

# JOURNAL OF COMMISSION PROCEEDINGS

February 20, 2018

Regular City Commission Meeting  
Commission Chambers Room 206

## CALL TO ORDER 7:00 P.M.

## PLEDGE OF ALLEGIANCE

## ROLL CALL

City Commission members present: Bob Kelly, Bill Bronson, Tracy Houck, and Mary Sheehy Moe. Commissioner Owen Robinson was excused. Also present were City Manager Greg Doyon and Deputy City Manager Chuck Anderson; City Clerk Lisa Kunz; Public Works Director Jim Rearden; Park and Recreation Director Steve Herrig; City Attorney Sara Sexe; and, Police Chief Dave Bowen.

## AGENDA APPROVAL

No changes were proposed by the City Manager or City Commission. The agenda was approved as submitted.

## CONFLICT DISCLOSURE/ EX PARTE COMMUNICATIONS

None.

## PROCLAMATIONS

Youth Art Month & Lewis and Clark Interpretive Center

## PETITIONS AND COMMUNICATIONS

### 1. Miscellaneous reports and announcements.

**Sherrie Arey**, NeighborWorks Great Falls, 509 1st Avenue South, read a portion of the CDBG application submitted by NeighborWorks in 2017. NeighborWorks' accomplishments since 1980 have been attributed to CDBG funds, stretching \$1 to \$6 for the community. She referred to HUD's recent letter and noted that the four organizations that will not receive funds will struggle. She commended the Commission for making the process as transparent as possible. Ms. Arey concluded that NeighborWorks will be the first in line to apply for funding when the review process concludes and will be good stewards of CDBG money.

## NEIGHBORHOOD COUNCILS

### 2. Miscellaneous reports and announcements from Neighborhood Councils.

None.

## **BOARDS AND COMMISSIONS**

### **3. Appointment, Historic Preservation Advisory Commission.**

**Commissioner Bronson moved, seconded by Commissioner Houck, that the City Commission appoint Ellen Sievert to fill the remainder of a three-year term through April 30, 2018, to the Historic Preservation Advisory Commission (HPAC).**

Mayor Kelly asked if there was any discussion amongst the Commissioners.

Commissioner Bronson noted that he is the liaison to the HPAC. Although this is a temporary appointment to fill in for a member that had to resign, Ms. Sievert may be willing to consider a further appointment.

Commissioner Moe noted that there will now be two married people on that board. She inquired of City Attorney Sara Sexe if that created a conflict of interest to consider.

City Attorney Sexe responded that she researched nepotism laws and opined that, because the Commission is making the appointment and not the HPAC, there is not an issue in that regard.

Mayor Kelly asked if there were any comments from the public. Hearing none, Mayor Kelly called for the vote.

Motion carried 4-0

### **4. Miscellaneous reports and announcements from Boards and Commissions.**

None.

## **CITY MANAGER**

### **5. Miscellaneous reports and announcements from the City Manager.**

City Manager Greg Doyon reported that the topics for the March 6th work session include the Great Falls Public School District discussion regarding a portion of Kranz Park for parking purposes, and an update from McKinstry on its findings of energy savings and efficiency measures that the City could explore.

Executive Assistant Krista Artis will be contacting the Commission to schedule a retreat.

Manager Doyon reported that a trip report is forthcoming from the Association of Defense Communities conference he attended this past week. Highlights from the conference included: military value and what communities can do to enhance the value of installations, a desire for expanded virtual and real testing and training, a need for more bandwidth and more electricity, a need for training lands and that future missions may require more space.

There was continued discussion on encroachment issues that complicates security and flights. It was strongly suggested that joint land use studies (JLUS) be looked at as well.

States are investing millions of dollars into installations that have a positive impact on communities. He has not seen that same type of desire from Montana, which makes it hard to compete for missions. He expects many communities to be identifying projects that would be considered to be key infrastructure projects and also add military value. Additionally, he was hearing that the USAF is still seeking partnerships and expecting community help.

Manager Doyon announced that a new City prosecutor, Mark Dunn, will begin employment in March.

Manager Doyon provided a CDBG update. In a letter dated February 1, 2018, HUD indicated there were definite conflicts of interest based on information provided by the City with regard to four entities: Great Falls Development Authority (\$40,000), NeighborWorks Great Falls (\$82,903), Habitat for Humanity (\$65,000), and Rural Dynamics (\$11,250).

HUD directed the City to submit new project selection criteria and process, develop a new conflict of interest policy, and submit exception requests if the City wants to pursue funding for the four entities.

HUD's broad interpretation of a conflict of interest included the appearance of a conflict. He advised staff that the City is not going to go through an appeal process with HUD. Although the City may disagree with HUD's interpretation versus what actually happened, he feels the City needs to move forward in a clean manner and put a new process in place.

The declined funds totaling \$199,153 will be placed in with the next allocation cycle from HUD, and will be eligible for disbursement when a new process is in place. Staff will go through an evaluation and scoring process to make funding decisions, rather than an advisory council.

An audit report sets forth that no CDBG funds were used to pay Mrs. Bronson's salary and, through the auditor's analysis, no conflict existed with regard to concerns of Commissioner Bronson's wife working for NeighborWorks.

City Attorney Sara Sexe responded to a comment made in HUD's letter concerning a statement she made to the Commission at its June 20, 2017, meeting being false. She explained that Commission meeting minutes are action minutes of the Great Falls City Commission and provide notice to refer to the audio/video recording for additional detail. Attorney Sexe's comments in the minutes that HUD indicated were false reflect that she stated "a representative from HUD has reported that there was not a conflict of interest."

Attorney Sexe reported that the audio/video recording clarifies that statement was in response to a disclosure by Commissioner Bronson about his son's employment in relation to the public facilities CDBG recommendations and that, specifically, her statement was that "your letter and mine, indicating agreement as to there being no conflict under the regulations that we evaluated as to your son, were provided to the representative of HUD who spoke to our CDBG administrator and verbally indicated agreement that there was no conflict."

After receiving HUD's recent letter, she further verified with Planning and Community Development staff that the conversation did indeed occur, and that her statements to the Commission were correct.

Manager Doyon concluded that he hopes the City's final letter will close that chapter and the City can move forward with a new process and clear outline for the community on how the City will proceed with using CDBG funds.

Mayor Kelly apologized to the community for the confusion, and apparent or appearance of a conflict of interest as set forth by HUD, and to the four recipients being penalized that did nothing wrong in this situation. Mistakes were made and the City will learn from them and move forward. The Commission is looking forward to getting a cleaner, more transparent approach for the distribution of those funds that do good work in the community.

## **CONSENT AGENDA**

6. Minutes, February 6, 2018.
7. Total Expenditures of \$4,439,020 for the period of January 13, 2018 through February 7, 2018, to include claims over \$5,000, in the amount of \$2,565,585.
8. Contracts List.
9. Grants List.

**Commissioner Houck moved, seconded by Commissioner Bronson, that the City Commission approve the Consent Agenda as submitted.**

Mayor Kelly asked if there was any discussion amongst the Commissioners or comments from the public. Hearing none, Mayor Kelly called for the vote.

Motion carried 4-0

## **PUBLIC HEARINGS**

10. **Resolution 10227, Swimming Pool Fees.**

Park and Recreation Director Steve Herrig reported that the requested action is to conduct a public hearing and adopt Resolution 10227. The pool fund has been identified by the City Manager as an "at risk fund." The pool fund received \$267,861 in general fund support in FY 2017 and FY 2018 to supplement the pool budget. Pool admission fees were last raised in 2014, although these fees specifically haven't been increased since 2009. The proposed changes include a \$.50 increase for open swim fees at the Natatorium, Water Tower and Jaycee pools, and a \$.50 increase to \$2.00 from \$1.50 at all pools for the second child two years of age and under when accompanied by an adult. The first child is free. Staff feels the adjustment would align fees with other public operated pools.

Mayor Kelly declared the public hearing open.

No one spoke in support of or in opposition to Resolution 10227.

Mayor Kelly closed the public hearing and asked the will of the Commission.

**Commissioner Houck moved, seconded by Commissioner Bronson, that the City Commission adopt Resolution 10227, Swimming Pool Fees.**

Manager Doyon noted the recent issue with the Natatorium façade that created an additional unknown expense for repairs. It is already known that fees don't cover operating costs. There have been many discussions regarding the amount of general fund subsidy for pools versus user fees. The concern moving forward is, what is that balance. Manager Doyon continued that it is highly unlikely that the general fund will be able to contribute an increased subsidy to offset the fees. An option now is to start limiting hours and reducing operating expenses.

Manager Doyon further noted that the proposed Park Maintenance District does not address the needs of the Natatorium. The concern long term is if fee adjustments aren't made in trying to keep a balance, pool maintenance will get further behind.

Commissioner Moe noted her opposition to the motion. She is having trouble getting used to the idea of an enterprise fund, but will need to because times are different. Before traveling teams and "pay to play," access to a desirable adult life was formed during childhood because they had equal opportunity to develop talents. Increasingly, those opportunities are only available if you have money. She believes that is the case with the pools.

Commissioner Moe commented that usage of the pools is going down. She doesn't think the answer to getting people to use the pools is raising the fees. Her desire is not so much to make everything pencil out as it is to figure out how to get more kids to utilize the pools and get more people to be more physically active. She thinks there are groups within the community that care about children's health and fitness that she would like to have conversations with to help the City with this matter. She would rather the pools close on certain days that are undersubscribed than to raise rates.

Commissioner Bronson commented that this operation has always been viewed in the context of an enterprise fund. In his experience, he has never sensed a significant resentment in the community, or any community that has public pools, to the idea that an individual wouldn't pay some of the operational costs of the facility.

Commissioner Bronson commented that it is hard to assume that a decline in usage is due to a price increase. Pool usage is dictated by a number of different factors, weather being one of the most important. He finds it hard to believe that a modest increase would have a deleterious impact on use. He would support any endeavors with outside groups to increase usage.

This program has general fund support. The reality is the City does not have the monies to increase the general fund subsidy for the pools. He explained that local governments are restricted by state law in the amount of money that can be raised to meet the City's own needs and public amenities. The City has to rely on an initiative that put caps on property taxes, and changes to that law throughout the years that restrict the City in the amount of revenue it can raise. General fund dollars are competed with by the pools, Police Department, Fire Rescue, and other aspects of the Park and Recreation program.

Commissioner Houck commented that her family participated in fund raisers to save the Natatorium since her children began swimming. She thought the proposed fee increase would have been higher than \$0.50. Swimming is still a good activity that a family can do together. She expressed concern that children are sent to the pools without a parent, and the responsibility and

burden that places on young lifeguards. She would like to see more adults and seniors utilizing the pools.

She has learned that some programs are luxuries or privileges that will take some alternative thinking with the community. But, there are other current pressing needs. She would like to move forward with the fee increase rather than waiting.

Mayor Kelly expressed concern about the nuance of asking the taxpayers to support \$1.5 million dollars for a Park Maintenance District to fix some facilities and also increasing pool fees to raise \$6,000 to cover additional expenses with the pools. The timing is difficult. He would much rather talk with the community about the Park Maintenance District and investing in parks. Degradation of facilities, dilapidation of items and lack of maintenance will be easy to see and there will be real consequences if the investment is not made. Although it is a modest increase, he will not support the motion because he wants the community to focus on the bigger picture.

Commissioner Moe added that she wouldn't have a problem if the \$0.50 increase only affected a child going to the pool one time, but she would like to see more attendance in the summer. There is work to be done in this area, and the timing is not right.

Commissioner Houck added that the reason the Commission has before it a fee increase tonight is that it was voted on a year ago and it didn't happen. If the increase isn't supported and is put off yet again, when it does come back the request will not be for \$0.50 at that point in time. She didn't agree with waiting for something that may or may not take place in May that, even if it takes place in May, will not be impacted until 2020.

There being no further discussion, Mayor Kelly called for the vote.

Motion failed 2-2 (Mayor Kelly and Commissioner Moe dissenting)

## **OLD BUSINESS**

## **NEW BUSINESS**

## **ORDINANCES/RESOLUTIONS**

## **CITY COMMISSION**

### **11. Miscellaneous reports and announcements from the City Commission.**

Commissioner Bronson announced that Phyllis Hemstad, who served on Neighborhood Council 2 and the Planning Advisory Board, passed away. She never deviated from her vision on what she thought was best for the community.

### **12. Commission Initiatives.**

None.

## **ADJOURNMENT**

There being no further business to come before the Commission, **Commissioner Bronson moved, seconded by Mayor Kelly, to adjourn the regular meeting of February 20, 2018, at 8:16 p.m.**

Motion carried 4-0

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**Mayor Bob Kelly**

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**City Clerk Lisa Kunz**

**Minutes Approved:  
March 6, 2018**