CALL TO ORDER: Mayor Gatt called the meeting to order at 4:30 p.m.

ROLL CALL: Mayor Gatt, Council Member Casey*, Council Member Wrobel, City Manager Pearson, City Clerk Cornelius, David Landry, Fil Superfisky

ALSO PRESENT: Tom Schultz, City Attorney

Motion by Council Member Wrobel, seconded by David Landry: To approve the minutes of the regular meeting of April 16, 2013. Motion carried unanimously.

Chapters for review

A) Chapter 9 – Taxation

Mr. Schultz said most of the suggested changes came from the department heads. Notations in Section 9.1(b) reflected the change approved by voters in the last election which wouldn’t require a Charter Amendment. Section 9.1 also states the tax limitation may be increased for a period of not to exceed three years. He said the statutory limitation is 20 years. Mr. Pearson said that probably wasn’t worth changing.

*Council Member Casey arrived at 4:35 p.m.

Mr. Pearson pointed out that Section 9.16 regarding collection fees provided for a 4% penalty for tax payments received after the due date. It did not accommodate for residents who made an honest mistake and were late by a single day. He proposed making it a gradual penalty, perhaps a 1% penalty for up to 30 days and resume the 4% penalty after 30 days. He also felt it was worth mentioning that the City does not charge a 1% service charge on top of taxes, like many other communities do. Mr. Landry said he felt they should do something to help residents who really did make an honest mistake and were a day or so late. He agreed with a penalty of 1% for the first 30 days and 4% thereafter. Mr. Superfisky asked if any type of notice was mailed to residents when they failed to pay their tax bill. The answer was that no notice goes out; it just rolls into the next tax bill with the penalty attached to it. Mr. Superfisky said they should consider a shorter time frame than 30 days because that could be abused. He suggested 7 or 14 days. City Clerk Cornelius suggested the 15th of the month, for example if taxes are due on August 31st, so the 4% penalty would take effect beginning on September 15th. Council Member Wrobel proposed adding an adjuster based on the prime rate instead of a flat 4% fee. Mr. Pearson said that might complicate things, but at the same time would be nice to address inflation in the future. The Committee agreed to put Section 9.16 on the list of items to be considered as a Charter Amendment to specify a 1% penalty for the first 14 days and a 4% penalty beginning...
the 15th day of the following month. Also, the Committee agreed to have the City Attorney follow-up on wording the amendment to include the adjuster based on prime rate.

B) Chapter 10 – Borrowing Power

Mr. Schultz said there were no major changes suggested for this chapter. The notations in Section 10.2 were related to the recently adopted Debt Policy. The Charter did not need to be changed because the policy took precedence. Regarding Section 10.5, the timeframe of 3 years to issue a bond was pretty typical in other charters. Section 10.6 dealt with having a supermajority vote to enter into installment contracts for the purchase of property or capital improvement. Mayor Gatt asked if one question could encompass all of the issues regarding a supermajority vote, like pointed out in Chapters 7 and 8. The Committee agreed to put the issue of supermajority votes as one question on the list of items to be considered as a Charter Amendment.

C) Chapter 11 – Special Assessments

Mr. Schultz said Section 11.1 (a) and (b) were outdated and should be removed from the Charter. He added that the special assessment process was defined by state statute. He said the City has a separate ordinance that outlines the process we follow. The state statute pretty much deals with the process of how people can protest a special assessment. Mr. Schultz said the proposed changes to Section 11.4 came from the City Assessor and it was basically to reference the statute instead of defining the process in our charter. The Committee agreed to put Section 11.4 on the list of items to be considered as a Charter Amendment to be in accordance with state statute.

Mr. Superfisky said he was not in favor of removing Section 11.1 (a) and (b) because it protected special assessments from being placed on accepted streets. Mr. Schultz said that was correct. The Committee agreed to leave Section 11.1 as is currently written.

Mr. Pearson mentioned that Council Member Mutch wanted some information regarding the flexibility for usage of the storm water funds. Mr. Schultz said that would fit into Section 9.1(e). The City Attorney would follow-up with suggestions.

ADJOURNMENT- The meeting was adjourned at 5:18 p.m.

Robert J. Gatt, Mayor  Cortney Hanson, Deputy City Clerk

Date approved: April 30, 2013