



Montana Association of Counties

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DISTRICTS 1, 2 & 3 MEETING MINUTES

Glasgow, MT – Elks Club

June 08, 2011

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 Coordinator

Guests: Mike Waite, Congressman Denny Rehberg's Office; Ron Devlin, North Western Energy

Pledge to Flag

Welcome & Roll Call: Richard Dunbar, Phillips County, welcomed everyone to Glasgow and called the meeting to order. Don Rieger, Fallon County, completed the roll call.

Approval of Previous Meeting Minutes: August 19, 2010 minutes

- MOTION: Troy Blunt, Phillips County, moved to accept the August 19, 2010 minutes. Don McDowell, Powder River County, seconded the motion. Motion carried unanimously.

FY 2012 Proposed Budget

- Revenue, Harold
 - Great Conference Turnout
 - Dues Increase - Recommended by Budget Committee
 - NACo Dues
 - Interest Income
 - We now have a Nationwide Representative in Helena--anticipate larger participation, particularly in Eastern Montana
 - Pooled Investment Fee
- Expenses, Sheryl
 - Don't anticipate any significant changes, but there will be a couple of adjustments:
 - Payroll--frozen last year--1.6% COLA adjustment this year
 - NACo Travel
 - Building: Incident last week with sewer pump--may have enough in current funds to take care of it.
 - Budget anticipated to be lower this year (not a legislative year)
 - Annual & Midwinter Conferences
 - The Annual Conference cost is a larger number than the Midwinter Conference, because it is larger conference.
 - Server System: 4-year replacement cycle

- Putting it off one year, but will renew existing licenses
 - These funds are not included in this budget, as it is an outside fund.
- Board of Directors and Trustees to meet June 29th for Budget meeting--comments to be directed to District Chairs before that time.

Elections - District Chair & Vice Chair

- District 2 & District 3 don't have to do any elections right now (2012).
- District 1 will caucus and report back later.

MACo Officer Nomination - 2nd Vice President

- MOTION: Troy Blunt motioned to support Joe Briggs, Cascade County, for MACo 2nd Vice President. Gary Macdonald, Roosevelt County, seconded the motion. Motion passed unanimously.

MACo Officer Nomination - Fiscal Officer

- MOTION: Gary Macdonald motioned to support Cynthia Johnson, Pondera County, for MACo Fiscal Officer. Robert "Bob" Lee, Rosebud County, seconded the motion. Motion passed unanimously.

MACo Staff Report

- FEMA & Flood Emergency FAQs, Harold Blattie
 - FEMA Triggers: \$3.27 per capita, \$1 million damage to public property
 - There are 15 FEMA teams in the state telling counties different things including to wait on their Disaster Declarations.
 - Contacted Sheena Wilson, Deputy Chief of Staff, Governor's Office, and Ed Tinsely, Division Administrator, Montana Disaster and Emergency Services, about this and are waiting to hear back.
 - Don't wait; do the following:
 - Declare emergency
 - Unanimous vote of all Commissioners
 - To get access to Governor's Disaster Fund, must levy two mills; to get federal money, must expend the equivalent of two mills
 - Statute says you can only do a two-mill levy once in a tax year, which is a calendar year.
 - Montana Contractors Association: Webpage with available services
 - NOTE: Don't have to do bid process for contractors when going through an emergency.
- JPIA: Valuations Northwest Property Appraisals, Harold Blattie
 - Entered into contract - Appraising all bids
 - Showing up in JPIA Member Counties to do an inventory
 - Those counties will then have to sign off on buildings they don't want insured
- DNRC County Co-op Agreements, Harold Blattie
 - Realized they had two contracts - want to get it stream-lined
 - Work comp issue discovered with other department having work comp coverage
 - Volunteer Fire Departments - Not getting adequate coverage
 - Meeting with interim committees- trying to get an understanding
 - Problem is not going away
- GASB 54, Harold Blattie
 - Major change in fund accounting--headers are changing.
 - This current fiscal year, your forms have to be in GASB 54 format.
 - Can't opt out of GASB 54.
 - DOA is out doing training.
 - Auditors are held to standards, so they have to audit you in accordance with this--they will write it up as a "reportable condition."
 - You have to adopt a policy.

- Interoperability Montana, Sheryl Wood
 - IM is dissolving June 30, but the project is not terminating; as per Sheena, the state wants to control the backbone.
 - \$3 million grant from Homeland Security
 - Governor's Office appointed Carl Hotvedt as the new coordinator of the project.
 - MACo was asked if we wanted to manage it, and MACo declined based on a survey we sent out and directive from the Executive Committee.
 - Make sure you know where you stand with Interoperability and that your interests are protected:
 - Get your contracts out and see what you've committed to and what you own, etc.
 - Meet with your consortia members.
 - Seeing some movement toward regionalization; lots of rumors out there.
- County Jail Contract & Per Diem Rate Calculation Template, Sheryl Wood
 - Met with DOC; formed stakeholders group.
 - Redesigned forms.
 - Perpetual contracts are done and will now be biennial--also new formula and rates.
 - New worksheet of what should and shouldn't be included in costs.
 - You will be receiving new forms based off of the Bars Chart of Accounts.
 - Be sure your accounts are coded correctly.
 - Should be getting these items in about 45 days.
 - We've asked DOC how you fill out the form if you use another County's jail. We are waiting for a response.
- DPHHS: County Matching Grant Program for Crisis Intervention & Jail Diversion, Sheryl Wood
 - HB 131 & HB 132 Package
 - Grant money still available--we sent out an email about this last week.
 - Get in at least letter of intent to request funding--due next week: June 15.
- HB 351 & TSEP, Harold Blattie
 - HB 351 received wide support.
 - Bridge projects & waste sewer projects will be separated in the future: 20% will be set aside for bridge projects, and 80% will be for waste sewer projects.
 - Governor's line item veto took about a dozen projects out--which has never been done. He said in his letter that the projects didn't have the support of the legislature.
 - It went to a poll veto (had a large number of votes), but Governor says that he has 17 votes in Senate to kill all veto polls.
 - Question raised about the line item vetoes and protecting the integrity of the ranking/evaluation and selection process (ranked in order of importance); "Less deserving" projects are moved down the list, not removed. So the question is, what is the appropriation and can a Governor cross projects off?
 - Todd Everts, Legislative Council, doesn't believe it's legal. We're thinking that they may pursue it, as Legislative Council should be questioning the Executive Branch. This sets a precedence, and it could happen to any county in the future.
 - Question raised if MACo should litigate; it will be on the MACo Board Meeting agenda at the end of June.
 - Comment: Todd Devlin, Prairie County - Litigation would probably have to be brought by a county that got crossed off and MACo can come in to intervene.
 - Response: Harold Blattie - Madison County said that they'd be the first in line; they had two projects crossed off.
- By-Law Addition/Amendment: Past Presidents on MACo Board of Directors, Harold Blattie
 - We are submitting a request for a by-law proposal to allow MACo Past Presidents to be on the MACo BOD.
 - NACo does this as well as a number of the other state associations.
 - Their involvement and experience is valuable.
 - Question: Troy Blunt, Phillips County - Are the Past Presidents required to be involved?

- Response: Harold Blattie - Good point of discussion for the board; another point is whether they will be voting members.
- Resolution to Support HR 1581, Harold Blattie
 - Approved by Districts just visited (8, 9, 12, 6 & 7)
 - It's going through the MACo Resolution process.
 - Comment: Todd Devlin, Prairie County - This would be good for the Public Lands Committee at NACo.
 - MOTION: Connie Eissinger, McCone County, motioned to support the resolution. Todd Devlin seconded the motion. Motion passed unanimously.

Break for Lunch & Tour of Jail

District I Caucused for Elections of Chair & Vice Chair

- Elected Richard Dunbar, Phillips County, as Chair -- term ends 2013.
- Elected Dave Reinhardt, Valley County, as Vice Chair -- term ends 2013.

Miscellaneous Discussion: NACo Involvement & District Meeting Involvement

- Question: Connie Eissinger - Should a county decide to send someone to participate on a NACo Committee, what happens?
 - Response: Harold Blattie - The State Association makes the recommendation and typically NACo follows the recommendation. If you want to be appointed, call/email us and we will contact Jon.
- Follow-up: What is the cost to counties?
 - Response: Around \$400 for the NACo Annual Conference. You can just go and participate in the committee, but wouldn't be able to vote. Each Member County receives one vote. To vote with the main body, you must have someone from your county present, and the document from NACo must be signed declaring that person the delegated voter. To vote with a committee, you just have to be a member of that committee.
- Discussion: Importance of attending the out-of-town meetings, such as District Meetings. Perhaps MACo could push information to the public about the important tasks of a commissioner, such as traveling. There is a perception that if the commissioners go out of town and are not in the courthouse, they are AWOL.
 - Question: Todd Devlin - What's happening in other Districts?
 - Response: Harold Blattie & Sheryl Wood - There have been about 30 people at each meeting. We missed Butte-Silver Bow from Districts 8,9 & 12, and Districts 6 & 7 were missing Wheatland.
 - Comment: Robert "Bob" Lee - Some counties have more active commissioners.
 - Comment: Harold Blattie & Sheryl Wood - Let us know what you would like us to do, and we will do it.

Flood Issue Follow-up: Mike Waite, Congressman Denny Rehberg's Office

- FEMA Triggers: Continuation of winter storms into spring storms--waiting for answers
- We don't know if there will be a presidential declaration. Make sure you have photos, reports, etc.
- The coming storms bring potential for more tornados.
- If you have any questions for Congressman Rehberg, please let me know; I'm always available on my mobile device.

HB 198, Eminent Domain Bill: Ron Devlin, North Western Energy Contractor, Rancher in Prairie County

- Did not change law.
- Brought law so it conformed to court decision.
- There is an effort to repeal - petition for referendum.

Legislative Report: Harold Blattie & Sheryl Wood

- Harold Blattie

- HB 297, Extend time frames to preserve historic right of way for state lands: Extend time frames to preserve historic right of way for state lands; we got it passed, but it was tough and will be hard to do again; Senate State Admin amended it, but the House rejected the amendments. It then went to conference committee and "two years" was reverted back to "four years" and extended to 2025. The streamlined process could go away, and you'll have to spend a lot more money. We suggest doing an inventory of County road right-of-ways that go across state land. If you don't pay it, you could lose some constituents that need access and don't have it.
- SB 248, Allow additional members for county tax appeal board: Passed.
- SB 183, Revise interim zoning laws: Made it through but was vetoed by Governor.
- HB 61, Allow local jurisdictions to set lower speed limits on unpaved roads: You can set speed limit on county gravel roads to 35 mph.
- HB 123, Revise county and school district budgeting timelines: Revised county and school district budgeting timelines: 15 days taken out; 2nd Monday in August; 30 days after.
- HB 133, Provide for court orders, fines, liens for noncompliance with noxious weed laws; & HB 166, Revise weed control laws: Noxious weed bills
 - HB 133 - Weed Control: not great but better than nothing; weed control couldn't be enforced before; everyone was committed to working on this during the session.
 - HB 166 - Administration bill; commissioners have control over weed board.
- HB 319, Require contractors to list special fuel users' permit on bids for govt projects: You must put special fuel users permit number on bids.
- SB 420, Revise local government audit laws: Public pressure to file reports; failure to submit your annual report will lead to DOA taking an ad out in the public newspaper with district names; this will happen one year after.
- HB 400, Revise emergency response laws including fee: Representative Arntzen said that this bill will be back, as it was not drafted as she intended.
- Sheryl Wood
 - HB 22, Extend the sunset on wireless 9-1-1 funding for less populated counties: E-911; Sunset extended to 2015.
 - HB 156, Increase the rate of payment of interment allowance and headstone: Veteran's headstone - It's "up to," so it is not a mandate; statute says that you have to do something, but you get to decide the dollar amount.
 - HB 187, Provide for Montana-made wooden products in highway and road specs: Must consider the use of Montana-made wooden products; use when appropriate and affordable; recommend a note in the minutes/bid packets; effective October 1.
 - HB 262, Extend requirement for emergency medical service grant program: Money for rural EMS services; \$1 million/year; extended for 2 years; encourage you to go to MDOT website, get application and apply for grants.
 - SB 423, Generally revise laws relating to use of marijuana: Medical marijuana; Legislative body put in tons of work to try and do the right thing; local government authority: regulate via resolution/ordinance (resolution is read once, and an ordinance is read twice); current cards expire July 1; no more store fronts; sheriff can destroy product if it is somewhere illegally; sheriff can conduct inspections; people under DOC cannot get a card; look at sections 13 and 14 of the bill; it is being litigated.
 - Question: Dave Reinhardt - In case of repeal, should we have a self-standing moratorium?
 - Answer: Sheryl Wood - Unless you are a self-governing county, you don't have the authority to issue a moratorium.
 - SB 357, Revise laws for appointment and election of a resigning county commissioner: Resigning County Commissioner can't vote on their position replacement.
 - HB 431, Eliminate state election day as a legal holiday: Currently, if there is a Holiday on a Saturday, you can't close on a Friday. Department of Administration moved it from the rules, which we had always followed, to the State Employee Administration Manual; unfortunately, this made it so that the State can close, but Counties cannot. We realized it during the session and tried to interject it into this bill, but it didn't work. We will bring a bill next session and keep checking the calendar.

- SB 58, Lengthen time DNA evidence must be preserved in certain cases: Died based on our ability to show the impact it would have on counties, but they will be studying it over the interim, and the committee said that they are bringing it back. This will come with such things as certified training, temperature-controlled facilities, and computerized logging. This is from the Montana Innocence Project, which is backed by the National Innocence Project. We want to move the burden back to the state. When we send surveys out, please send them back, as we need to gather the necessary information.
- HB 130, Expand types of elections to be conducted by mail ballot elections: Died on a narrow margin on Third Reading; we don't know what happened, and there are a number of theories; we don't know if the Clerk & Recorders will bring it back (we haven't talked to them yet).
- HB 530, Allow counties to prepare mail ballots before election day: Ballots can be opened a day early; the Secretary of State is writing the rules.
- HB 334, Generally revise workers' compensation: Workers Compensation Reform; intent is good; five years before claims can close; no foundational data; reduces rates by 20%; no statistical data--doesn't use history to set the rates; the question is, what happens if they're wrong?
- HB 122, Provide for benefit and funding changes to public employees retirement system: Retirement Bill; PERS; as of July 1 new hires will contribute 7.9% for retirement (old hires state at 6.9%). We got the employer contribution taken out; there will be a little disparity amongst some employees. If you fail to report, or report inaccurately, you are jointly inseparably liable.
- Harold Blattie
 - HB 212, Eliminate county classification: Eliminated county classification; in statute, it changes to Taxable Value.
 - HB 28, Revise requirements for proposed septic mixing zones: Mixing zone for septic system can no longer go across/onto someone else's property.
 - HB 494, Revise laws relating to subdivision exemptions; & HB 629, Revise subdivision law and rent or lease exemption: Local government decided not to move SB 629 forward, and instead moved on HB 494--thank you to all of you; however, in the end it was vetoed.
 - SB 372, Lower business equipment tax -- phase more reduction on state economic growth: Passed; 3% to 2% (lowers) trigger and it lowers again; reimburses you 100%.
 - HB 316, Redistribute certain revenue and income: Vetoed; Diversion of 10% metal mines and tourism as well as some oil and gas money to education; since it died they have a big hole to fill due to the language that tied the education bill and HB 316 together. The money exists, it's just in the wrong place; next session, the Governor wants to put it in the right place.
 - SB 428, Provide for a state equalized mill for K-12 education: Died, but we're not done talking about education; we'll be back there in the next session.
 - HB 495, Revise statutory appropriations and local government entitlement share payments: Freezes Entitlement Share for two years and then adjusts the growth formula; lets us jump over the two ugly years; new growth factor will be faster (it would have been this or something else that would have been much worse; it's the lesser of two evils). Basically, you're losing the growth that you would've received this year and next year.
- Interim Studies: Harold Blattie
 - HJ 38, Interim study of local fire protection, firefighters, and EMT: Won't be studied; disappointed, as it was a big issue during the legislative session.
 - HJ 39, Interim study of subdivision rent or lease exemption: We will be involved in this study.
 - SJ - 23, Interim study on exemption of nonprofits from property taxes: We will be involved in this study. This issue has been floating around MACo for at least 15 years.
 - HB 602, Require interim study of exempt water wells: We will be following this--the bill calls for a study and provides funding for it.
- Interim Studies: Sheryl Wood
 - SJ 20, Study resolution on implementation of privatization of Medicaid administration: We'll be watching this study.
 - SJ 29, Request interim study of restorative justice: We'll be watching and monitoring this study.

- We thank you all. Nothing replaces your direct contact with a legislator.
- NOTE: The Interim Committees are in full swing and already meeting.

MDOT -- STIP & Secondary Roads: Wayne Noem, MDOT

- Current projects and upcoming projects
- Rescoping of projects
- Gary Larson retired and Paul Johnson is taking his place.
- Make sure you read the STIP 2011 book. There will be a link on the MDOT website soon, and we also send hard copies to the counties.

Meeting Adjourned