

## SEPTEMBER 2, 2015

The Lincoln County Board of Commissioners met for a regular session on September 2, 2015, in the Lincoln County Courthouse. Present were Commissioner Mike Cole, Commissioner Greg Larson, Commissioner Mark Peck, and Clerk and Recorder Robin Benson.

Commissioner Cole **opened the meeting** with the Pledge of Allegiance.

**9:00 AM FY 15/16 Final Budget Hearing:** Nikki Meyer, Eureka via Vision Net, Brent Faulkner, Roby Bowe, Wendy Drake, Dallas Shaw, Bill Caldwell, Linda Caldwell, Robert Mast, John R. Righter, and Bob Henline.

Commissioner Cole noted that we have had two preliminary budget hearings; one in Eureka and one in Libby and opened the hearing for public comment. Members of the public asked about the 20 mill over-taxation payback. Commissioner Peck said it will not take place this year. Protecting the road budget reserves is critical. It is important for the public to understand how that budget is not levied and once those reserves run out that is when we hit the wall. Commissioner Larson said the county is only guaranteed SRS through 2017 and protecting the road reserves is what is best for long term planning. Commissioner Peck said we are very fortunate those reserves were put into place and managed well. Commissioner Larson stressed how important for the public to understand the importance and reasoning of maintaining road reserves.

Commissioner Cole said the Commission has looked hard at the 20 mill payback as well as looking long term at the decline in revenue sources. Commissioner Peck said he has talked with hundreds of people literally on this issue and the feedback he has received is *don't do it again*. Commissioner Peck said there is a large scale of uncertainty on the level of revenue over the next couple of years and he personally would rather hunker and hold and run out the next valuation cycle which hopefully will provide more revenue. John Righter said it is probably more the "principle of the thing"; it was money the county received in error, so it should go back to the taxpayers. The Commission agreed, and said they want to get the overtax issue off their plate. Commissioner Cole said the payback is not off the table, it is off the table for this year only. Commissioner Peck said it was set up to be paid back; it will be sitting there until there is closure. Commissioner Larson said looking at the long term public interest, maintaining road reserves outweighs the mill payback at this time. As we continue to chip away at the road reserves, it will be a lot more than 20 mills to the taxpayer.

Commissioner Peck said we need to roll up our sleeves and look at what county government would look like without reserves. Our priority right now is to slow down the decline in the reserves.

Commissioner Peck said we should come up with a format that includes citizens in all three districts to take a good, hard look at county services; those decisions should not be made by only three elected officials.

The Commission commended the citizens for attending and expressed its appreciation for their input.

Robert Mast stated as a citizen he has no problem forgiving the over taxation, just don't let it happen again.

**9:30 AM USFS Chris Savage monthly update/fires:**

Chris discussed the current fire status of local area fires. All planned evacuations have been put to pre-evacuation status. The clearer visibility now shows there are better barriers than what may have been originally thought. Chris talked about resources available and potential rain predictions. Commissioner Peck commented that we are not out of the woods yet and are still dependent on the weather for rain. Chris said there are still concerns for fires that are close to homes and this will remain the main focus. There are currently about 750 people working fires in Lincoln County.

**10:00 AM Senator John Tester Staff Visit:** Present were Virginia Loranger, Chad Campbell, and Robyn Madison. The group discussed current EPA issues and toxicity value studies. There are still issues on cleanup and leaving 25% rule. Virginia said she has talked with Rebecca Thomas about the 25% rule still being an issue. Clean up strategy is based on toxicity value studies. DEQ is involved in these discussions as well. Senator Tester's staff will be meeting with Dr. Black for further discussion regarding Libby and the asbestos issues. Another concern is the long term care of citizens with asbestos related disease and long term funding assistance for those citizens. Commissioner Cole said there are two sides to the funding; one being continued health care and the other is continued clean up and O & M. Commissioner Larson added the importance of securing funding so this never goes to the taxpayer. Commissioner Peck said it would be good to see a long term trust fund established to secure funding.

The group discussed briefly local fire status. Commissioner Peck said planned evacuations were lifted Sunday.

Commissioner Peck said he is working with a firm in Missoula that will come into Libby and interview people about the past, current, and future of Libby and at the same time involve a data group from the University of Montana to crunch the numbers and develop profiles on perceptions of Libby by outside people. The other phase is to truly develop what people of Libby want Libby to become. The goal is to rebrand Libby and get media attention on Libby other than being a superfund site.

The group discussed the younger people moving into Libby and the new businesses coming in and how they are engaging with government and local organizations.

Virginia asked about the industrial park and Stinger issues. Virginia said she visited with a business owner who has an interest in locating in Libby at the industrial park, but when she reads the paper, it seems there is still a lot of litigation going on. Commissioner Peck felt it may have a lot to do with the responsiveness of the judge and change in attorneys involved slowing down the progress with litigation. Delisting the industrial site as part of the superfund site is also in progress.

Commissioner Larson stated the softwood compact with Canada needs to be renewed.

Robyn Madison said SRS funding barely got passed. Virginia said she does not see this changing any time soon. Commissioner Cole commented that without any certainty of funding, it is very difficult to plan for the future regarding the county budget.

Commissioner Peck said there are so many good solutions coming out at the local level regarding land management issues. The problem is finding a way to streamline the process and meet the needs on the ground. Good ideas are out there, the problem is we have difficulty finding a way to implement those ideas. Commissioner Larson said we would like to be a pilot program to get there. Commissioner Peck agreed and said the KNF would be a perfect area to test those concepts and ideas. Maybe next spring we can get the delegations here, to where we can really sit and actually go out and look at the areas, meet the people, see the solutions; there are many very serious smart people on all sides of this thing, it would really be beneficial to get everyone here, to see firsthand, instead of meeting in Helena. Commissioner Cole said similar to a big summit meeting with legislators from the neighboring states to be included. Commissioner Peck said we need to work on a clear path to success with reasonable probability. Commissioner Cole said we are not ready for the presentation, but it is a work in progress of priority.

**11:00 AM Lincoln County Port Authority:** Present were Bob Zaccheo, Jim Mayo, Kevin peck, Brett McCully, Ralph Seeley, Doug Watson, and Bob Henline.

Jim Mayo said he would like to discuss the relative independence or non- independence regarding mainly accounting for the Port Authority. Stemming from a meeting with Auditor Bob Denning, the Port Authority should be independent with regards to reporting to the state and its budget. At the same time, Jim said he would like to discuss the overall operations. The Port Authority does not have a unified opinion and will do whatever needs to be done; just need clarity.

The Port Board has discussed its independence and to summarize, the Port was created by the commission and can be dissolved by the commission. The Port Authority has always had a Commissioner serve on its board. The Port Board is thankful to have the ability to operate without a lot of oversight. The Port Authority takes its responsibilities to the Lincoln county citizens seriously.

The Port Authority's assets are worth approximately 4 million. The relationship between the Port Authority and the Commission has always been good. The Port Board is ready to have any kind of discussion to move forward.

Jim asked the Commission if the Port is to do its accounting and reporting to the state as an independent entity.

Commissioner Peck said yes, we do not approve your accounting or the Port Authority Budget. Jim said history shows that there were times the Port was audited on its own, and there were times it was embedded under the County.

Commissioner Cole commented this needs to be consistent. Jim said it would be more transparent if the Port was audited as its on entity and reported to the state as independent. The commission agreed.

Commissioner Peck said separate accounting is wise, but there is still a lot of connectivity in areas such as grants and economic development. Jim suggested the Port Board to meet with the Commission quarterly to have a sit down and discuss where things are at and current issues. Commissioner Cole said the Port Authority by-laws seems to clarify a very definitive separation between the County and Port. Commissioner Cole commented that there is confusion with roles and responsibilities between what the county side entails and we need to have some discussion on that.

Jim said the history gets lost as people change positions, and would like to give a summary of that history to the Commission towards the end of the year.

Commissioner Peck asked about the status of the Stinger lawsuit? Jim said as far as the lawsuit itself, it seems to be a never ending battle between lawyers. Tina said we are in a holding pattern. Jim said the Port Authority Board will talk about the possibility of re-evaluating another negotiation in the near future, subject to Port Authority Board approval.

Mayo thanked the commission for its time and cooperation.

**11:30 AM Public Comment Period:** There were no public comments.

**11:45 AM Administrative Issues:**

- The commissioners read the minutes for August 26, 2015. **Motion** by Commissioner Peck to approve August 26, 2015 minutes as presented. Second by Commissioner Larson and so ordered upon unanimous consensus of the board.
- The commissioners read the minutes for September 1, 2015. **Motion** by Commissioner Larson to approve September 1, 2015 minutes as presented. Second by Commissioner Peck and so ordered upon unanimous consensus of the board.
- The Commission signed a letter to Dave Marsh, Forest Management Supervisor in support of the JMF lease proposal for the purpose of surface sewage application. **Motion** by Commission Larson to sign support letter as written. Second by Commissioner Peck, and so ordered upon unanimous consent of the board.
- Commission signed a letter to the DEQ Permitting & Compliance Division in support of the **Rock Creek Mine**. The letter requests DEQ to work cooperatively with Hecla on the permit review for the draft storm water discharge permits currently under consideration and for the finalization process completed in a timely manner.
- The commission discussed the county owned trailer located at the **Libby Airport** and the repairs needed for insulation and roof. The Commission agreed to allow the airport board to move forward with repairs limited to \$3800. The commission will attain legal counsel regarding insurance and liability issues.
- The commission briefly discussed how revenues come into the road fund. The commission will talk with the road supervisors to attain their input.
- Robin Benson reported that Lincoln County received **Loss Control Credits** in the amount of \$8,019 earned for the 2014/2015 policy year. The Loss Control Credits is from the MACo Risk Management Program.
- Tracy McIntyre turned in her letter of resignation from the **Lincoln County Review Committee**.

**1:30 PM Planning Department:** Present were Lisa Oedewaldt, Deb Blystone, Vic White, Kirk Kraft, and Erica Wirtala. Lisa discussed the **Black Butte Communication Site** contract and provided a copy for the commission to review. The commission will take the contract under advisement and place on next week's agenda. Vic said the site is critical for the

future especially for analog. It will be a self-supporting site and is an excellent site for the county. This reflects partnerships the EMA has been able to develop.

Removal of Condition 1 for **Rexford Bench #4 Subdivision**. Rexford Bench #4 is a two lot subdivision. Lisa explained there does not need to be a road improvement condition and it does not fall into any of the subdivision rules or criteria for this condition. **Motion** by Commissioner Larson to remove condition #1 which stated an upgrade to Monarch Lane having pull outs every 400'. Second by Commissioner Peck, and so ordered upon unanimous consent of the board.

2:30 PM Payne **Wrecking Yard/Resolution #947**: There was no public attendance.

**Motion** by Commissioner Larson to approve Resolution #947 that the County Commission opposes the Motor Vehicle Wrecking Facility application submitted by Payne Logging, Inc. to modify existing License #376. The County Commission will be in opposition to any modifications until the current license is brought into full compliance with ARM 17.50.202 and all other Motor Vehicle Recycling & Disposal Program statutes. Second by Commissioner Peck, and so ordered upon unanimous consent of the Board.

3:00 PM **Tobacco Valley Industrial District**: Present were Tracy McIntyre and Nikki Meyer in Eureka via Vision Net. Commissioner Peck was absent for this discussion.

Tracy is here to update the Commission on Economic Development building projects she is actively pursuing. Tracy is requesting approval for \$15,000 in assistance to help with the funding for the preliminary conceptual design services for potential business development on Lots 3 and 12 of the Tobacco Valley Industrial District Business Park. Tracy is working with Archer Manufacturing and Glacier Peak Holistics, both businesses are interested in locating their business on the TVIDBP site. The two businesses combined have the potential to provide about 70 jobs.

**Motion** by Commissioner Larson to approve up to \$15,000 as requested to help with the funding for design services from Jackola Engineering & Architecture, PC to be paid from the county economic development fund. Second by Commissioner Cole, and so ordered upon unanimous consent of the board. Tracy provided a Letter of Engagement from Jackola Engineering for Commission review.

4:00 PM **Nancy Higgins/County School Levies Continuation**:

Nancy provided spreadsheets showing the decrease in the taxable values for all the schools for FY 14, FY 15, and FY 16 and the corresponding dollar amounts to give a better sense of the actual dollars instead of looking at only the number of mills. The commission will receive a statistical report when it comes out.

Copies of the School District Levies for 2015/2016 are available at the Clerk & Recorder's Office and the County Treasurer's Department for public review. Nancy explained the reports and answered the questions. **Motion** by Commissioner Larson to approve the county wide school district levies as presented. Second by Commissioner Cole, and so ordered upon unanimous consent of the Board.

5:00 PM The **meeting was adjourned**.

## **LINCOLN COUNTY BOARD OF COMMISSIONERS**

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Mike Cole, Chairman

**ATTEST:** \_\_\_\_\_  
Robin A. Benson, Clerk of the Board