worker's comp insurance. The District has "informed spectators," not firefighters, he contended. The District needs to eliminate the conflict of interest, namely getting firefighters off the Board.

*County Fire Chief, Rick Seidlitz,* joined the meeting at 11:20am.

Townsend asked him how any of this is the County's problem. The County appointed the Board because they want them to take over and leave them out of it. Siebken said what he wants is the undue influence removed. Schlepp pointed out to Siebken that he is one member of a board of five. Siebken replied that Fryer will not discuss anything that is not on her agenda.

Seidlitz said that one of the biggest problems is that Siebken cannot hear. He said he told the Board at the last meeting he would rather not be there but they begged him to stay. He said he would stay and help, but would leave the minute the Board started disagreeing and doing its own thing. He also told them, he said, that he is not going to have Meagher County equipment up there without any insurance.

Mike Leonard told the commissioners that people at Grassy were worried about the taxation being changed, and their taxes going up, and maybe even being taxed out of their homes.

*County Attorney, Kimberly Deschene,* joined the meeting at 11:30am.

Deschene suggested that what she and Seidlitz are going to propose might make the current discussion moot. Schlepp told Siebken that the commissioners appointed him and his fellow board members as the district. Now go run the District she implored him. Hurwitz told Siebken they have proven they cannot work together. Schlepp countered that there are four other

members, all of whom were appointed. Hurwitz added that if there is going to be a district, the land owners will have to pony up enough to run it. Otherwise, their insurance premiums will go through the roof. Schlepp added that it is all in the District's hands now. Martinsdale is making it on a much smaller budget. So can you, she told Siebken.

Siebken left at 11:45am.

**Rick Seidlitz, Fire/DES; Kimberly Deschene, County Attorney—County-Wide Fire District:**

Seidlitz and Deschene visited with the commissioners to make the case for a county-wide fire district, which would annex all the smaller fire areas. Seidlitz gave Smith Creek as an example of an area that has already taken things into their own hands. He said they are using their own money to buy a truck and build a garage. They have effectively gone private by contracting with an outside entity so they would have to be excluded from a county-wide district. He also mentioned residents of Castle Bar making a donation to County Fire after there was a big fire there. They want to help, he added.

Deschene said she felt they could go to a county-wide district without a significant increase in taxes. Grassy could choose whether to be in or out. Seidlitz felt like eight mils would be all it would take to start and sustain a district county wide. Schlepp asked him if it would provide structure protection as well. Seidlitz said that it would. She then asked how many other counties have county-wide districts. Seidlitz was not sure but said that Broadwater and Wheatland's fire districts were county wide.

Townsend worried about liability. Seidlitz said they already incur significant liability by responding to structure fires when they are not supposed to. Schlepp wondered if the smaller districts would need disbanded first in order to join a larger district. Hurwitz wondered if Grassy could be forced to join. Seidlitz was not sure but Deschene would look into it. Seidlitz added that MACo would cover a special district if it were county wide and run by the commissioners.

Schlepp said they would be willing to look at the idea more but it would have to be something for the following budget year. Seidlitz said it would require a normal petition just like for other districts. Deschene said going county wide is the right thing to do, especially since the County responds to structure fires anyway. This gives them some cover. Leonard agreed that a county-wide fire district sounds like the way to go.

*Grassy Mountain Fire District*

Seidlitz asked the commissioners, in light of the letter from Greg Jackson of MACo to Rich Siebken, whether the County should respond to a fire at Grassy Mountain. Schlepp felt they had to go, that the liability was greater by not going. Deschene disagreed. Schlepp wondered if Grassy could switch to a structure fire outfit and remove the County's liability. Seidlitz pointed out that Grassy started out as a district, which means *all* risk, by definition. They would have to dissolve and start over as a fee area.

Leonard told the commissioners that the landowners pay for insurance. And they cannot rely on any fire department, even if it were at Grassy. If nothing else, maybe the County could stop a fire from spreading.

Hurwitz asked Deschene to attend the Grassy Mountain Fire District Board meeting, which is scheduled for the following evening. Schlepp told her simply to give the County's opinion on the whole situation.

Leonard wondered if the Fire District, if it chose not to do a thing, could simply default itself into non-existence. Schlepp wondered what to do in the meantime. Seidlitz said he would work the mutual aid angle. Deschene agreed, saying she would do some research and find some sample mutual aid letters that could be used as templates. If Grassy Mountain Fire District would sign a mutual aid agreement with the County, then County firefighters would be covered by worker's comp.

**Lunch:**

The commissioners broke for lunch at 12:30pm.

**Jon Lopp, Sheriff, and Maebeth Seidlitz, Communications Director—Uninterruptible Power Supply Replacement:**

Lopp and Seidlitz visited with the commissioners regarding replacing the jail’s uninterruptible power supply (UPS), which was destroyed in a recent thunderstorm. Lopp said they found one for \$8700 with a four-year warranty. The one they are replacing is covered under the County’s insurance policy and there is a \$2000 deductible. The commissioners agreed to have Lopp make the replacement. Seidlitz said she would be using \$2000 of the \$3000 that had been budgeted for the year to pay the deductible, so she may need to revisit her department’s budget.

**Minutes:**

Hurwitz moved to approve the minutes from the previous meeting (August 7, 2012). Townsend seconded. A vote was held and passed unanimously (3-0). It is so moved.

*Chair Schlepp* left the meeting at 2:15pm.

**Public Comment:**

Fire Chief Seidlitz came back to visit with the commissioners. They briefly discussed liability at Grassy Mountain once again, and he left.

**Claims:**

Commission was presented Voucher #1308, CK#44379 through CK#44405 totaling \$58,087.40. Commission approved and signed checks as presented.

**Meeting Adjourned:**

Vice Chair Hurwitz adjourned the meeting at 3:00pm.

**Next Meeting:**

Commissioners are scheduled to meet Tuesday, August 21, 2012.

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CLERK & RECORDER

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CHAIRMAN

SEAL

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VICE-CHAIRMAN

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COMMISSIONER

Note: Minutes taken by Assistant to the Clerk & Recorder, Nate Sanders.  
Distributed August 21, 2012 to Chairman Schlepp, Commissioner Hurwitz, Commissioner Townsend, and Clerk & Recorder Ogle

**Tuesday**  
August 21, 2012  
8:30am-4:00pm  
Met in Commissioner's Chambers

**Meeting Called to Order:**

Vice Chair Hurwitz called the meeting to order at 8:30am.

**Commissioners Present:**

Vice Chair Ben Hurwitz and Commissioner Herb Townsend.

**Gravel Crushing—Open Sealed Bids:**

Joining the meeting was Rick McDaniel, President of Sierra Rock & Dirt of Great Falls. Vice Chair Hurwitz opened the lone bid, from Sierra Rock & Dirt.

According to the bid, Sierra Rock & Dirt, Inc., will crush and stockpile 30,000 cubic yards of ¾" minus gravel at a cost of \$5.83/cubic yard for a total cost of \$174,900.00. Quantity measurement in the stockpile will be performed by the contractor. Independent survey, if required, will be at the expense of Meagher County. Meagher County is to assume weed spraying responsibilities. Meagher County is to reimburse Sierra, or obtain on its own accord any residual DEQ Bonds for reclamation of the stockpile area if any are required, upon the completion and acceptance of Sierra's performance of the work required under the contract.

After a brief discussion, the commissioners decided to accept Sierra's bid.

**Action 1:**

**RESOLUTION 2012-#79**

Hurwitz moved that Meagher County accept Sierra Dirt & Rock, Inc.'s bid to crush and stockpile 30,000 cubic yards of ¾" minus gravel—20,000 cubic yards on the Voldseth property located in the SE1/4 of Section 31, T8 North, Range 10 East, and 10,000 cubic yards in the County-owned gravel pit number one, located NW1/4NE1/4 of Section 23, Township 9 North, Range 6 East—at a cost of \$5.83/cubic yard for a total cost of \$174,900.00. Townsend seconded. A vote was held and passed unanimously (2-0). It is therefore resolved.

Townsend told McDaniel about a pile of asphalt millings from the replacement of the airport runway. He asked if McDaniel could think of any potential use for them. McDaniel told him he has used asphalt millings, combined with concrete, on roads in summertime and it sets up just like asphalt.

Hurwitz and Townsend decided to go visit the pile with McDaniel to have a look. They left at 9:15am and returned at 10:00am. There was nothing left on the agenda for the morning so the commissioners tended to outstanding business.

**Lunch:**

The commissioners broke for lunch at 11:30am and returned at 12:45pm.

**Jason Jewett/Bill Northey, U.S. Bank—Harmon Trust Account:**

Jason Jewett, Vice President, and Bill Northey, Senior Vice President and Regional Investment Manager from U.S. Bank, met with the commissioners to discuss the Harmon Trust account. Townsend began the meeting by handing Jewett and Northey a copy of the letter from Mountainview Medical Center stating they would no longer like to receive monthly payments from the Harmon account to pay off the loans for the nursing home. Townsend said they would like to start putting the income back into the principal. Northey told him they could continue to track it as accumulated income for the purpose of the trust. Hurwitz told them that the funds in the account were pledged as the security for the loans so the County remains on the hook if the hospital were unable to pay back the loans. Northey assured Hurwitz and Townsend he could

either separate the income or reinvest it into the principal, whichever the County decided. He would just need a letter outlining their desires and how frequently to reinvest the income.

**Action 2:**

**RESOLUTION 2012-#80**

Hurwitz moved that, on a quarterly basis, the accumulated income in the Harmon Trust account be transferred into the principal. Townsend seconded. A vote was held and passed unanimously (2-0). It is therefore resolved.

Northey proceeded to review the portfolio. He said the U.S. economy has been sluggish and there is no change on the horizon. The upcoming elections and expiring tax cuts could change things a little, but he envisions a low interest rate environment in to 2014. As for the account itself, as of August 14, it was valued at \$1.1 million with just over a 3% current yield. The estimated annual income was just under \$35,000. He pointed out that he is carrying the bare minimum of cash, and the majority of the funds are invested in income earning bonds.

Hurwitz reiterated the County's gratitude for not charging any management fees over the past year. He said it was important in helping the County meet its obligations to the hospital. Northey acknowledged his thanks and continued on. He mentioned the current status of the money as "public" money, based on an opinion written by former County Attorney, John V. Potter, which subjects the funds to MCA Title 7, which restricts the allowable investments to U.S. Treasury and Agency securities with a maturity of no greater than five years. He said he was aware that the commissioners were of the opinion that the Harmon funds should actually be classified as "county" funds and not "public," as they were a gift, not collected through taxes.

Hurwitz agreed. Townsend asked what could be done investment wise if the funds were declared "county" rather than "public." Northey told him there are incremental possibilities for better returns. The first option, he said, would involve no added risk. Simply by continuing to invest in U.S. Government securities but extending the maturities out to ten years, for example, would result in slightly better yields. The second option would also involve no added risk. By purchasing FDIC-insured, marketable Certificates of Deposit, the County would be able to get up to 1% higher than the best rate available in Treasuries right now. The third option would entail a little added risk, but an enhanced return—purchasing corporate bonds. The final option would be to invest a portion of the portfolio in the equity market. There would be added risk, he said, but over a ten-year cycle a portfolio balanced with stocks and bonds would likely outperform an all-bond portfolio.

Hurwitz asked him where to go to get an opinion to satisfy the public. Jewett replied that what is most important is to get the right opinion, one they can live with. He felt the County Attorney's opinion would be sufficient. Northey suggested they consider not only themselves but what future commissioners will have to work with.

Northey concluded by warning the commissioners that the near-term outlook for the account is not exceedingly positive. Interest rates have little room to drop further. As a result, the value of the account will not go up as it has in the past in reaction to falling rates. Combine that with higher-yielding bonds maturing and the resulting proceeds being invested in significantly lower-yielding bonds and the portfolio will suffer in two ways. Reduced income and a decrease in value. In other words, total return will drop.

Townsend asked him what he could do differently. Northey replied that if the funds are re-classified as county funds it would allow him to get a little added return. For example, there is a bond maturing at the end of the year. It is paying a coupon of 3.375%. As of today, he said, a five-year treasury is paying only .8%. If he were able to purchase an FDIC-insured CD, however, he would likely be able to get a percentage point higher.

Northey and Jewett left the meeting at 1:40pm.

**Wayne Shong—Sixteenmile Creek Bridge:**

Wayne Shong visited with the commissioners to discuss the bridge crossing Sixteenmile Creek into the town of Sixteen. Sixteen resident, Mike Ekberg, also joined the meeting. Shong asked the commissioners what they could do about the bridge. He had to be able to get to (the late) Bill

McDonald's land so he can clean it up. And what would happen if there were a fire, he wondered. Hurwitz asked him how many acres he owns. Forty, he replied. Hurwitz asked how many buildings were on the land. None now, he told him. Hurwitz then asked how far the county road goes beyond the bridge. About a mile, he responded. Hurwitz told him the County is not going to build him a new bridge. Shong asked about the money from the state. He said he had spoken with a guy at MDT who told him they had sent all counties letters regarding funding that was available to repair or replace bridges. It was agreed to have (Administrative Assistant, Nate) Sanders look into that.

Ekberg countered that there is nothing wrong with the bridge. He said it is fine. And occasionally, when he sees a need, he adds planks to the bridge himself. Shong, on the other hand, when he was hauling McDonald's vehicles away knocked some planks off the bridge but never bothered to replace them.

Hurwitz asked Shong if they should post a weight limit sign at the bridge. Shong replied that something is definitely needed. Hurwitz told Shong that the law says the County does not have to maintain county roads if they do not see fit. He asked if hunters use the road past the bridge. Ekberg replied that it was always (former Road Supervisor) Ray Ringer's contention that the county road ended at the bridge. No one has ever gone past it. Hurwitz asked Shong if there was anywhere a dozer could cross the creek? Ekberg and Shong agreed that there was not.

Ekberg told the commissioners he had bought a culvert and wants to build it across Indian Creek, in case there is a fire. Shong told him to go ahead and do it, but Darryl Davis will lock the gate. Ekberg said he would work with Davis. Shong said he already has the combination to the lock. Ekberg said he would put the culvert in next May. Then Shong could cross there, unlock the gate, and have access to McDonald's property. Shong said he was not looking for a problem.

Ekberg left the meeting at 2:05pm.

Shong stayed and discussed some tax issues with the commissioners.

### **County Attorney, Kimberly Deschene—Update/Resolution Establishing Half-Time Status:**

#### *Grassy Mountain Fire District Board*

County Attorney Deschene visited with the commissioners to give her weekly update. She told them about the Grassy Mountain Fire District Board meeting she attended last week. She shared her concern that nothing was happening and felt the County should give them a deadline, say three months, for the Board to take action before the County steps in and takes over again. It was agreed that she would do just that.

*County Fire Chief, Rick Seidlitz*, arrived at 2:35pm.

#### *Howard Zehntner/Tenderfoot*

Deschene told the commissioners that Howard Zehntner called her and wants tickets issued for trespassing to people who go beyond his gate. And (Deputy Nick) Rauser has been issuing tickets. Hurwitz called Sheriff, Jon Lopp, to find out why Rauser was doing this. Lopp replied if a landowner thinks someone is trespassing and there is no clear documentation that the land is not theirs, they issue tickets. He told Deschene if she cannot prosecute, she should tell Zehntner that.

*Sheriff Lopp* joined the meeting at 2:45pm.

Deschene said that knowing what they know, the County should decide not to issue tickets at this time. She said she would write to Zehntner and tell him that. Townsend shared his concern that it puts her on one side of the issue. He suggested she remove herself from the case, as she is under pressure from the state. Lopp pointed out that hunting season is right around the corner so whatever happens should happen as soon as possible.

Deschene told Lopp to stop issuing the tickets and start forwarding future cases on to her. Lopp agreed, but wondered what to do with outstanding tickets. She said not to worry about them, that they have already been issued.

#### *County Attorney Half-Time Status*

#### **Action 3:**

#### **RESOLUTION 2012-#81**

Hurwitz moved to reaffirm, under MCA 7-4-2706 subsection (1)(a), that the office of County Attorney in Meagher County be a half-time position, effective July 1, 2012. Townsend seconded. A vote was held and passed unanimously (2-0). It is therefore resolved.

#### **Ambulance Garage:**

Sara Driemeyer, Jack Berg, Jon Lopp, and Rick Seidlitz, from Meagher County Ambulance, joined the commissioners to discuss the new ambulance garage. County Attorney Deschene remained for this part of the meeting.

Hurwitz asked if they had ever received a complete blueprint for the metal building. Driemeyer said she had not, just an e-mail. She suggested that someone with pull call Coast to Coast Carports to see what is going on. Hurwitz said he would do it. Driemeyer said they can start with what they have. Lopp said it is just a matter of digging a footer 48"x18" for starters. Driemeyer said they will have the City locate water and sewer lines. Hurwitz pointed out they still need to re-bid this, and they cannot do that without a blueprint.

Hurwitz said he has two concerns. First, there are no plans. Second, there is no one coordinating the plans and the subcontractors. Berg said they had talked about Dick Weitz possibly helping with the plans but cost is a concern. Lopp said that (Undersheriff Dave) Wendt can draw the plans to scale once they get the plans.

*Wendt* showed up at 3:15pm.

It was decided to have *Wendt* draw up the plans, then re-bid the project for the required three-week period.

#### *Ambulance Repairs*

Berg informed the commissioners that, worst-case scenario, there will be \$8000 more in repairs to the same ambulance they had to repair recently. Somehow diesel fuel got in to the cooling system. It is also the newer of the two ambulances he pointed out. Hurwitz thanked him for the heads up and told him they still have the budget to do.

They all left at 3:25pm.

#### **PUBLIC COMMENT:**

#### ***Rick Seidlitz—Mutual Aid Agreement with Grassy Mountain Fire District***

Fire Chief Seidlitz visited with the commissioners to discuss an agreement he had drawn up for Meagher County and Grassy Mountain Fire District to provide mutual aid to each other in the event of a fire. Such an agreement would allow Meagher County firefighters to be protected under the County's worker's comp plan if they were to fight a fire in Grassy. Townsend shared his concern that if they were to enter in to a mutual aid agreement, it would take away any incentive for Grassy Mountain Fire District to do anything on their own. Seidlitz assured him that that is not the case. He told the Board that if the County were to take back control of the Fire District, the residents would not be pleased. He would no longer tell insurance companies that the County responds to structure fires there anymore. He added that the board has been discussing various topics, such as disbanding, changing taxation, among others. The commissioners decided to sign the agreement. Seidlitz said he would get the Fire District Board to sign off as well, and return signed originals to the County.

*Grassy Mountain Fire District Board President-Elect, Erin Fryer*, joined the meeting at 3:35pm.

***Erin Fryer, President-Elect, Grassy Mountain Fire District Board—New Board Appointee:***

Fryer came to ask the commissioners to appoint a new member to the board to replace Tracy Van Wormer, who resigned his position. She brought a letter with the names of three individuals who expressed an interest in serving on the board. As the board has yet to adopt by-laws, she requested the commissioners make the appointment.

**Action 4:**

Hurwitz moved that Paul Kroeger be appointed to the Grassy Mountain Fire District Board of Trustees. Townsend seconded. A vote was held and passed unanimously (2-0). It is so moved.

***Ambulance Garage***

Driemeyer, Berg, Lopp, Seidlitz and Wendt returned to discuss the ambulance garage bidding process further. The second time the bidding process was held, the commissioners sent out letters to the bidders rejecting the bids because adequate building plans had yet to be received. However, formal action was never taken.

**Action 5:**

Hurwitz moved to reject all the ambulance garage bids from June 19, 2012 and to rebid the process once the final plans come in for the metal building. Townsend seconded. A vote was held and passed unanimously (2-0). It is so moved.

**Action 6:**

Hurwitz moved that they ask Richard Pauley of Pauley Plumbing to help the ambulance with the plumbing in the initial stages of the ambulance garage, particularly to run lines from the city water and sewer through the concrete pad of the garage. The remainder of the plumbing work would be bid out once the final building plans were in place. Townsend seconded. A vote was held and passed unanimously (2-0). It is so moved.

**Minutes:**

Hurwitz moved to approve the minutes from the previous meeting (August 14, 2012). Townsend seconded. A vote was held and passed unanimously (2-0). It is so moved.

**Claims:**

Commission was presented Voucher #1309, CK#44406 through CK#44432 totaling \$131,917.60. Commission approved and signed checks as presented.

**Meeting Adjourned:**

Vice Chair Hurwitz adjourned the meeting at 4:00pm.

**Next Meeting:**

Commissioners are scheduled to meet Tuesday, September 4, 2012.

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**CLERK & RECORDER**

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**CHAIRMAN**

**SEAL**

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**VICE-CHAIRMAN**

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**COMMISSIONER**

**SPECIAL SESSION: BUDGET WORKSHOP**

**Wednesday**

August 22, 2012

10:00am-12:30am

Met in Commissioner's Chambers

**Meeting Called to Order:**

Chair Schlepp called the meeting to order at 10:00am.

**Commissioners Present:**

Chair Nancy Schlepp, Vice Chair Ben Hurwitz and Commissioner Herb Townsend.

**Budget Workshop:**

Clerk and Recorder, Dayna Ogle, joined the commissioners to work on the budget for fiscal year 2012-2013. All departments' budgets were reviewed, and it was agreed to have an open budget session at the next meeting, September 4, 2012, allowing Department Heads to drop in and discuss their budgets. It was also discussed to give Clerk & Recorder Ogle and Treasurer Sue Phelan the extra \$2000 they are entitled to for extra responsibilities. Formal action will be taken at the next meeting.

**Meeting Adjourned:**

Chair Schlepp adjourned the meeting at 12:30pm.

**Next Meeting:**

Commissioners are scheduled to meet Tuesday, September 4, 2012.

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**CLERK & RECORDER**

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**CHAIRMAN**

**SEAL**

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**VICE-CHAIRMAN**

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**COMMISSIONER**

Note: Minutes taken by Assistant to the Clerk & Recorder, Nate Sanders.  
Distributed September 4, 2012 to Chairman Schlepp, Commissioner Hurwitz, Commissioner Townsend, and Clerk & Recorder Ogle