



Montana Association of Counties

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(406) 449-4360 Fax (406) 442-5238

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DISTRICTS 1, 2 & 3 MEETING MINUTES

Forsyth, MT – Rosebud County Fairgrounds, Exhibit Hall

August 30, 2016

District 1

- Daniels
- Phillips
- Roosevelt
- Sheridan
- Valley

District 2

- Dawson
- Garfield
- McCone
- Prairie
- Richland
- Wibaux

District 3

- Carter
- Custer
- Fallon
- Powder River
- Rosebud
- Treasure

MACo Staff: Harold Blattie, Executive Director; Sheryl Wood, Associate Director; and Shantil Siaperas, Legislative Analyst & Communications Specialist; Shannon Shanholtzer, MACo PCT/WCT Trust Administrator

MACo President & Officers: Maureen Davey, Stillwater County Commissioner, MACo President; Todd Devlin, Prairie County, MACo 1st Vice President

Guests: Nathan Adams, Senator Daines' Office; Ruth Baker, Treasure County Clerk & Recorder/Clerk of District Court; Elizabeth Ball-Mavity, Rosebud County Clerk of District Court; Pamela Castleberry, Carter County Clerk & Recorder; Joan Duffield, Rosebud County Clerk & Recorder; Representative Ken Holmlund, House District 38; Jason Rittal, Fallon County Development Advisor; Alex Sternhan, Congressman Zinke's Office; Stephanie Verhasselt, Richland County Clerk & Recorder; Nate Williams, Senator Daines' Office

Pledge to Flag

Roll Call & Introductions: Bob Lee, Rosebud County, welcomed everyone, called the meeting to order, and conducted roll call.

Approval of Previous Meeting Minutes: May 13, 2016 Minutes

- AMENDMENT: Richard Dunbar is listed as from Richland County as opposed to Phillips County.
- MOTION: Doug Martens, Rosebud County, moved to accept the minutes as amended. Kevin Krausz, Custer County seconded the motion. Motion carried unanimously.

District Chair/Vice Chair Elections

- District 1: No Elections until 2017
- District 2: Caucused for elections
 - Chair
 - NOMINATION/ELECTION: Adam Gartner, Dawson County, moved to elect Shane Gorder, Richland County, as Chair. Gary Kartevold, Dawson County seconded the motion. With no further nominations, Commissioner Gorder was elected via acclamation.
 - Vice Chair
 - NOMINATION/ELECTION: Jerry Collins, Garfield County, moved to elect Janet Wolff, McCone, County, as Vice Chair. Teddy Robertson, Garfield County seconded the motion. With no further nominations, Commissioner Wolff was elected via acclamation.
- District 3: No Elections until 2017

Next MACo Districts 1, 2 & 3 Meeting: June 2017

- District 1 will host the next meeting: Roosevelt County—Wolf Point.

MACo Officer Nominations: 2nd Vice President & Fiscal Officer

Harold Blattie announced that Laura Obert, Broadwater County, was nominated as MACo 2nd Vice President, and Mike McGinley, Beaverhead County, was nominated as MACo Fiscal Officer, at the Spring District Meetings. At yesterday's District 8, 9 & 12 meeting in Whitehall, Jim Hart, Madison County was nominated for MACo 2nd Vice President.

- 2nd Vice President
 - NOMINATION: Richard Dunbar nominated Jim Hart for MACo 2nd Vice President. David Reinhardt, Vally County, seconded the nomination. There were no further nominations for 2nd Vice President. Nominations remain open until the floor session at the Annual Conference.

MACo Updates from MACo Staff: Harold Blattie, Sheryl Wood, and Shantil Siaperas

- Resolutions Committee Conference Call: September 6th at 1 p.m.
 - Will assign resolutions to committees for review at the Annual Conference
 - At the Annual Conference, the committees will make recommendations to the membership on the resolutions as well as make proposed changes to their policy statements; the membership will then vote on the resolutions and policy statements
 - Resolutions that pass will become legislation for the 2017 Legislative Session (occasionally we get a “call-to-action” resolution, which doesn't become a bill; it simply calls on MACo to take a specific action)
- MACo Annual Survey: Need your input on how we are doing and what we can do better to better service you
- Committee Appointments—Biographies for Requesting Committee Appointments: Helps MACo President make appointments and helps us with the Directory of County Officials; Committees help set policy at state and national level
- Annual Conference in Billings at the Billings Hotel & Convention Center
 - Not much time for workshops, as this is a legislative year, so resolutions and committee meetings are taking up much of the time
 - Urge you to be in attendance for the Multi-Bank Securities presentation during the General Session
 - Investment Advisor: See what market is truly doing; let your Treasurer see what securities are really selling for
 - The program is endorsed by MACo and NACo
 - Committees: Meeting regarding resolutions and policy statements
 - 2020 Census: Baseline work is being done now
 - Board of Investments Shares Changes/Updates to BOI's, INTERCAP, Short Term Investment Pool (STIP), and In-State Loan Programs
 - Airports 101 for Civic Leaders
 - Mike Tooley, MT Department of Transportation: Fixing America's Surface Transportation (FAST) Act
 - NACo: 1st Vice President, Brian Deloge, Florida & NACo Staff, Jacob Terrell, Associate Legislative Director, Telecommunications & Technology
 - Elections of MACo Officers
 - Board Meeting with New Board Members
- Staffing Changes
 - David Payne, Senior Claims Administrator, Property & Casualty Trust
 - Carol Gleed, Claims Adjuster, Workers' Compensation Trust
 - New Position: Wellness Coordinator for the Health Care Trust
 - New Position: Trust Operations Director—will take over the responsibility of the three risk sharing pools (mainly Harold Blattie's responsibilities, so he can focus on legislative matters)

- Department of Labor Overtime Rule: Exempt employees must meet certain requirements and a salary threshold; check and make your exempt employees still meet requirements

MACo President's & Officers' Report:

- Maureen Davey, Stillwater County, MACo President
 - MACo Trusts: MACo is very involved
 - Annual Conference: Please come and participate in the making of our policy in Billings
 - NACo Annual Conference in Long Beach, CA: Montana has a presence and very influential committee members
 - Lesley Robinson, Phillips County Commissioner, resigned from WIR, as she's running for Lt. Governor; Todd Devlin, Prairie County Commissioner, MACo 1st VP, has been appointed in her place
 - Legislative Session: Your presence is important; also, be sure to respond when emails from staff and act when asked to do so
 - By-Law Change Proposal: Voting members—allow affiliate elected official organizations a vote on the board of directors—they are currently invited to come to the table but not to vote
 - Couple of Local Items
 - Stillwater Drought Committee is coming together; important to agriculture; if you don't have one, or don't meet, you should; Yellowstone River is closed from Gardiner to Laurel; economic impact to three counties involved
 - We went to the Loss Control Board last week to ask for assistance for livestock loss; they had many people on their list; talking about getting mountain lions on the list
- Todd Devlin, Prairie County, MACo 1st Vice President
 - The Executive Committee is working hard on getting the Trust Operations Director position filled; currently doing interviews
 - PILT, SRS, Federal Revenue Sharing: Affects many counties in the state; have to protect our tax base
 - Participation in NACo is Important: Consider even your county helping you participate; well worth it; we are very respected
 - Sexual Abuse in Families: MACo should start working with the state to find programs; preventative is the answer; will be working with MACo's Health & Human Services Committee to start the dialogue; stats say that 50% of females in America are sexually abused; costs are \$210K per victim
 - Commissioner Robinson did an excellent job with WIR as well as NACo's Western Region Representative and as a commissioner—honor to take her place on WIR.

MACo Legislative Report: Harold Blattie, Sheryl Wood, and Shantil Siaperas

- Legislative Calendar: The 2017 Session begins January 2nd
- Bill Draft Requests: 235 Placeholders as of August 19th; more to come
- Bill Draft Requests of Note:
 - LC006, Revise laws related to closure of certain coal-fired generation, Duane Ankney (R) SD 20
 - LC0012, Clarify county commission quorum requirements, Pat Connell (R) SD 43
 - LC0052, Create presumptive illness for firefighters, Pat Connell (R) SD 43
 - LC0116, Clarify that highway structures not subject to building code requirements, Brian Hoven (R) SD 13
 - LC0157, Allow corner crossing when moving from one public property to another, Tom Jacobson (D) HD 21
 - LC0196, Revise title insurance requirements in tax deed laws, Nels Swandal (R) SD 30
 - LC0207, Increase fine for gating a public road, Tom Jacobson (D) HD 21
- Energy & Telecommunications Interim Committee (ETIC)
 - Next Generation 9-1-1 Study; bill draft revised regarding the 9-1-1 fund distribution; the mechanism from the last draft was taken out and a new "status quo" model was inserted—so the funding and distribution will remain the same until the next census; the bill updates/modernizes the language in

- statute as well as proposes how to use the “stranded fund” dollars--\$5 million for completing the ESINet, \$350,000 for 9-1-1 Systems Plan, and \$80,000 for GIS Assessment; the rest of the money goes into the grant fund, where the providers have the priority and the 9-1-1 Advisory Council makes the final decisions on the projects that receive grants
- Colstrip bill drafts/impact fee for shut down
 - Judicial Redistricting Commission: Heard your comments and chose to make no recommendations to the Legislature; they have a soft recommendation of more judges in some places
 - State Administration & Veterans’ Affairs (SAVA) Interim Committee
 - Requested county websites have privacy policies; we have a draft model policy on the “resources” page of our website for counties to download; there won’t be a committee bill on this issue
 - PERS/SRS: Actuarial reports will be out soon; we are having a meeting about the Sheriffs’ Retirement System on September 16
 - SRS: 3.8% shortfall; 2% needed from employers; 2% needed from employees; MSPOA is going to their members with proposal of 1% employee and 3% county with a levy; there is no third-party funding source for this system (the other systems have third-party funding sources); there is a retention problem—those coming on aren’t staying and getting vested, so that money goes back into MPERA for administration
 - Children, Families, Health & Human Services (CFHHS) Interim Committee: Alzheimer’s & Dementia Program; HB 130 grants proposing that you submit once not twice (right now it’s annual)
 - Law & Justice Interim Committee: Sexual assault; coming out with report from which we can work
 - Education & Local Government (ELG) Interim Committee: Right-of-way on state trust lands—asked committee to do a study that would develop an inventory by perhaps providing some money to hire a consultant; maybe with gas tax?
 - Revenue & Transportation Interim Committee (RTIC): Tax deed/lien study—last session we made a commitment that we’d look at the process; put together a Working Group and drafted a bill that cleans up the code and the process
 - Water Policy Interim Committee (WPIC): Several bills, but only a couple of interest to counties
 - Defines exempt wells – have to be physically connected through pipes to be considered a single
 - Wells from the same aquafer are one well
 - Limits one exempt well per 40 acres
 - Developer may not be able to do exempt wells and may need to acquire a water right
 - Economic Affairs Interim Committee (EAIC): Air ambulance services considered airlines under FAA—determines “air worthiness” (not a medical service)—can’t regulate; limited to certain areas; they offer memberships; balance billing—people filing medical bankruptcies
 - Bill Draft: Would require mediation between insurer and provider; we don’t like and neither does Blue Cross or MMIA
 - We think there needs to be a federal fix; took the notion to NACo—change airline regulation act, removing the air ambulance exemption
 - Asbestos Advisory Committee: Federal Clean Air Act includes bridges in the definition of a structure; demolition of a “structure” requires an inspection; there currently is an exemption for wooden bridges but not concrete, as there can be naturally occurring asbestos in concrete
 - Underground Utility Laws Working Group: Montana law is out of compliance with Federal Pipeline Safety Act, so the code needs to be amended to do a locate for underground utilities 48 hours before work is done; maintained authority for routine road grading
 - Department of Agriculture: Pesticides bill being proposed regarding pesticide handling, labeling, and storage rules; we are monitoring this with Becky Kington (MT Weed Control Association)
 - Montana Local Technical Assistance Program (LTAP): There has been talk about bringing the program into MACo, but \$100,000 isn’t adequate to fund it; Steven Jenkins in longer the Executive Director, so the position is being rewritten—appears as though the position is changing from training and education to research and grant writing
 - Ballot Initiatives
 - CI-116, Montana Crime Victims’ Rights Initiative (Marsy’s Law), will be on ballot and likely pass

- Looks like statute; gets into detail
 - Senator Kris Hansen wrote an opposition statement
 - County Attorneys will need more staff to comply with the notice requirements
 - MACo Board may be asked to participate in litigation if it passes
- I-181, Brain Injury & Disease Initiative, will be on the ballot
- I-176, Montana Drug Prohibition Initiative, will not make it on the ballot
- I-182, Montana Medical Marijuana Initiative, will be on the ballot
- Federal Mineral Royalty Payments: Down by almost \$3 million
- PILT & SRS
 - PILT Lapsed: Fully funded appropriation in the both the House and Senate bills—\$480 million—bills have to be reconciled; if reauthorized, will be \$450 million pro-rated; NACo is optimistic
 - PILT Fly-in: Lesley Robinson, Phillips County Commissioner and Greg Chilcott, Ravalli County Commissioner
 - SRS Lapsed: Fall back to 25% payments (25% revenue generated; allocated to counties based on acres); look at February 2015 payment for amounts

Resolutions: Harold Blattie, Sheryl Wood, and Shantil Siaperas

- Recap of Current Proposed Resolutions
 - Wilderness Characteristics Inventory: Todd Devlin, Prairie County—Passed at the 2015 Annual Conference; Letter to the Editor—concerns of continuing wilderness characteristic inventory—will not be a bill at the session—was just something to give consent during the interim
 - MACo Committee Proposed Resolution
 - Immunization Record Disclosure: MACo Health & Human Services Committee – Difference between opt in and opt out (MT only has opt-in); Department brought last session; would like to bring with department this session
 - MACo Staff Proposed Resolutions
 - MACo Omnibus
 - Uniform Process for the Disposal of Surplus County Real Property: Tax Lien Working Group—Mike Harris, Gallatin County, Staff Coordinator
 - Tax Liens/Deeds: Tax Lien Working Group Bill
 - Mail Ballots: Brought up by Districts 1, 2 & 3 (Gary Macdonald, Roosevelt County) We will be working with the Clerk & Recorders and Linda Stoll
 - Retirees as Independent Contractors
 - Sheriffs' Retirement System
 - Resolutions from Spring District Meetings
 - Resolution Concept: 76-6-309, Minor Subdivision Review – Gallatin County (District 9); agency “may not” hold a hearing
 - Authority to Place Change of Form of Government on the Ballot by Ordinance – Lewis & Clark County (District 8); in HB 84 the language for a county commission to even put an amended form of government got stricken; this will give new authority and restore old authority (Contact: Susan Good Geise)
 - Resolution Concept: Utility Relocation Right-of-Way – Carbon County (District 7); Need to visit with MT Contractors' Association
 - Taxation on Trust Lands: Lake County (District 10); Make counties whole again (Contact: Bill Barron)
 - Resolutions Collected from Summer District Meetings Thus Far
 - Resolution Concept: Support Biocontrol of Noxious Weeds – Hill County (District 4); isn't a legislative resolution; will likely go to Agriculture Committee for input on writing letters (Contact: Mark Peterson)
 - Concepts/Possible Policy Statements from Missoula County (District 11)
 - Library: State aid, 22-1-327 sunsets
 - Define raw milk

- Special needs in public education
 - Public lands management, not transfer
 - Drones authority and fines
 - Designate “common buckthorn” as noxious weed
 - Hearings on Minor Subdivisions: Gallatin County (District 9); used to be able to do a hearing on a minor; would like to be able to do it again (Contact: Joe Skinner)
 - Junk Vehicle Capital Reserve Account: Beaverhead County (District 12); Recent DEQ notice – Spend the money in FY 2017 or send it back to the state; proposing resolution to allow counties the authority to have a fund, as counties cannot currently put grant money into a capital improvement fund (Contact: Mike McGinley)
 - NOTE: MACO is trying to get a meeting set up with DEQ for early September
 - Special Purpose District Elections: Jefferson County (District 8); Currently the board can be elected at the creation of a water/sewer district; would like to extend that ability to other special districts (Contact: Bob Mullen)
 - Open Meeting Law & Recall Petition: Jefferson County (District 8); Issue in Jefferson County—the petition was submitted to our Clerk & Recorder, and she sent it to the Lewis & Clark County Attorney; it went through the process, and we got sued. (Contact: Bob Mullen)
 - NOTE: “Official misconduct” can be grounds for a recall—violation of open meeting laws. Supreme Court (case law) says it’s vague; court struck it, so it’s no longer in effect.
 - Incarceration of State Prisoners in County Detention Centers: Lewis & Clark County (District 8); Require state to reimburse counties for expenses incurred (Contact: Eric Bryson)
 - NOTE: MACo has proposed similar legislation four times; would get through the policy committee and then stall in appropriations—they wanted a fiscal note, and we’ve never been able to get the information
 - Uniform Process for the Disposal of Surplus County Real Property: Gallatin County (District 9) and Tax Lien Working Group; cleanup and create some uniformity in law (Contact: Mike Harris)
- Introduction of New Proposed Resolutions
 - Closure of Natural Resource Entities: Rosebud County (District 3); help get impact fees (Contact: Doug Martens)
 - Mail Ballots: Roosevelt County (District 1); concept presented at previous district meeting; this is the official resolution draft (Contacts: Gary Macdonald & Stephanie Verhasselt)
 - Funding for Secondary Roads: Garfield County (District 2); allow portion of secondary road money to be used for surface preservation; many Montana roads are dirt roads (Contact: Jerry Collins)
 - Uncontested City Elections: Richland County (District 2); cancelling of election; League of Cities & Towns is carrying and asking for our support (Contact: Duane Mitchell)
 - Other Legislative Possibilities
 - Noxious Weed Trust Fund: Money hasn’t increased in years—need an additional \$1 million for grants; MACo working with MWCA; we were asked to get a general idea of which option is best for the upcoming legislative session:
 - Increase the General Fund Diversion: Currently 1.5% goes to trust fund; propose increase by 0.5%, so 2% would go into the fund
 - Registration Fee: Increase motor vehicle licensing fee & then increase amount from General Fund
 - New Weed Fee on License Plates: Attach an earmark fee to motor vehicles; will likely be opposed by the Treasurers’ Association (MACo has also historically opposed this type of legislation; also, HB 124 (2001) removed all earmarks and figured out percentages, of which 1.5% was decided upon for the weed trust fund
 - Districts 1, 2 & 3 don’t really like any of the options; thoughts are that the second option (increase in licensing fee) has the best chance of passing
 - Water Conservancy District: No way to dissolve the district; Lincoln County went to District Court, and the judge ordered it dissolved

- Conservation Districts, Rate of Assessment: Repeal MCA 76-15-517; in contradiction to MCA 15-10-420; DNRC proposing to fix
- Hard Rock Mining Payments: Extend sunset, as it sunsets in 2019
- Harmonize MCA 7-4-2106 and MCA 7-4-2206: In 2013 we took out the timeframe and put in hard dates; an amendment was added in committee that unintentionally put in a one-day vacancy gap
- Soil Conservation District: District is placing an ordinance on the ballot regarding bison relocation; however, MACo attorneys believe they don't have legal authority to do so; will not be covered by MACo PCT
- Junk Vehicle Capital Reserve Account: Recent DEQ notice – Spend the money in FY 2017 or send it back to the state; possible legislation to allow counties the authority to have a fund (cannot currently put grant money into a capital improvement fund); trying to get a meeting set up with DEQ for early September
- Economic Development Programs Funding: 2015 retirement legislation changed the sunset date from 2019 to 2016; the money is still there; changes where it comes from (General Fund); checking to see if the programs will be losing money
- Separate County Legal Advertising from County Printing: Times have changed; counties no longer need to outsource printing (it's done in house)
- Bidding Threshold: Harmonize statutes

Other District Business

- Lesley Robinson, Phillips County: Running for Lieutenant Governor; give rural counties and agriculture a voice
- 2017 Legislative Session, Representative Ken Holmlund, House District 38: No money this year; going to be wants versus needs; MACo has a strong voice; very influential
- Richland Dam
- Rosebud County & Colstrip

Meeting Adjourned