

# CITY OF HAUSER, IDAHO

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## CITY COUNCIL MINUTES

Special Meeting

May 19, 2008

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**ROLL CALL OF CITY COUNCILMEMBERS:** Councilmember Bill Madigan, Councilmember Rich Danford, Councilmember Carmen Miller

Olita Johnston called the meeting to order at 6:25. There was a quorum present. The Mayor was absent due to work schedules.

The Council President welcomed the previous Mayor as a guest tonight. Mayor Ed Peone is the only one there from the public. The Council President stated that they were there tonight to discuss the billings from the Treasurer, Robert Runkle. The Clerk read the invoices into the record. The Clerk explained what the purpose of the special meeting was and that the Council had requested to see a report from the Census and that if that report was located, that the Council would hold a special meeting to discuss the payment of these invoices. Councilmember Madigan amended the purpose by clarifying that he had requested the request cover letter from the Census Bureau and explained that the survey.

Councilmember Miller asked if Councilmember Madigan was discussing the issue. The Clerk interjected that Madigan was requesting clarification of what was the purpose of the meeting. Councilmember Madigan gave the floor to Councilmember Miller. Council President Johnston began to discuss the request letter from the Census Bureau. The date is April 23, 2007, five months prior to our budget. It is now 13 months since the 2<sup>nd</sup> notification letter.

The Clerk asked if the Council had a copy of Mr. Runkle's letter of explanation of his invoices. Councilmember Miller asked if it was the letter marked confidential. The Clerk acknowledged that yes; it was marked confidential and stated that there were copies in the Councilmember's mailboxes. The Clerk reiterated that she wanted to make sure that the Council had all the facts in making the decision.

The Council President read paragraphs of the request letter from the U.S. Census. She specifically mentioned that the timeframe to return the survey was within three weeks of the April 2007 request and that the request for a response to the survey was voluntary. Council President acknowledged Councilmember Madigan and called the Census Bureau and spoke with a representative and the representative reiterated the Council's concerns and suspicion that it was a request, not a requirement. Madigan asked the Bureau representative if this was a reimbursable expense and the Bureau stated no.

Madigan informed the Bureau that the size of the community made it difficult to incur that expense. Madigan explained that at the time he contacted the Bureau, he was not aware that the report had been completed and sent to the Bureau. Madigan stated that he had conversations with Mayor Werst and discovered that the report was directed and approved the work by Mayor Peone. Madigan expressed reservations about denying payment of the invoice due to the fact that if an employee is directed to complete a task that they should complete the task and the

employee should be paid. Madigan stated that he at no time had heard from Mr. Runkle that the report was being prepared or sent.

Madigan also explained that he had spoken with Mayor Peone and Peone concurred that he had directed Runkle to prepare the survey. There was no mention of what the cost would be associated with the report, if any. Madigan stated that if Peone stated if he had known that there would be a cost associated with the survey, that he would have brought it before the Council. Madigan expressed his quandary about paying the invoice and his displeasure that the report was done without any discussion or decision by the Council regarding additional work and payment. Councilmember Madigan stated that he assumed that the Treasurer had passed the cost amount on to the current Mayor. He stated that he needed to hear more testimony before he voted.

The guest, Mayor Ed Peone spoke on the subject. His address is 11128 N.4<sup>th</sup> Street in Hauser. Peone stated that “in no way did I indicate that he would be paid extra for this”. He also reiterated that he believed it was within his regular job duties. Several comments were made from both Peone and Council about the length of time it took to complete the survey and the delay in turning in the survey to the Census Bureau. Council President mentioned that the report was sent during this budget year and that this report would be need to be paid for out of this budget year, when it should have been completed and paid in last years budget. Peone concurred. Madigan concurred. Peone stated that the “survey was probably worthless at this point”.

Council member Danford spoke on the subject. He concurred with Madigan about his struggle to pay or not to pay the invoice. He expressed concern about the value of the report because it was so tardy. Madigan stated that there was no urgency on the Bureau. Peone stated the survey needed to be completed within three weeks. Danford asked if the Bureau would still accept the report. Madigan stated that the Bureau would accept it. The Clerk mentioned that she had prepared these reports before and that it was probably part of the US Census for 2010 and that there was no urgency.

Council President Johnston asked Miller if she had any remarks. Miller said that she agreed with everything that was said. She stated that this issue did not come up in the Council workshops and that he was probably advised directly to go ahead and finish it up. Peone interjected that it was never brought up during last fiscal year. Council President Johnston offered her opinion by stating that the council needed to act like council members, each and every one of them, and must do their job by seeing every statement, every billing and these must be in the minutes and it must come before the Council. If those billings do not, then they should not be paid. Johnston stated that this had been going on for five months now. She reiterated that it must come to a halt. Madigan agreed. Johnston stated that if the Council paid this bill now without authorizing it as a budget item, then the Council would be responsible. Madigan offered a motion. Danford stated that he believed it had been discussed sufficiently. Madigan moved that the invoice 8-003 for the amount of \$537.50 was denied. Madigan requested Council input on the fact that if the Mayor and the Treasurer could not make the meeting that the meeting should have been postponed. Madigan expressed that he was terribly upset about it. He suggested that it was tabled to the next meeting so that the Mayor and the Treasurer could be there. He reiterated that he would like to have an explanation of the issue. Johnston stated that if it was tabled to another meeting than the Council would need to come into executive session. The Council President suggested that the Treasurer would need to be brought into executive session. She requested input from the Council. Mr. Danford said that he did not believe that there was any new information that would change his mind. The only reason that he would agree to postpone the meeting would be out of respect for the Treasurer to allow him to plead his case.

Councilmember Miller said that the Treasurer's testimony was in writing and that it was self-explanatory regarding the time spent. She read a portion of Bob's letter into the record. Mr. Peone interjected and began to speak on the invoice related to the PowerPoint presentation. Mr. Madigan stated that they had not begun the discussion about that invoice yet. The Clerk interjected that there was a motion on the floor. Ms. Johnston stated that she would like to make one last remark.

The Clerk requested that someone second the motion for further discussion. Miller requested that the motion be read again. Madigan restated his motion. Miller seconded the motion for discussion purposes. Ms. Johnston stated that she would not be so adamant about the invoice other than it was 13 months late in preparation and submitted in another budget year. She stated that "the City had been stuck with \$3,000.00 for an audit" that was "jammed onto us". Peone began to interject an opinion and the Clerk interjected and said there is a motion on the floor. Peone continued by stating "if it would have been handled under my term" and then explained that there was eight months of time during his term and then six months after he had left office that the survey comes up with no discussion or decision. Ms. Johnston requested a roll call vote. Motion carries to deny the invoice.

There was a discussion on whether the second invoice was on the agenda. The Clerk verified that it was. The Clerk read the invoice into the record. The Clerk asked the Council President of the date of the presentation. Mr. Danford asked why it was relevant. The Clerk stated that she needs the information in the minutes and there was no date on the invoice. There was a discussion about when the PowerPoint presentation was conducted and whether or not it was at a workshop. The Clerk went to retrieve the minutes out of the minute book. Councilmember Miller read from a set of minutes about the PAC Presentation for urban renewal. The Clerk came back with the minutes and reiterated that the Power Point presentation was on April 3, 2008 as stated in the minutes of April 3, 2008.

Mr. Madigan stated that he had no recollection if there was a discussion about preparing the Power Point presentation and whether the Council had approved it. Council President Johnston stated that she knew nothing about the Power Point presentation. The Clerk clarified that the April 3 2008 meeting was when the presentation was conducted and she stated she did not know when the Council authorized the work to be done.

Councilmember's Miller and Johnston stated that they did not authorize the work to be done. Johnston stated that "there was no authorization whatsoever". The first time that there was an indication that a report had been prepared is when the Council was provided a 42 page printed document quite some time prior to the presentation. Johnston reiterated that the Council did not know what was going on, that she assumes that the Treasurer was trying to make a point with the Council. Johnston continued by offering to the Council that the Mayor should not have purchased a projector and that the invoice was over the \$1200.00 that was originally approved. Peone interjected that the whole issue of Bob Runkle producing reports that were not authorized went back to the issue of nepotism; that Bob Runkle and the Mayor were related and that is not legal. Danford interjected that he did not know Runkle and the Mayor were related. There was a discussion amongst the Council regarding the nepotism issue. Councilmember Madigan stated that he had spoken with Mayor Werst about this and was assured that the attorney did not believe it was nepotism, however it looked bad politically. Peone stated that it was not an issue when Don was a Council member and he was the Mayor, however, now that Don was the Mayor it is an issue. Miller concurred with Peone. Council President Johnston raised the issue of signing the checks and that there should be two signatures on the checks and if Don was signing and check with the Treasurer and the Treasurer was a relative, it was suspicious and not ethical. Miller

stated that there was only one signature on the last set of checks. Madigan said he witnessed the Mayor standing signing the checks. Peone interjected that only one signature is required on the checks. Peone stated that if he was Mayor he would be conducting business in a more open manner. Councilmember Miller asked the Clerk if she had an opinion. The Clerk stated that she had no opinion and this issue was not on the agenda.

Councilmember Danford suggested tabling this issue because this appeared to be a personnel issue and until there is an opportunity to discuss this with the parties (Bob and the Mayor) that it should be tabled.

Councilmember Madigan moved and Miller seconded a motion to table this issue until the June meeting. During Council discussion, Johnston mentioned that there was no mention from anyone about costs associated with the extra work. Peone offered a suggestion that Quick Books is not the program that the City should be using and that there is a municipal accounting program that would be tailored to small cities and he suggested to the Council to explore that option. He stated that the cost is around \$2,000. Councilmember Danford stated that that issue was beyond the scope of the discussion of the motion and asked for the roll call. Johnston called for the vote. The motion to table the invoice number 8-004 until June regular meeting was approved. Madigan made a motion to adjourn, Danford seconded the motion. The meeting adjourned at 6:57 p.m.

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Cheri Howell, City Clerk

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Olita Johnston, Council President

Date: \_\_\_\_\_