

**MINUTES OF THE REGULAR MEETING OF THE  
BUTTE-SILVER BOW COUNCIL OF COMMISSIONERS  
FOR MARCH 2, 2016**

The Regular Meeting of the Council of Commissioners was called to order Wednesday, March 2, 2016, in the Council Chambers, Third Floor, Room 312, Courthouse Building, 155 West Granite Street, Butte, Montana by the Chief Executive, Matt Vincent.

ROLL CALL

Commissioner Morgan, *present*  
Commissioner Palmer, *present*  
Commissioner Andersen, *present*  
Commissioner Walker, *present*  
Commissioner Foley, *present*  
Commissioner Ralph, *present*

Commissioner Shaw, *present*  
Commissioner McDonough, *present*  
Commissioner Henderson, *present*  
Commissioner Fisher, *present*  
Commissioner Perdue-Dolan, *present*  
Commissioner Sorich, *absent*

STAFF PRESENT

Eileen Joyce, Butte-Silver Bow County Attorney  
Colleen Safratowich, Deputy Clerk & Recorder  
Tracy Watt, Council Secretary

PRAYER AND PLEDGE

Commissioner Henderson said the prayer and led pledge.

PUBLIC COMMENT ON ANY ITEMS ON THE CONSENT AGENDA

None.

APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF FEBRUARY 17, 2016

*It was moved by Commissioner Shaw, seconded by Commissioner Morgan and passed by a unanimous verbal vote to approve the minutes of the Regular meeting of February 17, 2016.*

ITEMS NOT ADDRESSED ON THE AGENDA

None.

## CHIEF EXECUTIVE REPORT

Chief Executive Vincent reported the following:

- Special Meeting of the Butte-Silver Bow Council of Commissioners on March 5, 2016 at 1:00 p.m. at the Wise River Community Center, 65240 Highway 43, Wise River, Montana to hold a combined public hearing with the Beaverhead County Commission, Anaconda-Deer Lodge County Commission and Butte-Silver Bow Council of Commissioners on the creation of a proposed fire district in the Wise River, Montana area.
  - Commissioner Walker will be driving a Butte-Silver Bow van for ride-share. Contact Commissioner Shaw for more information.
- Butte Economic Development Coordinating Council (BEDCC) – we had an ad hoc committee a couple of years ago to educate ourselves regarding economic development in Butte.
  - Recommendation was to coordinate more officially among Butte-Silver Bow’s major economic development groups, thus creating the Butte Economic Development Coordinating Council.
  - Sub-committee, Integrated Marketing Group, is focusing on a new six month Social Media Marketing Campaign in order to be competitive with other Montana cities for economic development and promote our quality of life.
  - Instagram account offered for a week for an individual or organization to host.
  - Contact Kristen Rosa for more information.
- New Information Technology Manager Mike McKillips has accepted offer. He will work in Finance and Budget Department while we work to transition IT into its own stand-alone department. No start date yet.
  - Mr. McKillips is currently IT Manager for Idaho State Police. Previously worked for the State of Montana in the Department of Administration in Helena. Also worked in Florida to be near family for several years.
  - Mr. McKillips was chosen from a field of 50 applicants.
- Going to change around the Agenda just a little and move into the three Bid Openings.
- Noted Item 4 will be a Presentation from Danette Gleason and Pat Burt on Financial Audit.

*County Attorney confirmed Proof of Publication for items 2, 3, and 4.*

## **SECTION 1 BID OPENINGS, PUBLIC HEARINGS, AND/OR PRESENTATIONS**

1. BID OPENING  
COMMUNICATION NO. [16-66](#)  
(*Moved from 3.*)

JAMES M. MANNING, CHAIRMAN, GREENWAY SERVICE DISTRICT, REQUESTING COUNCIL OF COMMISSIONERS SCHEDULE A BID OPENING FOR THE SILVER BOW CREEK TRAILHEAD CONSTRUCTION ON MARCH 2, 2016. [Map](#).



Dori Skrukrud, Project Manager for the Silver Bow Creek Trailhead, opened three bids:

Swank Enterprises	10% Bid Bond	Aware of two addendum	Total Bid \$636,687.00
Intermountain Construction Service	10% Bid Bond	Aware of two addendum	Total Bid \$509,678.90
Montana Civil Contractors, Inc.	10% Bid Bond	Aware of two addendum	Total Bid \$581,417.00

Commissioner Henderson asked what the Engineer’s estimate was on the project.

Ms. Skrukrud stated \$480,393.

***It was moved by Commissioner Shaw, seconded by Commissioner Morgan and passed by a unanimous verbal vote to refer the bids to the Public Works Department in conjunction with the Greenway Service District and have them come back to Council with their recommendation.***

2. BID OPENING(S)  
COMMUNICATION NO. [16-68](#)  
(Moved from 4.)

LORI CASEY, ASSISTANT PLANNING DIRECTOR, BUTTE-SILVER BOW PLANNING BOARD, REQUESTING COUNCIL OF COMMISSIONER’S AUTHORITY TO HOLD TWO (2) BID OPENINGS ON MARCH 2, 2016 REGARDING THE COMMUNITY TRANSPORTATION ENHANCEMENT PROGRAM (CTEP).

John Sesso, Planning Director, Butte Planning Department, stated the Base Bid covered about 11 locations, alternates for remaining four locations. Director Sesso opened the one bid for 2015 CTEP Sidewalks II:

H & H Contracting	10% Bid Bond	Base Bid \$447,001.20 First Alternate \$46,918.00 Second Alternate \$95,872.25 Third Alternate \$59,423.75 Fourth Alternate \$44,140.00
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Chief Executive Vincent asked what the Engineer’s estimate was on the project.

Mitch Mihailovich, Project Manager with Pioneer Technical Services, stated total Base Bid \$456,610.00. Alternate 1, \$46,238.00; Alternate 2, \$101,850.00; Alternate 3, \$59,981.00; Alternate 4, \$48,370.00. Combined total for Base Bid plus the Alternatives \$713,049.00.

Director Sesso stated there is enough in CTEP Grant to cover the base bid. For the alternatives, previously proposed three of the four alternatives in the Transportation Alternatives 2015 proposal, which we received. So should be able to get all this work done and achieve goals.



***It was moved by Commissioner Shaw, seconded by Commissioner Morgan and passed by a unanimous verbal vote to refer the single bid to the Planning Department and have them come back to Council with their recommendation.***

Before opening bid for second project, John Sesso, Planning Director, Butte Planning Department, stated goals for the At-Grade Crossing and Sidewalks project. Director Sesso then opened the one bid received for 2015 CTEP At-Grade Crossing and Sidewalks:

H & H Contracting	10% Bid Bond	Total Bid \$97,393.00
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Mitch Mihailovich, Project Manager with Pioneer Technical Services, stated engineer's estimate for the total base bid was \$104,619.90.

***It was moved by Commissioner Shaw, seconded by Commissioner Morgan and passed by a unanimous verbal vote to refer the single bid to the Planning Department and have them come back to Council with their recommendation.***

3. PRESENTATION  
COMMUNICATION NO. [16-63](#)  
(Moved from 1.)

DANETTE L. GLEASON, DIRECTOR, BUTTE-SILVER BOW FINANCE AND BUDGET DEPARTMENT, REQUESTING THE COUNCIL OF COMMISSIONERS AUTHORIZE A PRESENTATION ON MARCH 2, 2016 ON THE AUDIT CONDUCTED ON THE FISCAL YEAR 2015 COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) AND THE FEDERAL SCHEDULE OF AWARDS.

*An abbreviated Financial Report was handed out to Commissioners.*

Danette Gleason, Director, Butte-Silver Bow Finance and Budget Department, stated the following:

- Entire 2015 CAFR report is available on Butte-Silver Bow Web site as well as in our office.
- Noted various items in the report and recommended Commissioners review.
- Offering training session on the financial statements. Will work with Chair Shaw to arrange.
- Juli Connors in charge of Single Audit Section.

Pat Burt, Auditor, Newland and Company stated the following:

- Audited Butte-Silver Bow's prepared CAFR statements and gave Unqualified Opinion for the year ended June 30, 2015.



- Butte-Silver Bow also sends financial reports to GFOA, which has even more stringent requirements.
- All in accordance with Generally Accepted Accounting Principles.
- Noted new accounting standard requiring reporting of Net Pension Liabilities. Significant change.
- Audited Schedule of Expenditures of Federal Awards to determine grants are in compliance.
- Statement of Net Position drastically changed due to new reporting of Net Pension Liability in the amount of \$22,195,000.64. Represents the unfunded portion of pension obligations. Not a liability able to pay or pre-fund. Actuarially determined. Due to adoption of a new accounting standard. Creates negative.

Commissioner Morgan asked if we can eliminate the liability.

Auditor Burt stated it will never go away Not a liability you can budget for or ever pay.

Commissioner Morgan asked if the liability has a negative effect on our bond rating and percentages we pay.

Auditor Burt stated he does not believe so.

Director Gleason stated there are over 40 pages in our Financial Statement explaining this liability. With Bond Council articulation we hope it will not have an impact.

Auditor Burt stated all local governments are now reporting this liability.

Commissioner Shaw stated her understanding is it cannot be paid down, it is simply a line item we need to be aware of what it means.

Auditor Burt stated the hope is PERS will pay attention to those numbers and adjust funding.

Auditor Burt continued, stating the following:

- Single Audit Section notes significant deficiencies in internal accounting control in areas 15-1, 15-2 and 15-3.
  - 15-1 inadequate segregation of duties, record keeping and cash collection. Would require additional employees. Repeat comments, not new.
  - 15-2 internal control over payroll, review and approval. Partial repeat item.
  - 15-3 new item. Errors related to depreciation on fixed assets. This has been corrected.
- Other findings, test for compliance – repeat item – Public Administrator is not posting the annual report in the office of the Clerk of the District Court and it has not been filed for a number of years. Balance in Public Administrator cash account is \$74,164.00.



Commissioner Perdue-Dolan asked how is the Public Administrator not held accountable for the money and families? Who is responsible for oversight of this position?

Auditor Burt stated the money is held by Butte-Silver Bow, and this is an elected position.

Director Gleason stated the following:

- We know which estate is due what money.
- Treasurer's office collects and disburses cash.
- We have developed some electronic means to assist the Public Administrator with the process.
- The annual report was not filed, but did file some reports throughout the year.
- Current funds have been carried over between two or three previous administrators.
- We are working with the judge and hope to get this resolved by the end of next year.
- This is an elected office, so my office does not have control, neither does the County Attorney, over trying to get this worked out, and we don't have the authority to just do it ourselves.

Commissioner Fisher asked if the Public Administrators have already collected fees.

Director Gleason stated they are paid throughout the process. They also receive full health insurance.

Commissioner Fisher asked if the Public Administrator gets any payment upon final disbursement.

Director Gleason stated they get a percentage based on what the Judge allots. I think it's a prorated percentage and they get it throughout probate of the estate.

Commissioner Fisher asked if Public Administrator gets appointed when there are no heirs to the estate.

County Attorney Eileen Joyce stated a Public Administrator is supposed to administer any estate where no heirs can be found. Fees are statutorily based.

Commissioner Ralph stated the Public Administrator is an elected office and asked for volunteers.

Commissioner Morgan stated this is a serious matter. What is the impeachment process?

County Attorney Eileen Joyce stated there is a Recall Act.



Auditor Burt again continued, stating the following:

- The next item is 15-5, Detention Center. Reviewed inmate fund balances. Not reconciled to General Ledger on a regular basis. Also outstanding checks back to 2007. Recommended various internal control procedures.
- Item 15-6, Civic Center – \$70,982 not entered into General Ledger. Made various recommendations to avoid potential fraud.

Commissioner Perdue-Dolan asked why the amount so large.

Director Gleason stated the following:

- Treasurer's Office is working to rectify.
- All agree it is not being handled properly.
- Juli Connors and Wendy McGrath are working on problem.
- We plan to start running it like our Golf account.
- Hope to have reporting done by March 15.
- This is their "Box Office Account," and when events are held they have to have the money.
- Ran by Civic Center Board.

Bill Melvin, Manager of the Civic Center, stated the following:

- All members of Board can sign checks.
- Have not been getting statements, so could not balance check book, but we are in the positive.
- We are now doing our own promotions for many events.
- Some money has just been a coding problem that Juli is going to help us with.
- Will be able to balance check book every month.

Auditor Burt continued with final item, stating the following:

- Prior report recommendations very positive.
- Only two of nine not implemented from last year.

Commissioner McDonough asked which office did not implement last year's recommendation.

Auditor Burt stated the offices are identified in 15-1 of the handout.

Commissioner Henderson asked if Auditor Burt was comfortable in analysis that we are covered and checked by outside sources so we are safe from wrong-doing. Not suggesting at all that there is wrong doing. Just want to be sure we are protected.



Auditor Burt stated the following:

- Key component is segregation of duties with the cash collection process.
- Because of lack of personnel, don't have extremely good internal controls.
- There have been issues in the past where monies are missing. There is no perfect system.
- For the most part Butte-Silver Bow complies and is very accurate.
- The "tone at the top" is very good – how management addresses these issues.

Commissioner Henderson stated the following:

- Concerned about our exposure because it happens all over the country and nearby local cities.
- Danette does good job answering questions. But there are always cracks, and that is what I worry about.

Auditor Burt stated the following:

- Unfortunately it becomes a cost benefit issue.
- Instead of maybe one or two employees, you might require three or four.
- Does the revenue generated in these small offices justify that? It's a management question.

Commissioner Morgan stated it was nice to see so many of the check boxes that have been corrected from last year's audit.

Chief Executive Vincent stated Pat and his team show up here in June. Put in many hours getting comprehensive financial report together. They take this seriously and go above and beyond. That includes Danette and her staff. Thank you.

Commissioner Henderson stated the following:

- I see here Pat where you make a recommendation that Butte-Silver Bow might be able to utilize the services of the County Auditor to assist in segregation duties.

Auditor Burt stated the following:

- In certain instances that would be an ideal segregation of duties because you have someone not involved in the cash collection, maybe reviewing deposits, checks, etc.
- That is normal duty of Internal Auditor, to set up those checks and balances.

Commissioner Henderson asked the following:

- At the present time, we don't have that, right?



Auditor Burt stated the following:

- At the present time, because of past history, the Auditor's duties have been very limited.
- Majority of duties are being handled by Finance and Budget.

Commissioner Henderson stated the following:

- We can't tell an Auditor what to do because that's an elected official.
- How did somebody take the duties away from an elected official?

Chief Executive Vincent stated it was done by the electorate.

County Attorney Joyce stated the following:

- There is ability for local government to decide duties, by ordinance.
- We passed ordinance in Butte-Silver Bow, called the Finance and Budget System, where we took a lot of the duties assigned to the Auditor and we assigned them to our Finance and Budget Department.
- The reason we did that was because there are no specific requirements to be Auditor, but when we hire people to work in the Finance and Budget office we have job descriptions that require them to have the knowledge to know how to handle the financial systems.

Commissioner Henderson asked the following:

- Why do we have an Auditor position if 1) there are no qualifications, and 2) don't have a job to audit anything?
- What is the purpose of that position?

County Attorney Joyce stated the following:

- I think that is what the Chief Executive was alluding to.
- A few study commissions ago we did ask the voters to eliminate the position, but it failed.

Director Gleason stated the following:

- You have to realize back in the day, when some of this was happening, the GASB pronouncements – our financial statements were probably 30-40 pages long.
- There weren't all these GASB pronouncements out there. Today we're at GASB 78. In 2002-2003, we were at GASB 34.
- So over time, I see this Auditor's position key to this local government as it relates to our internal control structure.



- My department is doing all the financial reporting and accounting. They could assist us by making sure every department has *documented* procedures related to their cash collection procedures.
- Currently, everybody knows how the process works and we know the structure is there. We know the Treasurer's office is the main cash collection point. But we don't have a lot of documentation around internal controls.
- Similar with our grants. Juli has already started the process on our internal control structure around all of our federal grants.
- We just need those really good, *documented* internal control structures.
- The Auditor could assist with establishing more internal control. They could make recommendations for improvements.
- I want to touch on 15-1. Pat's job is to be as safe as possible. If they see any weakness, whether it's \$5 or \$500,000, they have to put that audit comment out there.
- It's not feasible to hire ten people to sit and collect cash just to meet the auditor comment. We have to look at the cost effectiveness.
- This is where the Auditor might be able to add to the process – we removed the Fire Department's ability to collect cash. They were collecting small amounts for fire permit fees. Well, we said it's not worth that to have a comment on our internal controls, so now they go to the Treasurer's office or do it online.
- We are trying to address. But right now it's not feasible to pay clerical staff to sit all day to collect cash.
- We all worry about this issue, but it's just not feasible in all cases.

Commissioner Henderson stated the following:

- I see this recommendation, and it makes sense. The Auditor should be auditing or assisting departments.
- No qualification for Auditor job. If you had someone qualified, he doesn't have the ability to do anything.
- Job that could have been eliminated and added to the Finance and Budget Department.
- Really confused.

County Attorney Joyce stated the following:

- The study commission did make that recommendation to eliminate the position, along with the Assessor and the Superintendent of Schools, but it goes to a vote of the people.
- The people voted not to eliminate that position.

Commissioner Henderson stated the following:

- I still think it could be a position that's not being utilized good enough for what it's being paid.



Commissioner Ralph stated the following:

- I kind of have a conflict of interest here.
- I am running for Auditor.
- Do agree there are tasks the Auditor currently is not doing within the framework of the charter and the state legislation.
- I believe a lot of these duties can easily be moved back into the Auditor's office.

Commissioner Perdue-Dolan asked if oversight of budget transfers is part of the audit.

Auditor Burt stated they look at the requirements in place, and they are being met.

Director Gleason stated it takes a whole team to get this CAFR out. Everyone works together to make this happen. Thanks to my staff and auditors.

Auditor Burt stated he is always available to talk to if you have any questions, concerns, comments.

Commissioner Henderson stated the following:

- We had eight recommendations, and six were taken care of.
- Really impressed with that, because it was a lot of years coming to that.
- Thank you for the good job.

Chief Executive Vincent stated the following:

- Appreciate extra time put in to present to the public and governing body.
- Something fairly new, and it's worthwhile.
- To focus on it once a year and identify areas where we need to do better, where we have done better – it's valuable for all of us.

4. PUBLIC HEARING  
COMMUNICATION NO. [16-65](#)  
(*Moved from 2.*)

JULI CONNORS, BUTTE-SILVER BOW FINANCE AND BUDGET DEPARTMENT  
ACCOUNTANT, REQUESTING COUNCIL OF COMMISSIONERS SCHEDULE A PUBLIC  
HEARING FOR MARCH 2, 2016 FOR THE PURPOSE OF AMENDING THE FISCAL YEAR  
2015-2016 BUDGET TO ALLOW FOR INCREASED EXPENDITURES OF  
UNANTICIPATED REVENUE.



Danette Gleason, Director, Butte-Silver Bow Finance and Budget Department, stated the following:

- With me tonight is Todd Hoar, who also worked a lot on this grant along with Karen Sullivan, the Health Department Director.
- They were successful in receiving a \$22,800 grant that covers a period of 18 months.
- This fiscal year and during this Public Hearing we are asking to budget \$13,300. This is for reaching people with disabilities for healthy communities grant.

Todd Hoar, Dev. Disabilities, stated the following:

- This grant is designed to help us assess the inclusiveness of people with disabilities in our community.
- National Center for Healthy Activity and Disability – idea is to figure out how to assess a community in a snapshot, come up with the deficits that continue to occur, then help make some improvements.
- The grant funds are about 6 to 8 months, January through July/August we will be doing a lot of the assessment work.
- Want to include vs. exclude folks in events and projects.
- \$500 is travel funds. Karen and I will represent Butte and travel to Birmingham, Alabama in a couple of weeks to learn how to do the assessment work and implement on a consistent basis.
- Competitive process, only five communities in the United States received funds. Two in Montana – Helena and Butte.
- Our lead is out of the University of Montana. Dr. Meg Traci runs the Rural Institute on Disability, so she’s our state expert. Karen is our health expert, and by default I am the disability expert.

*Chief Executive Vincent opened the public hearing. He called for any proponents. There were none.*

*Chief Executive Vincent called for any opponents. There were none.*

*Chief Executive Vincent closed the public hearing.*

## **SECTION 2 CONSENT AGENDA**

- A. 1. COMMITTEE OF THE WHOLE MEETING REPORT
2. JUDICIARY COMMITTEE MEETING REPORT
3. PUBLIC WORKS COMMITTEE MEETING REPORT
4. FINANCE & BUDGET COMMITTEE MEETING REPORT
5. PERSONNEL COMMITTEE MEETING REPORT
6. ECONOMIC DEVELOPMENT COMMITTEE MEETING REPORT



## B. COMMUNICATIONS

Before entertaining a motion for approval of the Consent Agenda, Chief Executive Vincent called for any friendly amendments or segregations.

Commissioner Perdue-Dolan segregated Section 2.A.2., Section 4, Resolution 16-8.

*It was then moved by Commissioner Shaw, seconded by Commissioner Morgan and passed with a unanimous verbal vote to approve Section 2, Consent Agenda, Section A, Items 1 through 6, with the exception of the Judiciary Committee Meeting Report, Section 4, Resolution 16-8, and Section B, Item 1, and Section C, Items 1 through 18.*

### **Segregation – Judiciary Committee Meeting Report, Section 4, Resolution 16-8**

Commissioner Perdue-Dolan segregated this communication to inquire how Public Works Director Dave Schultz intends to lower costs of the \$8,700,000 proposed pool.

Director Schultz stated hoping to lower the amount of the bond issue. May be able to lower the cost as well. Trying to zero in on what the dollar figure should be that you folks include in the Resolution to authorize the bond issue.

Commissioner Perdue-Dolan asked if they planned to change any elements of the pool, and asked for specifics.

Director Schultz stated there is no intent at this time to change design that was presented to the Council.

Commissioner Perdue-Dolan asked if there is anyone adding support or money or adding their name to the pool so we don't have to take away anything from the project.

Director Schultz stated he knows of no one who has asked to have their name added to the pool, so there is nothing he can add in that regard.

Commissioner Perdue-Dolan asked how will we be able to lower the cost then?

Director Schultz stated the intent isn't to lower the cost. The intent is to see if there is some way to lower the amount of the bond issue. Not privy to all that's going on in that regard, there's probably some helpful things occurring, but nothing he can report on tonight.

Commissioner Fisher asked if still plan to have this on the June ballot. Read something in the newspaper about moving it to the November ballot.

Director Schultz stated the full intent is to have this on the June ballot. If we are able to have the Judiciary amend this, if amendment is needed, and voted out on 9th, then you folks, on the 16th



hopefully, will pass the Resolution and it will make the deadline of the 18th to get to the printer, to be on the ballot for June. So everything is on track to have it ready for June.

*A motion was made by Commissioner Morgan, seconded by Commissioner Walker, to hold in Judiciary Committee until March 9, 2016.*

Commissioner Perdue-Dolan stated concern regarding language on ballot question. Taxpayers asked to vote on \$8,700,000 bond *and* approving the \$350,000 levy. I will be questioning whether that is clarification enough to make sure we are clear enough because it's going to be a very long primary ballot and I want to make sure we are giving the most accurate information.

Commissioner Ralph stated this is the most transparent bond issue we have done. This \$350,000 has never been disclosed to her knowledge in Butte-Silver Bow before, as a continuing expense.

Chief Executive Vincent stated we will continue to work with all of the Commissioners in answering questions so we indeed can have the best picture of information.

Commissioner Perdue-Dolan stated to clarify for Commissioner Ralph, it was never a question of transparency, just a question of clarification.

*Chief Executive Vincent stated we have a motion to go with the recommendation as stated in the Resolution 16-8 to hold in Judiciary Committee until next Committee of the Whole meeting on March 9, 2016. Motion passed by a unanimous verbal vote.*

### **SECTION 3 COMMUNICATIONS TO BE READ AND ACTED UPON**

#### 1. COMMUNICATION NO. [16-64](#)

Norman DeNeal of Landscapes of Montana, 2001 Porter Avenue, Butte, Montana, requesting Council of Commissioners consider approval of a Land Variance to erect a Mine Headframe on Butte-Silver Bow owned land on North Main Street between the Butte, Anaconda and Pacific Railroad Walking Trail and Clear Grit Terrace on March 2, 2016. [Map](#).

Norman DeNeal, Landscapes of Montana, stated the following:

- Reason I am here is because of a headframe that was brought to Butte to interpret Butte's silver history.
- We don't have anything right now to tell about our silver history, which precedes our copper history.
- Surprised to be in front of Council of Commissioners, because was just going to go to the board that considers land variances.
- Want approval to go before the variance board to see if we can get a variance for about 30x60 feet, which is the foot print for this headframe, in addition to some signage.
- The land right now is zoned for residential.
- The headframe would go where the Clear Grit mine was located.



Commissioner Palmer stated the following:

- I don't know which comes first, the chicken or the egg. You can go before the zoning board of adjustment to get permission, but I think you would have to sign a lease through the County to put it on County ground.
- Wouldn't do you any good to go through the variance board until you actually have a lease agreement

John Sesso, Planning Director, Butte Planning Department, stated the following:

- Mr. DeNeal is actually applying for permission from the governing body since the land is owned by Butte-Silver Bow.
- He needs to have your permission to go before the zoning board because he will act as our agent, because we're the landowner, and if the board of adjustments finds the location acceptable, he would receive a land variance from the board of adjustments.
- It would be our expectation that one of the conditions of the approval would be that he would have to enter into a lease and follow all the standard provisions of a lease.
- Would ask that in your motion you specifically give Mr. DeNeal permission to go before the board of adjustments and seek that approval from a land use question.
- Then he can come back and enter into a lease, but he'll need to create an entity due to maintenance and insurance requirements.

Commissioner Morgan stated the following:

- Mr. DeNeal, please explain just what's gone into this project.
- I know you have the headframe, but I'm more curious about putting it onto the actual site – what kind of engineering is going into it.
- It's not like throwing up a little tiny headframe in a front yard, so I'm assuming there's going to have to be some geotechnical work involved to make sure it's stable.
- If I'm going too far into this, just let me know, but I'm concerned about that.

Mr. DeNeal stated the following:

- Headframe was donated, as a loan, to Butte-Silver Bow.
- Doesn't take an engineer to figure out which elements go where.
- Fairly large headframe. About 36' high. A wood headframe.
- Most of the elements are there, although some are missing.
- There are some rotten timbers there, but the BLM put up \$6,000 to replace those timbers.

Commissioner Morgan asked how Mr. DeNeal will bolt the headframe to the ground.



Mr. DeNeal stated the following:

- I was going to build sixteen concrete footings and anchor it with 1/8 inch strap metal.
- Anticipating there may be a time that the property may be sold for residential use, at which time the headframe would be unbolted and moved.

Commissioner Morgan stated he just wants to make sure it's properly engineered and that it will hold the headframe up.

Chief Executive Vincent stated the following:

- Should we get that far I'm pretty confident we'll work with Mr. DeNeal.
- It is on one of our reclaimed waste dumps.

Mr. DeNeal stated the following:

- Not only that, one of the Commissioners on the Historic Preservation Commission offered to lend his services and those of his class members.

Commissioner Palmer stated the following:

- I understand you have already brought this before the Historic Preservation Commission.
- At that time there were two proposals – one to have it erected at a Mining Museum, and one where you're proposing.
- The Historic Preservation Commission voted three to two to go to where you're proposing and go for a variance.
- A lot of information I don't think this Council has right now.
- Would like to hold this in the Committee of the Whole and give people a chance to think about it.

Mr. DeNeal stated the following:

- I've been given only 18 months to get this thing erected.
- Don't want this languishing.
- Would I be able to give some input to the Committee of the Whole?

Commissioner Fisher stated the following:

- In response to Commissioner Morgan, I would hope we don't have to hire an engineering firm to do this simple little project that enhances our community greatly.
- Let's keep it simple.
- Mr. DeNeal is asking for a variance. You already want to hire an engineering firm to do a simple job.



- They didn't hire an engineering firm to put the Lady on the Rockies up there. These are people who know what they're doing. Here's a guy who has beautiful structures around town.
- All he wants to do is get a variance that Director Sesso told us we'd have to do.
- Mr. DeNeal does a wonderful job on his projects, and he should have the 18 months time to get it done.

*Commissioner Fisher made a substitute motion to follow Director Sesso's statement to give Mr. DeNeal the needed go ahead to do what he has to do.*

Commissioner Morgan stated the following:

- To clarify the record, I just want to make sure the thing is built so it's not going to fall over like windmills have in the past. Just to make sure it's safe.
- If I don't say that, I'm not doing my job as a Commissioner to make sure the property and people of Butte-Silver Bow are properly protected.

*Commissioner Foley seconded substitute motion by Commissioner Fisher to give permission and make a motion to move forward to go before the zoning board of adjustment to request a variance.*

*Chief Executive Vincent stated we are voting to give Mr. DeNeal the Council's concurrence to move forward in seeking approval from the zoning board of adjustments to get the variance so he can procure a lease and move forward with the project. Motion passed by a unanimous verbal vote. Motion carries.*

## **SECTION 4 ORDINANCES AND RESOLUTIONS REFERRED TO JUDICIARY**

### 1. COUNCIL RESOLUTION NO. [16-9](#)

A RESOLUTION GRANTING CONDITIONAL APPROVAL OF THE FINAL PLAT OF THE PIZZA RANCH MINOR SUBDIVISION – EXPEDITED REVIEW OF THE CITY AND COUNTY OF BUTTE-SILVER BOW, STATE OF MONTANA; PROVIDING FOR THE REPEAL OF ALL PARTS OF RESOLUTIONS IN CONFLICT HERewith AND PROVIDING FOR AN EFFECTIVE DATE HEREIN.

### 2. COUNCIL RESOLUTION NO. [16-10](#)

A RESOLUTION AMENDING THE BUDGET DURING THE FISCAL YEAR AFTER CONDUCTING A PUBLIC HEARING AT A REGULARLY SCHEDULED MEETING OF THE COUNCIL OF COMMISSIONERS IN ACCORDANCE WITH SECTION 7-6-4006, MCA; APPROPRIATING UNANTICIPATED GRANT REVENUE TO THE BUTTE-SILVER PUBLIC ARCHIVES FROM THE FEDERAL GOVERNMENT, DEPARTMENT OF INTERIOR, NATIONAL PARK SYSTEM FOR THE PURPOSE OF CREATING AN ETHNIC



ATLAS AND CREATING THREE NATIONAL LANDMARK PROPERTY NOMINATIONS AND PROVIDING FOR AN EFFECTIVE DATE HEREIN.

3. COUNCIL RESOLUTION NO. [16-11](#)

A RESOLUTION APPROVING GROWTH POLICY AMENDMENT NO. 30 TO APPROVE CHANGES TO THE BUTTE-SILVER BOW COUNTY GROWTH POLICY LAND USE MAP OF THE 1987 BUTTE-SILVER BOW MASTER PLAN; INCORPORATING, BY REFERENCE, THE CHANGES TO THE MAP AND PROVIDING FOR AN EFFECTIVE DATE HEREIN.

**SECTION 5 ORDINANCES  
SECOND READING**

1. COUNCIL BILL NO. [16-3](#)  
ORDINANCE NO. [16-3](#)

AN ORDINANCE AMENDING CHAPTER 2.72 OF THE BUTTE-SILVER BOW MUNICIPAL CODE (B-SB MC), ENTITLED “SMALL BUSINESS INCUBATOR BOARDS” AND REPLACING THE TITLE WITH THE NAME “BUSINESS DEVELOPMENT CENTER ADVISORY BOARD AND AMENDING SECTIONS 2.72.010 2.72.020, 2.72.030, 2.72.040, 2.72.050, 2.72.080, 2.72.110 AND DELETING 2.72.060, 2.72.070 AND 2.72.090, AND PROVIDING FOR AN EFFECTIVE DATE HEREIN. [Redline](#).

*It was moved by Commissioner Shaw, seconded by Commissioner Morgan that Council Bill No. 16-3 and Ordinance No. 16-3 be placed on second reading and be passed, having been deemed read at length. The motion passed by a roll call vote of 10 yea and 1 nay. Commissioner Perdue-Dolan voted nay.*

PUBLIC COMMENT ON ANY PUBLIC MATTER NOT ON THE AGENDA

None.

CALENDAR OF OTHER MEETINGS AND EVENTS

Commissioner Henderson stated the following:

- On Parks & Recreation, we are meeting out at the EOC, Justice Center on Wynn.



ADJOURN

*It was moved by Commissioner Shaw, seconded by Commissioner Morgan and passed with a unanimous verbal vote to Rise to the Call of the Chair.*

The meeting adjourned at 9:35 p.m.

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MATT VINCENT  
CHIEF EXECUTIVE

ATTEST:

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CLERK & RECORDER