

Stevensville Committee of the Whole Meeting Minutes
for TUESDAY, MAY 13, 2025, 5:30 PM 206 Buck Street, Town Hall

1. Call to Order and Roll Call

Mayor Michalson called the meeting to order. Councilmember Barker, Brown, Bragg and Smith were all present.

2. Discussion on the Following Items

a. Stevensville Fire Interlocal Agreement

Mayor Michalson: these were given to you a while back to go through and as you can see on the prior ones went through five-year sections. Read through the interlocal agreement that is between Rural Fire and the Stevensville Fire Department.

Chief Motley: Page 4 top line F. Same as 5 F it says the same thing, it should read provided by the district when utilized in the service area of the town or district. The district should have one or the other, 5F I would think that you would substitute district for town.

Councilmember Brown: on page 5 of 7 under equipment is that the same equipment that has been utilized between the two.

Chief Motley: the district owns the rescue the town owns the ladder, and they can be used mutually between the two. You might want to add in there that the town owns the ambulance. We share the EMS license. The town has the transport license and the cost share for said ambulance except for when the ambulance is making a transport. The reason why that is, if we transport we bill for that transport we bill for the supplies used then we recoup the said supplies so that is not a mutual 50/50 expense because we getting reimbursed for that transport.

Mayor Michalson: so, do we take that language out of there then?

Chief Motley: it is all good.

Mayor Michalson: the cost of all supplies excluding supplies used by the town for the ambulance should be shared 50/50.

Chief Motley: isn't there a transport in there.

Mayor Michalson: on 5d.

Chief Motley: if we are transporting we are not cost sharing. If we are transporting we are billing.

Councilmember Brown: that will be up the fire department if they want to add the town owns the ambulance.

Councilmember Smith: are we moving on from that subject. On 6a, shared supplies. I am going to give you a hypothetical and that will get across what I am thinking. We get a call, rural chief shows up and it is in the towns jurisdiction and at that point Jeff when you show up you would automatically take over being you are the chief, and this is your jurisdiction.

Chief Motley: I could but I do not have to.

Councilmember Smith: okay, so that is not a big deal then.

Chief Motley: not a big deal, operating under the same guidelines same standards of operating procedure. The reason why, if it is a town call and Rex is the first one on scene and he takes command, when I show up he already has a strategy and a plan and I can be utilized for what resources are coming in if we have mutual aid, a water supply there are a lot of different pieces and parts. We can work next to each other or I can say okay this is my jurisdiction, and I am good. It does not affect how we operate because we train together as one and operate as one. We fill whatever position that needs to be filled when the time comes. Not going to have a turf issue, we play as one. And that is why I think the system that we have works.

Councilmember Smith: thank you.

Mayor Michalson: page 3 section 3 water use and hydrant use. Do they do that.

Robert Underwood: I am not sure. I know we have been looking at tracking that water.

Chief Motley: if we hit the hydrant system for any significant fire, we are going to hit the hydrant for 10,000-20,000 gallons it gets reported. If we fill an apparatus because we went out and did a training we might need 300 gallons and that might not get reported. Any time that we get a substantial amount it gets reported.

Robert Underwood: one thing with that is that we do not pay, no charge for rural. Just wanted you to know that rural does not pay for that. Does rural have a source to get water?

Chief Motley: they have the Bitterroot River.

Robert Underwood: and the easiest is right down here at the hydrant.

Chief Motley: it is the cleanest, you are not going to be sucking up gravel, that all goes through the pump.

Councilmember Brown: What about, I noticed one night that Corvallis was filling up at the corner of Burnt Fork and Eastside. Then that is reported?

Chief Motley: that came as a mutual aid request for our fire.

Mayor Michalson: any other questions?

Chief Motley: on the front page and on the second page that is where it talks about the cost of water, why we don't bill for water and why don't bill for the tender usage. those are all spilled out in the former and past agreements that we brought forward. That is all in there for the history of what happened.

Mayor Michalson: if you are saying that these pages here have the history in them and then we go to page 3 number 1. This supersedes the language of these other agreements.

Chief Motley: that is correct, that is how we got to where we are.

Mayor Michalson: any questions Robert. We can move on to the sublease and operating agreement. (read the operating agreement)

Chief Motley: that is not part of the interlocal agreement. This is a standalone. The interlocal agreement does not come due, the lease agreement does come due, and that is why it is a standalone agreement. That is a lease agreement between the town and rural, not the interlocal agreement.

Mayor Michalson: the part that we just read is standalone from all of this. When does this come due?

Chief Motley: every five years.

Councilmember Barker: it should be the same time.

Councilmember Brown: it says buy the end of June 2025 so this needs to be redone, resigned. The interlocal agreement does not have a date on it.

Jenelle Berthoud: even the changes that you want done, they should be corrected and then signed.

Chief Motley: we need to change that and let the district now that we are going to make those changes. I don't think that you need to add the ambulance to it. Do we really need to list out all of the items.

Councilmember Brown: my next thought was do we need to list out the equipment, if we list part do we list everything or not list it at all.

Chief Motley: things like the maintenance bay, we don't have an empty bay to put an apparatus in. They have a standalone apparatus, and a reserve apparatus, and we do not have that. We really have three to provide to the town but only need two so I guess you could say we have a reserve.

Mayor Michalson: if these are due by the 30th we should go through them also.

Councilmember Barker: but we do not have that on our agenda tonight.

Mayor Michalson: it is just a COW meeting.

Councilmember Barker: but if we are going to go through that we should have notified the district.

Mayor Michalson: that is up to you guys, it can come back at any time.

Jenelle Berthoud: the district and us are the interlocal agreement, correct.

Chief Motley: correct. The others are the standalone.

Jenelle Berthoud: to clarify from the paperwork side of things the sublease and operating agreement and the lease agreement can only be in affect if there is an agreement in effect between the town and the district, correct.

Chief Motley: no, those are standalone agreements.

Jenelle Berthoud: I am just going to let you know what I am finding as I have been going through a lot of things, which is when this came forth in 2020, June of 2020 and this one they did not date. My side Jeff, they were recorded as one whole document. I could not find the sublease, so I checked this and say that this was recorder and the county had this. I did not have an original. What I am trying to do is figure out on my side, was this brought in as one document with two different dates, and you are saying all three are different documents.

Councilmember Brown: on the lease and operating agreement first paragraph it says this lease agreement is part of that interlocal agreement between the town and the district. The lease and the operating agreement ties in the interlocal agreement.

Chief Motley: however, it is not mentioned in the interlocal agreement about this, the reason why and how come when they re-did the interlocal agreement the district did not want to loose the use of said fire hall. Which they were concerned that they were going to lose use of that building and they had a big thing about that. They

came up with the lease agreement, and that is why they rent that from us, and we pay back half of it. that shows control of said building, whenever that was built they did not want to lose the use of the building and that is when they came up with the lease agreement. Notice on both of those agreements my name is nowhere to be seen.

Jenelle Berthoud: I want to apologize I referred to this sublease by the wrong name, it was signed by the mayor, the town clerk, the rural fire district attested and Scott Owens our attorney.

Robert Underwood: looking at this sublease and the operating agreement and the interlocal agreement we have some other stuff that just happens that is not in the interlocal agreement, like retirement and training costs that is kind of not written down anywhere, it would behoove the town to put this all together. What we are looking at, you are referring to old stuff and it would be nice to put it all into one document and say this is how we operate.

Chief Motley: when you say training, the only thing that is deemed to be cost shared between departments has the district and town chiefs signatures on it and those costs are in the interlocal agreement. If it is a 50/50 cost share it is approved by both chiefs before bills go out and that is in the interlocal agreement.

Robert Underwood: does it say training in it.

Chief Motley: anything is a cost share.

Robert Underwood: the question is what is.

Chief Motley: if we decided as chiefs that we each had 450,000 dollars and we wanted to buy a new apparatus, if you think that the mayor is going to approve that. We have checks and balances just like the district has checks and balances. My spending I have to follow purchasing policy of the town, that is the check and balance there and if it is in my budget to do training or buy whatever I have the spending authority by the council to expend that.

Robert Underwood: I just think that it would be a little cleaner if we laid out what items would be cost sharing. In the finance office it comes back up and there is nothing written down about it.

Trevor Motley: retirement is a separate thing and is dictated by our relief board.

Robert Underwood: it is not specifically dictated by the relief board because there is a piece that the town has to pay for rural fire.

Chief Motley: that was done by.

Robert Underwood: yes, a long time ago and we need to dust off the shelves and right now as we move forward that retirement system could bust the town, it could, and a lot of towns are talking about it right now. The fire relief board owns the money if you will or the process the town owns the liability. To add another piece on to it, where is the piece were we added rural on to it. We need to bring that forward and have it all together.

Chief Motley: I am not saying that you bring every resolution over time brought forward.

Mayor Michalson: I will say that I have resolution no 382 to add members of the Stevensville rural fire district to the towns roster for the purpose of all members to receive equal retirement benefits.

Councilmember Brown: and it does say in the interlocal agreement that towns responsibility is maintaining benefits. It is very broad, what does that mean.

Chief Motley: the benefits that the town gives to rural is workmen's comp. that is what we give to the volunteers, the retirement is mandated by the state of Montana.

Mayor Michalson: but there is nothing in the state that says we have to pay rural.

Chief Motley: but the resolution was approved and said that we would that.

Mayor Michalson: if it is okay I would like to read the minutes of that meeting when this resolution. (read the resolution). I went back and dug through the minutes of that meeting, and it was quiet interesting; discussion/decision adding rural fire fighters to the towns roster for retirement and training purposes. Mayor Mimack gave a background of a blended retirement system. Town fire chief Jeff Motley suggested adding the cadets to the list and rural fire chief Rex Olson spoke to the benefit of having volunteers on this system. Councilmembers voted in favor of this resolution. The discussion was passed, and there was a discussion about what if we can't afford to the pay the rural side of the roster. If that is so, then we would have to rescind the resolution.

Trevor Motley: I don't see that becoming as issue, the volunteers, the people don't stick around for twenty years they move around, I don't think that you are going to have this big fiscal impact. Now there are two members.

Chief Motley: there are three.

Trevor Motley: no there is only two that are eligible to retire from the district, and the other person is about ten years away from that.

Chief Motley: what happens is, those that we are paying out currently. The life span of some of these individuals is not high. If we are looking at age, we may have 12-13 at one time max.

Councilmember Brown: I am confused, why are we on resolution.

Mayor Michalson: it was just brought up as a discussion.

Robert Underwood: it is about having all that has to do with the fire department in one thing. Things like that are 20 years old and we should bring it up to date. And talking about this with small towns, right now it is 1/13 of our tax bill.

Chief Motley: 1/13 of what.

Robert Underwood: we paid \$25,000 out for the fire. I keep bringing it up because when it keeps coming up with a \$25,000 bill each year.

Mayor Michalson: while we are having this discussion, Stacie and I and Jenelle were at the conference last week. HB 333 passed was a police bill where police departments can consolidate with the sheriff's department because of the budget, as you know Jeff there are some towns that have consolidated with rural fire departments because of the budgets. So, where does it come into discussion, if our budget keeps getting tighter and tighter when do we start having this conversation about police and fire.

Trevor Motley: where is the conversation about growth and annexing, increase tax revenue for the town. I am probably amongst the youngest homeowners in this town and there is none of that talk going on and that is concerning for someone that wants to spend their life here. I get that the town is pitching on money, but maybe we need to figure out how to increase our revenue.

Jenelle Berthoud: that is why we are working on updating our growth policy.

Councilmember Barker: that is why we are doing the growth policy and putting out a survey and that is one of the questions on that survey.

Mark Adams: I was born and raised in this town. (told a story about when he was young and back then the town could not afford things). Like Bob said when it gets to that point and that point is behind us, why do we have two fire departments in a town this small. Even with all of the growth there is still to few people in an area for everyone to have their own kingdom. I have a list of fire departments in Ravalli

County did you know that Stevensville is the only one with two phone numbers. Darby and Hamilton are incorporated. Hamilton has two fire departments, I talked to the fire chief, and he said yes we do have two fire departments and rural contracts with the town for staffing and administration, but we have one pension and one roster they don't mess around with agreements. Why, what are the advantages of consolidation. After watching you people fumble around, why don't we use the KIS system, keep is simple. I think the town in my opinion should start the process of going down the road to consolidation, like Bob said it does not have to happen now, but where else are we going to go. One more thing I had a conversation with FEMA, and they said to me I know who you guys are you are the ones with two fire departments in one building. For some reason what is best for the taxpayers is not top priority, but the priority for the rural fire district is. We contract with the engineers and attorneys; First Call computer people so why not contract with rural fire. Rural lives here, they work here, and they have a vested interest in Stevensville. If I told you that we needed to divide into a city and rural school district what would you think.

Trevor Motley: we do have that at Lone Rock.

Mark Adams: yes, but they are not part of Stevensville, it only makes sense to me that we would not want to divide that school district out there. Why do we have two?

Chief Motley: the town of Hamilton contracts, actually the Hamilton Rural Fire District contracts with Hamilton to provide service to the rural district. That was all great until Lee Foss decided that his fire insurance was too high and now they have a rural fire district and a town of Hamilton fire department. They now operate as two different much like we do, according to state statute the district can contract with the town to provide them service. We the town cannot contract to the district to provide us service because we are a town because we have to have control. So, there is a big difference in what Hamilton has done, what Polson has done and what we are doing.

Mark Adams: so why is Alberton and also an incorporated town part of Frenchtown fire district.

Chief Motley: good question. There are some benefits that lead to consolidation like the school what Mark said. All the high school kids come to town.

Councilmember Smith: let me ask Jeff, do rural districts receive funding from county and state that town would not receive.

Chief Motley: yes.

Councilmember Smith: well, there is a reason to have the two right there.

Mark Adams: I just mentioned Alberton, Belgrade recently signed an agreement, their taxpayers voted to join the central valley fire district. The same with Red Lodge and Columbus. If you look at their quote in quote interlocal agreements they are all different they all are pretty much subject to the needs of the local community so that is the direction that I believe we should be going.

Mayor Michalson: isn't that kind of an interlocal agreement agreement if you consolidate, aren't you basically doing this only different language.

Chief Motley: yes and no, this is the operational piece and now you want to consolidate tax dollars how is that going to play Robert. Consolidate the tax dollars.

Trevor Motley: another thing that you could do is look at the school district they left their buses and contracted with a company and our now paying substantially more. They sold all their assets.

Mayor Michalson: I understand that there is no going back.

Jenelle Berthoud: you just said, if I heard you right you just stated that the town cannot contract with a rural fire department for services.

Chief Motley: for them to provide service to provide fire service to the town. So, the town would be without a fire service.

Jenelle Berthoud: can I read this because I am super confused. Fire protection services MCA 7-33-4101. Under section c, a third-class city or town may provide fire protection through a contract for fire protection services, consolidation of its fire department with another fire protection provider or inclusion in a rural fire district that provides it title 37 chapter 3, 21.

Chief Motley: we are a class, what class are we?

Jenelle Berthoud: we are a class three. A town bigger than us can't but we can. I guess I am confused.

Chief Motley: I did not know what class we were.

Mayor Michalson: it sounds like we can then .

Councilmember Barker: this whole thing has been confusing since I started the council on he said she said and so forth. It has been confusing; I have heard this one is double dipping this one is getting this. Where do we draw that line and when. It is very confusing to me and not seeing it on paper in front of me and just seeing it as

hearsay. When as a council are we going to see it lying out in front of us saying, people are coming down the pipe for retirement and we do not know who these people are I don't see of that in front of us as a council. It is very frustrating and confusing so to have it I would like to see it.

Trevor Motley: you can submit a request to the relief board or come to our meetings, and we can give you all of that information.

Chief Motley: the other part of that is we do not know when they are going to draw retirement, we know when they are eligible. I could have retired ten years ago but I haven't. we don't really know when that retirement end date is for anybody. We know a start date; we can count and track that annually. But what you do know is the interlocal agreement and the resolution, you do know those things, the relief board has not asked for any funding for the past few years because the town and the legislature mandated a fixed number of dollars in our account which was never achievable by the town of Stevensville, we never met the amount in that account. Then the legislature came in and said you cannot have that much money you can have no more than this, we had too much money and so we have been paying down and I kept saying there is going to come a day that we are going to have to feed this, and that day came two years ago. And now we are paying into it to keep it at the minimum, you will see in this years budget that we are asking for \$22,000 this year instead of \$26,000 because we are able to maintain the balance.

Mayor Michalson: what is the minimum that the state says we have to have.

Robert Underwood: I have it on a slide show for the next budget meeting.

Mark Adams: for the finance officer, have you had an actuary?

Robert Underwood: as things change, on our audits. An actuary to come in and do it would be to expensive so that is why the legislature changed it to have a minimum and a maximum number to have. I have it worked up to show where we should be. The relief association approves the eligibility and by state law you can only get paid so much each month. Then the town decides if that should go up to the maximum amount allowed by MCA. It is not like we can do a lot with it; I am not saying that they do not deserve it, my point from a finance perspective you are paying for two fire departments retirements, which is one tax base. Does Corvallis or Florence get two retirements, no. That is my thing, I would prefer to go to the rural retirement system, you pay as you go. You pay in monthly so that you do not end up with these huge bills.

Mark Adams: I will say this there are fire departments like Missoula Rural and Belgrade. Their volunteers have a different pension system, and I don't know how to describe it, their retirees have an option cash out option, or they can take a pension, that might be something that needs to be looked at. Sitting here, and my apologies if I sound abrasive, obviously there needs to be some changes made and we are starting from scratch, and it doesn't have to happen over night it is a destination not a journey. You have young people that need to be able to say this journey is worth it, we need to have one fire department for Stevensville.

Councilmember Barker: I just have one question for Jeff, how did this come about that we have the rural and city.

Chief Motley: it is before my time.

Trevor Motley: the city started in 1900 and rural formed in 1945 or 50.

Mark Adams: it used to be that the rural had fire companies, rural and the city. it was much more restricted when I was young, they had their territory.

Chief Motley: it is pretty much like that today, they have the companies under one fire district, and the town is the town. That really has not changed, we have 13 volunteers, and they have 13 volunteers. We have two chiefs, two funding sources. It has always been two why does it have to continue to be two.

Councilmember Barker: you just said it, be one.

Councilmember Smith: the funding source part.

Chief Motley: like Mark says it not something that is going to happen overnight.

Mayor Michalson: but it is good to have the discussion on this it is a start even if it doesn't go anywhere. I believe that this is due in June, in connection with the lease agreement and the interlocal agreement. I would like to look at the rent section of this. (read the rental agreement section) since I have been here I have not looked at this every two years.

Councilmember Brown: the additional cost to the town, we need to figure that out.

Robert Underwood: they rent from us and then we pay them half. We need to fix that, the town pays all of the utilities for both sides, the \$2,500.00 just covers the utilities.

Chief Motley: then we need to adjust the lease to offset the costs, if we haven't done this shame on us not them.

Robert Underwood: we need to look at all that. Instead of all of these documents we need to have one document.

Mayor Michalson: right, why do we have all of these documents.

Councilmember Barker: it does need to go into one.

Jenelle Berthoud: I want to open a file that when anyone asks about the interlocal agreement with rural and I can have 9 pages in one document instead of having seven pages in one and four in the others. They all say the same things; we need to streamline this process. This is just not this, there are a lot of things that I am going through with the mayor and when we find it we will bring it to the council. We will bring it to a COW meeting and then to a vote of the council.

Councilmember Brown: on the sublease and the operating agreement under utilities it says sublessor agrees to pay for the following utilities 50% or half of the utilities as said in the master lease.

Chief Motley: just so you know, this never came in front of me.

Robert Underwood: this was brought forward by the district and then done. they are conflicting documents. One was signed a bit later than the other one, it would be better to have one agreement.

Chief Motley: I totally agree, the reason why on the 11th -25th. They lease the hall, we said the town we would like to park the ambulance in one bay of that hall. The board came back and said that we will lease you back the other half and so that is why this came back on the 25th.

Robert Underwood: but they lease the whole hall or bays, that is why we need to clear this all up between the two.

Mayor Michalson: one agreement not four.

Robert Underwood: we need to evaluate this every year; the utilities go up every year.

Jenelle Berthoud: I don't know if the council knows, but Jeff who built that bay at the end.

Chief Motley: there was an alley way and then a garage and that was owned by district. They gave their land to the town and the town used CBDG monies to build and they did away with the alley and the district had it built, and the district repaid the town. They repaid that and continued to pay that. At one time that gave them the

right to use upstairs and other things, then it was just stupid, you park what you need to park there, and we will park what we need to park there. Then they came back and said that they needed to regain control of the building for ISO ratings. That is when the you lease it from us, and we lease it from you came from.

Robert Underwood: if you look at who owns the property.

Chief Motley: town owns the building, and the town owns the property.

Robert Underwood: we can't keep going back.

Mayor Michalson: what I am hearing here on these three we should put in language to put into one.

Councilmember Brown: what I understand we would have to get the okay with rural.

Chief Motley: I agree that we should combined this all into one, but we will have to have meetings with the district to get that accomplished.

Mayor Michalson: when is that meeting?

Trevor Motley: next Wednesday.

Mayor Michalson: next Wednesday night to get on the agenda.

Chief Motley: I would call Jim Morkourkee. At least we can all look at it.

Mayor Michalson: any other questions?


3. Public Comment

4. Adjournment

Councilmember Smith: motion to adjourn.

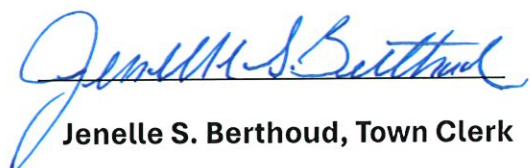
Councilmember Bragg: 2nd.

APPROVE:



Bob Michalson, Mayor

ATTEST:



Jenelle S. Berthoud, Town Clerk