

JOURNAL OF COMMISSION PROCEEDINGS

October 2, 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 Robinson was excused. Also present were City Manager Greg Doyon and Deputy City Manager Chuck Anderson; Deputy City Clerk Darcy Dea; Public Works Director Jim Rearden; Planning and Community Development Director Craig Raymond; Finance Director Melissa Kinzler; Assistant City Attorney Joe Cik; 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

Mayor Kelly announced that he would be abstaining from the vote with regard to Agenda Item 11.

PROCLAMATIONS

World Homeless Day and National Disability Employment Awareness Month.

PETITIONS AND COMMUNICATIONS

1. Miscellaneous reports and announcements.

Becky Monroe, 1801 2nd Avenue North, announced that October 15 is "White Cane Safety Day", which celebrates the achievements of people who are blind or visually impaired, and the important symbol of blindness and tool of independence, the white cane.

Pam Peck, 916 7th Avenue North, made inquiries about the Natatorium and the assessments. Ms. Peck commented that the Commission and community need to be partners with regard to finding a solution.

Matt Vincent, address not provided, Butte, MT, provided and discussed a handout with regard to Initiative 186 (I-186). Mr. Vincent reported that there were changes to Montana's mining laws since the examples that were being used by the proponents of I-186.

Commissioners Moe and Houck expressed concern about the potential infringement of campaign finance laws.

Commissioner Bronson commented that Mr. Vincent could proceed as long as his comments were for informational purposes about I-186.

Mayor Kelly commented that, since he had signed an editorial endorsing I-186, Mr. Vincent could proceed with presenting the information.

Karen and Mike Kaszula, 2416 2nd Avenue North, referred to the Natatorium, and commented that the community needs an indoor, year round public swimming pool.

Becky Monroe, 1801 2nd Avenue North, provided and discussed a handout from Williston, ND Area Recreation Center (ARC) that included a variety of pools.

Josh Meyer, 504 Riverview Drive East, representing the Natatorium Lifeguards, expressed concern with regard to the loss of jobs due to the closure of the Natatorium, as well as not having a location to acquire lifeguard training/certification.

Mayor Kelly explained that the City is making every effort possible to provide a safe, indoor swimming facility; however, the building cannot be repaired to acceptable public safety standards.

Donna Williams, 2916 2nd Avenue North, commented that the citizens, City staff, and the Commission need to work together with regard to finding a solution for the Natatorium.

Commissioner Houck reiterated that City staff is working diligently to provide a solution for the closure of the Natatorium.

NEIGHBORHOOD COUNCILS

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

Mayor Kelly reported that there will be a Council of Councils meeting on October 30 at 6:00 p.m. in the Civic Center.

BOARDS AND COMMISSIONS

3. **Appointments, Board of Adjustment/Appeals.**

Commissioner Bronson moved, seconded by Commissioner Moe, that the City Commission appoint Joe McMillen and Aspen Northerner to the Board of Adjustment/Appeals for three-year terms through September 30, 2021.

Mayor Kelly asked if there were any comments from the public or discussion amongst the Commissioners.

Commissioner Bronson commented that there were three qualified applicants. Mr. McMillen is a great project manager who brings good skills to the board. Commissioner Bronson further commented that Mr. Buschmeyer would make a good candidate for any vacancies on the Planning board.

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

Motion carried 4-0

4. **Appointment, Mansfield Center for the Performing Arts Advisory Board.**

Commissioner Houck moved, seconded by Commissioner Moe, that the City Commission appoint Christina Horton for the remainder of a three year term through December 31, 2020, to the Mansfield Center for the Performing Arts Advisory Board.

Mayor Kelly asked if there were any comments from the public or discussion amongst the Commissioners.

Commissioners Houck and Bronson expressed appreciation to board member Larry Gomoll for his dedication, commitment, and continued service.

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

Motion carried 4-0

5. **Miscellaneous reports and announcements from Boards and Commissions.**

None

CITY MANAGER

6. **Miscellaneous reports and announcements from the City Manager.**

With regard to Ms. Peck's inquiries about the Natatorium, City Manager Greg Doyon reported that the engineering reports would be made available on the City's web site. Manager Doyon further reported that no matter what is done to the exterior of the building, the underlying issue is the foundation. Manager Doyon explained that Park and Recreation Director Steve Herrig has been looking at other pool facilities around the state, and will provide a report to the Commission at a later date. Manager Doyon explained that the community is contributing more through assessments to maintain the parks. Once that is taken care of, the City would be in a better position to support a pool. He encouraged the community to be patient by allowing the City to gather information, and to be realistic about what the community could afford and sustain.

Manager Doyon announced that the Department of Environmental Quality (DEQ) notified the City that there was a violation by exceeding the maximum contaminate level for the water treatment plant. Manager Doyon explained that a letter of notice, along with a contact number, would be sent out on October 3 to consumers in their monthly water bill.

Public Works Director Rearden explained that Haloacetic Acids (HAA5's) are a part of disinfection byproducts created by the interaction between chlorine and organics found in the water source. There are five significant HAA's in disinfected water and their combined concentration is referred to as total HAA5. August is typically the highest reading for disinfection by-products in surface water treatment plants due to the high water demand and temperature which requires more chlorine to maintain disinfection levels in the system. Director Rearden reported that the Montana DEQ language states that it is not considered a health risk, and that individuals would have to consume high levels for most of their life to possibly develop

health issues.

The City is currently testing a different chlorine injection point to reduce the development of disinfection by-products in the plant, as well as collecting extra samples within the system. The compliance requirements are based on a running annual average and not a one time event. Once there is an upset, which was May, in conjunction with the normally high month, which was August, it can take up to three quarters to get the average back to below regulatory limits. Once the current project is complete, less chlorine will be required, which will further reduce the formation of disinfection by-products, including the HAA5's.

Mayor Kelly inquired about the potential harm to consumers who have immune deficiencies, or may be pregnant.

Public Works Water Plant Supervisor Wayne Lovelis responded that the letter of notice includes state required language with regard to immune deficiencies. Supervisor Lovelis indicated that it would take approximately 10 days to receive the tested samples back to verify the effectiveness.

Manager Doyon further reported that:

- He and Deputy City Manager Chuck Anderson attended the annual International City Managers Association (ICMA) Conference.
- Manager Doyon attended the Montana League of Cities and Towns (MLCT) Conference where he hosted a program for City Managers, utilizing the Montana Municipal Interlocal Authority (MMIA), Joelman & Hutchi Scholarship.
- The Montana Department of Emergency Services (DES) had a presentation for local officials with regard to the importance of emergency management, which also included the impact of state wide cuts on local jurisdictions.
- The third session of City 101 was on September 27, which featured Police and Fire Departments. Manager Doyon expressed appreciation to Administrative Executive Assistant Krista Artis for hosting the meeting in his and Deputy City Manager Anderson's absence.
- The fourth session of City 101 will be held October 25.
- Manager Doyon will meet with the Library Board of Trustees to discuss the Management Agreement with regard to the Library Director recruitment process.
- The Library will delay opening on Sundays until December due to being short staffed.

CONSENT AGENDA

7. Minutes, September 18, 2018, Commission Meeting. -Pending-
8. Total Expenditures of \$4,137,464 for the period of September 1, 2018 through September 19, 2018, to include claims over \$5,000, in the amount of \$3,858,308.
9. Contracts List

10. Approve the purchase of one new 2019 Peterbilt 520 tandem axle truck to Peterbilt of Missoula for \$121,337, and the purchase of one 2018 Heil PT 1000 25-yard rear load refuse packer to Kois Brothers Equipment Company Inc., of Great Falls for \$84,820, for a total purchase of \$206,157.

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

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

Motion carried 4-0

PUBLIC HEARINGS

OLD BUSINESS

NEW BUSINESS

11. **Amendment No.1 to Development Agreement with West Bank, LLC pertaining to West Bank Landing Urban Renewal Project.** **OF**
1488.4

Finance Director Melissa Kinzler reported that on August 2, 2016, the Commission adopted Ordinance 3145 and a Development Agreement with West Bank, LLC pertaining to West Bank Landing Urban Renewal Project. The Development Agreement committed the City to issue Bonds in order to pay or reimburse West Bank, LLC for up to \$2,642,614 of costs of the Infrastructure Improvements. The Bonds will not be issued until there is sufficient increment to cover the aggregate principal amount of the Bonds, to fund a deposit to the reserve account required by the Bond Resolution and to pay cost of issuance of the Bonds, and to provide coverage equal to at least 140% of the maximum annual debt service requirements required under the Bond Resolutions. The City estimates Bonds necessary to cover such costs is approximately \$3,000,000. The City does not presently have sufficient bonding capacity to issue the Bonds.

City staff was approached by representatives of West Bank, LLC about options for early reimbursements for Infrastructure Improvements. After much discussion, representatives of West Bank, LLC decided that they would request cash payment now for part of the \$2,642,614 in Infrastructure Improvements. The amount requested from West Bank, LLC is \$700,000. The June 30, 2018 unrestricted cash balance of the West Bank Urban Renewal District fund is \$702,621.13. The projected tax increment revenue in Fiscal Year 2019 will be sufficient to cover the principal and interest payments of the District's Bonds that are currently outstanding.

The reimbursement now of \$700,000 will decrease the liability of the City under the current Development Agreement, thereby also decreasing future expenses for interest and issuance costs. The liability will be decreased to \$1,942,614, and the City remains obligated to issue Bonds to reimburse this amount when the District produces sufficient Tax Increment revenues to support debt service.

Commissioner Bronson moved, seconded by Commissioner Houck, that the City

Commission approve Amendment No. 1 to Development Agreement with West Bank, LLC pertaining to West Bank Landing Urban Renewal Project.

Mayor Kelly asked if there were any comments from the public.

Brad Talcott, 2801 4th Avenue North, expressed support with regard to Amendment No. 1 to Development Agreement with West Bank, LLC.

There being no one further to address the Commission, Mayor Kelly asked if there was any discussion amongst the Commissioners.

Commissioner Bronson commented that the West Bank Landing Urban Renewal Project is an excellent example of what can be done with tax increment financing.

Commissioner Houck received clarification that Calumet Refinery would not be a part of the tax increment revenue since it is not a part of the district.

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

Motion carried 3-0-1 (Mayor Kelly abstaining)

ORDINANCES/RESOLUTIONS

CITY COMMISSION

12. **Miscellaneous reports and announcements from the City Commission.**

Commissioner Bronson reported that he and Commissioner Moe had attended a meeting with citizens who are interested in working toward a solution with regard to the problems with the Natatorium. Commissioner Bronson explained that those citizens understand the technical issues and realize that a new facility needs to be looked into, and that they are willing to assist the City with regards to finding a solution.

Commissioner Bronson encouraged citizens speaking at the Petitions and Communications portion of the meetings to remain until the conclusion in order for their concerns to be addressed.

Commissioner Houck commented that she was impressed with the 87th Annual Montana League of Cities and Towns (MLCT) conference, and it was very informative.

Commissioner Moe reported that the Legislative Initiatives that were advanced reflect the expertise of Commissioner Bronson and City Manager Doyon, and noted that they represent the City's interest. Commissioner Moe announced that Mayor Kelly is the new President of the MLCT.

13. **Commission Initiatives.**

None

ADJOURNMENT

There being no further business to come before the Commission, **Mayor Kelly moved, seconded by Commissioner Houck, to adjourn the regular meeting of October 2, 2018, at 8:20 p.m.**

Motion carried 5-0

Mayor Bob Kelly

City Clerk Lisa Kunz

**Minutes Approved:
October 16, 2018**