

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON LOCAL GOVERNMENT

Call to Order: By Chairman Darko, on January 5, 1989, at
2:55 p.m.

ROLL CALL

Members Present: All with the following exceptions:

Members Excused: Dave Brown

Members Absent: Dennis Rehberg

Staff Present: Lee Heiman, Legislative Council

Announcements/Discussion: Noise level at meetings was
discussed.

HEARING ON HOUSE BILL 22

Presentation and Opening Statement by Sponsor: Rep. Brooke,
District 56, stated the bill would enable local
agencies to receive an interest rate comparable to
market rate for municipal monies rather than the 2-1/2%
presently provided for in Section 7-6-4602.

List of Testifying Proponents and What Group they Represent:

Chuck Stearns, City Finance Director, Missoula

List of Testifying Opponents and What Group They Represent:

None

Testimony: Mr. Stearns stated that this is an outdated law
and municipalities would be allowed to receive
market rate for their deposits. See Exhibit 1.

Questions From Committee Members: Rep. Wallin questioned
whether or not the municipalities would be
required to get bids from banks; and, would they
get a broad range of bids and not just repurchase
agreements. Rep. Wallin wants more information
from the bankers about this bill.

Rep. Hansen asked for clarification that the public sector would receive no less than the rate being offered to other investors under the same conditions. Mr. Stearns replied affirmatively.

Rep. Guthrie asked if public monies were presently being discriminated against. Mr. Stearns answered negatively and added that at present most public money was receiving a better interest rate but he found this statute confusing and felt it should be changed.

Rep. Good asked if the public was presently receiving more than 2-1/2%. Mr. Stearns said there are more specific statutes that are presently used to receive a higher rate.

Closing by Sponsor: Rep. Brooke reiterated that this bill was a "housekeeping" bill enabling municipalities to receive a more favorable rate of interest.

DISPOSITION OF HOUSE BILL 22

Discussion: Rep. Wallin still wanted more information and will get the information himself.

Amendments and Votes: None.

Recommendation and Vote: None.

HEARING ON HOUSE BILL 23

Presentation and Opening Statement by Sponsor: Rep. Brooke, District 56, stated that the bill would allow cities and towns to use the bulk mail rate for 200 or more pieces of mail so as to get a cheaper rate.

List of Testifying Proponents and What Group they Represent:

Chuck Stearns, City Finance Director, Missoula

List of Testifying Opponents and What Group They Represent:

None

Testimony: Mr. Stearns stated that at present a bulk rate can only be used when a mailing is being made to the entire city/by statute, while postal regulations allow for a bulk rate for mailings over 200. Tax statements or SID notices do not qualify for the bulk rate. See Exhibit 2.

whether mail would be forwarded or returned. Rep. Brooke and Mr. Stearns assured Rep. Wallin that the regulations would not allow certain tax notices to be delivered bulk rate and that an extra charge could be paid so undeliverable mail could be returned.

Closing by Sponsor: Rep. Brooke felt that passage of the bill would enable cities and towns to take advantage of more favorable rates and clean up outdated codes.

DISPOSITION OF HOUSE BILL 23

Discussion: Rep. Wallin was concerned that certain notices would not be received if mailed bulk rate. Rep. Brooke and Mr. Stearns replied that all pieces of mail must be the same to use the bulk rate. Rep. Good asked for further clarification and Mr. Stearns satisfied her concerns.

Amendments and Votes: None.

Recommendation and Vote: Rep. Gould made a motion that HB 23 DO PASS. Rep. Hansen seconded. The motion CARRIED with Rep. Wallin dissenting.

HEARING ON HOUSE BILL 24

Presentation and Opening Statement by Sponsor: Rep. Brooke, District 58, stated the bill would serve to broaden the flexibility of the city clerk and enable him to designate others to represent him at parks' council meetings.

List of Testifying Proponents and What Group they Represent:

Chuck Stearns, City Finance, Missoula

List of Testifying Opponents and What Group They Represent:

None

Testimony: Chuck Stearns stated that he is presently limited to sending the Deputy City Clerk to park meetings and he would like the flexibility of sending others, in particular, the City Parks Director.

Questions From Committee Members: Rep. Good wanted to know if the Park Advisory Committee was responsible to the City Council and if the bill would enable City Clerk's to choose anyone as representative. Mr. Stearns stated that the Park Advisory Council has specific powers of its own and that he was particularly interested in appointing the Parks Director to attend the meetings.

Closing by Sponsor: Rep. Brooke stated that the bill would give the City Clerk much more flexibility in scheduling and keeping the minutes of the Park Board.

DISPOSITION OF HOUSE BILL 24

Discussion: Rep. Brown asked Lee Heiman if there was a need for limiting the designee. Mr. Heiman responded negatively.

Amendments and Votes: None.

Recommendation and Vote: Rep. Gould moved DO PASS and it was seconded by Rep. Stickney. The motion CARRIED with Rep. Good. dissenting.

ADJOURNMENT

Adjournment At: 3:25 p.m.



PAULA DARKO, Chairman

PD/TD

0411.MIN

STANDING COMMITTEE REPORT

January 5, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Local Government report that
HOUSE BILL 23 (first reading copy -- white) do pass .

Signed: Paula Darko
Paula Darko, Chairman

9:50 am

STANDING COMMITTEE REPORT

January 6, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Local Government report that House Bill 24 (first reading copy -- white) do pass .

Signed: Paula Darko
Paula Darko, Chairman

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**NOTICE OF PUBLIC HEARINGS TO INCREASE SEWER RATES AND
TO ELIMINATE SCHEDULED INCREASES IN SEWER DEVELOPMENT FEES**

The City of Missoula is proposing to increase Sewer Use Fees by 8.5%, approximately \$0.46 per month for a single family house, effective July 1, 1988 and to eliminate scheduled increases in the Sewer Development Fee, thus leaving the Development Fee at \$350 per new connection.

The increase is necessary to offset operating losses of \$78,051 in FY87 and increases in operating expenses caused by a 70.5% expansion of the Sewage Treatment Plant's value, electrical cost increases, and general inflationary increases. This increase will be the first one in 3 1/2 years and will still leave Missoula with the lowest sewage rates of the major cities in Montana. The 8.5% will be applied across-the-board to all classifications as follows:

CLASS	OLD RATE	NEW RATE 7/1/88
101 Single Family	\$65.00	\$70.50
102 Multiple Family	\$44.80/unit, plus \$10.80 account charge	\$48.60/unit, plus \$11.72 account charge
200 Office, Retail, Churches, Rooming Houses	\$55.60 + \$.322 per HCF*	\$60.32 + \$.349 per HCF*
300 Restaurants, Markets, Bakeries, Mortuaries	\$55.60 + \$.93 per HCF*	\$60.32 + \$1.009 per HCF*
400 Hospitals	\$55.60 + \$.33 per HCF*	\$60.32 + \$.358 per HCF*
500 Schools Elementary High School	\$1.33 per student \$2.50 per student	\$1.44 per student \$2.71 per student
600 Industrial/Large Volumes	By Formula	By Formula + 8.5%

* HCF — excess water charge per hundred cubic feet consumption.

The City of Missoula is also proposing to eliminate the next two scheduled increases in the Sewer Development Fee, a 30% increase on January 1, 1988 and a 20% increase on January 1, 1989, and to amend the Development Fee assessment method.

Public hearings to hear ratepayer testimony will be held on November 23, 1987 at 7:30 p.m. in the City Council Chambers, 201 West Spruce Street, Missoula, Montana. Questions and pre-filed testimony should be directed to Finance Officer Chuck Stearns and Public Works Director Joe Aldegarie at the above address or 721-4700.

CITY OF MISSOULA
SEWER BILLING DEPT.
201 WEST SPRUCE
MISSOULA, MONTANA 59802-4297
PHONE: 721-4700

EXHIBIT 2

DATE 1/5/89

HB # 23

First Class Mail
U.S. POSTAGE
PAID
1 oz.
Permit No. 186

