

MINUTES/FINANCE COMMITTEE

Tuesday, January 21, 1997 - 7:00 p.m.

Members present: Carpenter, Babinchak, Hamerlik.

1. Matter of petitions to amend Home Rule Charter.

Mr. Schmisek reported that the committee had received copies of Mr. Swanson's memo to him and his memo to the mayor and council, that they did not go through any verifying of names because petitions themselves and wording are invalid according to Mr. Swanson's review of State statutes and cases; that his review of the petitions also disclosed a number of problems he identified in his memo to the mayor and council; and therefore, their recommendation is that the petitions be found deficient and that there be an insufficiency of signatures.

Gene Schneeweis, 1004 University Avenue, stated that when turned in petitions, turned in citizens request; he stated that problem he has is that three times turned in petitions with City and three times they have been rejected. First, when he ran for city council, petitions were rejected because he didn't have enough signatures and he didn't have knowledge to challenge them; that he received letter dated February 8 re. his petitions when he ran for mayor, same set of signatures or same format they followed then and said that he didn't have appropriate signatures and he had to call Secretary of State and get recommendations from them, put a little pressure on them for way they were presented, and then petitions were allowed, he filed and ran for mayor.

Mr. Schneeweis stated that he has letter dated February 20 from John Schmisek and that what is outlined in the letter, is what put in the petition; that the State Charter does not say whole text or whole disclosure, or what is complete or incomplete, and each one of those petitions, is sealed in a packet, that signature dates scattered because he put all in one packet after he received letter from Mr. Schmisek. He stated that petitions have various sections, and everything that's stated in that letter outlined in the petitions. He read from letter and that it outlines that he would need to collect signatures, petition amendment, and that he asked City what he should do and how he should do it and that is what they outlined to him. He stated that he submitted copy of his petition and they didn't tell him aye or nay, but that he needed to separate the 1% and the 3/4% into separate petitions, which he did, that he

followed format of the City of Grand Forks to the tee and now he gets rejection letter; that petitions follow the format of the other two, so this is third time his petitions have been disallowed and wondered if there was a personal problem with the City of Grand Forks towards Gene Schneeweis in regards to this, that when citizens speak out with 1369 signatures on petitions, and if compare the signatures on these petitions with the signatures on his petitions for city council and mayor, they are same quality and asked why those accepted when ran for mayor and these were not. He stated that if they choose not to accept the petitions,

MINUTES/FINANCE COMMITTEE

January 23, 1997 - Page 2

they have no choice except to take City to court.

Howard Swanson, city attorney, stated his only response to Mr. Schneeweis is that petitions have to be validly and properly drafted, that Mr. Schneeweis failed to tell committee that he received additional correspondence from the City on February 20, May 9, June 27, September 26 and October 4, 1996 setting forth various requirements. He stated that Mr. Schneeweis was also told, not only orally, but in writing that the City could not advise him in the manner in which the petitions were drafted and that was his obligation and his responsibility.

Mr. Schneeweis stated he formatted petitions exactly the way it says in the Home Rule Charter and in the ND Century Code under repeals, that there is no written rule that it has to be complete text, that he called the Secretary of State today and there is nothing written anywhere in the charter that says you have to have complete text, as long as you have the ingredients in the petition that you are circulating to repeal, that's sufficient, and asked where it states that you have to have complete text and that he would like to see that because no one else can find it.

Mr. Swanson stated that the secretary of state has no jurisdiction in a municipal election over amendment to the Home Rule Charter.

Mr. Schneeweis then asked what section states that he has to have complete text in his petitions, and that he has twenty days to correct petitions and re-submit.

Mr. Swanson disagreed, that secretary of state apparently has given that opinion, that there is no law providing for a

twenty-day correction period, and again the secretary of state has no jurisdiction over this matter, that any reliance on an opinion from the secretary of state is without merit.

Mr. Schneeweis stated they did correct measures when he ran for mayor, so asked that if in the City of Grand Forks' charter, is it listed somewhere that has to be complete text or if that was just Mr. Swanson's interpretation. Mr. Swanson stated it was his interpretation of North Dakota law. Mr. Schneeweis stated it was no wonder he couldn't get petitions passed anytime.

Chairman Carpenter stated that as he reads the memos from the city attorney and from the director of finance, it's quite clear that the petitions do not meet the requirements for numerous reasons, not just because of language that may not be complete but because some petitions have no wording at the top, some have altered language, numerous things that are not allowing them to be in compliance, and is ready to accept the recommendations of the city attorney and director of finance that they be rejected.

MINUTES/FINANCE COMMITTEE
January 23, 1997 - Page 3

Moved by Babinchak and Hamerlik that we recommend adoption of the findings of the memos set forth by the city attorney dated January 13, 1997 and city auditor dated January 16, 1997 which are before the committee, and conclude that the petitions are incomplete, invalid, and have insufficiency of signatures. Motion carried.

2. Matter of increased liability insurance under NDIRF.

Mr. Schmisek reported that during conversations on the Aurora project, they had talked about increasing the liability coverage from \$1 Million to \$2 Million, that the quote they received for 1997 was \$299,285, which covers liability, automobile, equipment, property floater and money and securities, and that figure compares to last year's premium of \$329,050; so even by increasing the liability from \$1 Million to \$2 Million, premium going down approx. \$30,000, without increasing liability premium would go down \$50,000. Mr. Schmisek reported that the city attorney had recommended increasing City's liability coverage. Mr. Swanson stated that the premium amounts reflect decrease in the over-all claims, both in auto claims and in general liability for the prior underwriting year and recommended going to the \$2 Million coverage. It was noted funding is out of the Tort Liability Fund.

Moved by Hamerlik and Babinchak to accept the quote in the amount of \$299,285.00 for the \$2 million liability coverage. Motion carried.

Moved by Hamerlik and Babinchak to adjourn; meeting adjourned at 7:25 p.m.

Alice Fontaine
City Clerk

Dated: 1/22/97.