

Regular City Commission Meeting

Mayor Winters presiding

CALL TO ORDER: 7:00 PM

PLEDGE OF ALLEGIANCE – Marine Corps League

MOMENT OF SILENCE

ROLL CALL: City Commissioners present: Michael Winters, Bill Bronson, Fred Burow, Mary Jolley and Bob Jones. Also present were the City Manager, Deputy City Manager, Chief Prosecutor, Directors of Fiscal Services, Park and Recreation, Planning and Community Development, and Public Works, Executive Director of the Housing Authority, the Police Chief and the City Clerk.

**** Action Minutes of the Great Falls City Commission. Please refer to the audio recording of this meeting for additional detail. ****

NEIGHBORHOOD COUNCILS

1. SWEARING IN CEREMONY.

Mayor Winters swore in Justin Lanes as a representative of Neighborhood Council 8.

2. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

Jacob Karnop, Chair NC 5, expressed concerns that the council voted on April 18, 2011, to approve the Cascade Ridge Senior Housing project based on Mr. Morgan's representation to the council that Mountain Plains Equity Group would not request a tax exemption for that project. On June 3, 2011, the council became aware that the Cascade Ridge project was a tax credit project. Mr. Karnop stated the council feels they were lied to.

City Manager Greg Doyon responded that he would make contact with Mr. Morgan and follow-up.

Cyndi Baker, 500 Montana Avenue NW, **Judy Tankink**, NC 4, and **Bernice Karnop**, 3400 17th Avenue South, concurred with Mr. Karnop's comments.

Judy Tankink, NC 4, encouraged the Commissioners and citizens to attend and participate at Neighborhood Council meetings. She also suggested that the United States and Montana Constitutions be provided to Neighborhood Council representatives when being sworn in.

Karen Grove, NC 8, welcomed Justin Lanes to the council. She reminded interested citizens to sign up for the upcoming election. She reported that there would not be a June meeting. Ms. Grove thanked Bundi Gardens for the donation of flowers to plant at Memorial Park. She also reminded everyone that the council will be having an ice cream social in July.

BOARDS & COMMISSIONS

3. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

Cyndi Baker, 500 Montana Avenue NW, current member of the Great Falls Police Department's
06/07/2011

Citizens' Academy, discussed the importance and need for a K-9 for every shift. She provided a fund raising status update, and encouraged donations be sent to the K-9 Fund, P.O. Box 3093, Great Falls, MT 59403.

PUBLIC HEARINGS

4. **RESOLUTION 9923, AUTHORIZING A 13.2% ENERGY SUPPLY RATE INCREASE (8.66% VOLUNTARY INCREASE PLUS AN ADDITIONAL 4.5% INCREASE DUE TO SOUTHERN MONTANA'S APRIL 2011 RATE INCREASE) FOR THE CITY OF GREAT FALLS – AN ELECTRIC CITY POWER, INC. CUSTOMER.**

City Manager Greg Doyon reported that Southern Montana increased rates two times in the past six months. Jim Williams, the City's utility rate consultant, made recommendations to the ECP Board and Commission to increase rates to provide funds to stop the losses. The request this evening is for the Commission to consider raising ECP rates to the customers within the City. If the City authorizes this increase, the City will be the only ECP customer that has accepted the voluntary rate increase.

Mayor Winters declared the public hearing open.

Speaking in opposition to Resolution 9923 were:

Ron Gessaman, 1006 36th Avenue NE, expressed that this is a pointless exercise of shifting money between City accounts.

Aart Dolman, 3016 Central Avenue, **Cyndi Baker**, 500 Montana Avenue NW, and **Mike Witsoe**, 510 11th Street South, concurred with Mr. Gessaman.

Written correspondence in opposition to Resolution 9923 was received from **Neil Taylor**, 3517 4th Avenue South.

Speaking in support of Resolution 9923 was **Stuart Lewin**, 615 3rd Avenue North. Mr. Lewin commented that the City accepting the increase may influence other customers to do the same.

There being no one else to address the Commission, Mayor Winters declared the public hearing closed.

Commissioner Jones moved, seconded by Commissioner Bronson, that the City Commission adopt Resolution 9923 to authorize that the City of Great Falls (an ECPI customer) pay a 13.2% energy supply rate increase for services received from February 1, 2011 through June 30, 2011.

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

Commissioner Jones explained why he supported this increase.

Commissioner Jolley commented she was not in favor of an increase because the ECP Board discussed charging uniform rates in the future. The City will not be given credit for having paid the

increased amount for this short period.

Commissioner Burow concurred with Mr. Lewin and Commissioner Jones.

Motion carried 4-1 (Commissioner Jolley dissenting).

OLD BUSINESS

NEW BUSINESS

5. **ENGINEERING SERVICES CONTRACT: NORTHWEST GREAT FALLS STORM DRAIN IMPROVEMENTS, PHASES 1 THROUGH 6 (OF 1617.1).**

Public Works Director Jim Rearden reported that, as a result of Thomas, Dean & Hoskins' storm drainage study, six different phases of improvements have been identified. Approval of this contract will provide permitting, easement acquisition, detailed design, and bid documents for all six phases. The first three phases will be completed this calendar year, with the remaining project to be completed over the next three years.

Commissioner Bronson moved, seconded by Commissioner Jones, that the City Commission approve the Engineering Services Contract in the amount of \$298,000 to Thomas, Dean & Hoskins, Inc. for the Northwest Great Falls Storm Drain Improvements, Phases 1 through 6 (OF 1617.1), and authorize the City Manager to execute the construction contract documents.

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

Motion carried 5-0.

ORDINANCES/RESOLUTIONS

6. **ORDINANCE 3076, TO ASSIGN CITY ZONING TO GREAT BEAR INNOVATION PARK – PHASE I.**

Planning and Community Development Director Mike Haynes reported that this is a request to set a public hearing for July 5, 2011 to consider Ordinance 3076 that would establish a zoning of I-2 (Heavy Industrial) upon annexation, for approximately 125 acres of property on the east side of Black Eagle Road currently known as the Great Bear property. The subject property is proposed to be a rail-served industrial park that is primarily focused on agri-processing businesses.

The 40-acre MaltEurop property and 60-acre Montgomery Energy property comprise the Central Montana Technology & Agriculture Park Tax Increment Financing District (TIFD). Dali Inc. has requested that the District be expanded to include the 125 acre Great Bear property with the intention of developing the Montgomery Energy site for smaller "incubator business" industrial lots and the Great Bear site for the rail-served lots.

Dali Inc. proposes utilizing some existing TIF dollars (increment generated by the Malt Plant) but mostly private developer funds to fund the infrastructure needed to support both developments. The City is currently coordinating with TIF expert Janet Cornish, assessing infrastructure deficiencies in the area, drafting the TIFD plan document, and discussing financing mechanisms, as the City must

initiate the TIF expansion and extension of infrastructure, while the developer is responsible for funding those improvements through the TIF with the intention of using future TIF increment to repay those obligations.

At a public hearing held on May 25, 2010 the Planning Advisory Board/Zoning Commission recommended that the City Commission approve annexation and assigning I-2 zoning to the subject property, and subdividing the 125 acre property into five lots ranging in size from 5 acres to 66 acres with the largest lot expected to be further subdivided in the future.

Commissioner Burow moved, seconded by Commissioner Bronson, that the City Commission accept Ordinance 3076 on first reading and set a public hearing for July 5, 2011.

Mayor Winters asked if there was any discussion amongst the Commissioners. Hearing none, Mayor Winters asked if there were any inquiries from the public.

Brett Doney, Great Falls Development Authority, residing at 3048 Delmar Drive, spoke in support of this proposal. He noted that he has worked with the congressional delegation for funding to improve Black Eagle Road. He received word that advertising this construction project for bid could be as early as Sunday. He expressed concern that he doesn't see anything in state statute in regard to tax increment financing that limits the number of times a district can be expanded.

Stuart Lewin, 615 3rd Avenue North, commented that he is a member of Missouri River Citizens. The group has concerns with the development of roads within the corridor. The proposed new location is a good location for an industrial park as it gets industry away from the river.

Ron Gessaman, 1006 36th Avenue NE, discussed an addition past the Montgomery property where Moodie Equipment is currently located in a pond. He hoped storm drainage would be paid attention to with regard to this project.

Brett Doney spoke in response to Mr. Gessaman that the North Point Industrial Park that he referred to was not annexed into the City. It never came before the City Commission as it is a County subdivision.

Mike Witsoe, 510 11th Street South, commented he was happy to see this private developer project progressing. He inquired what infrastructure would cost the public.

There being no one else to address the Commission, Mayor Winters called for the vote.

Motion carried 5-0.

7. **ORDINANCE 3077, TO ASSIGN CITY ZONING TO A TRACT OF LAND LEGALLY DESCRIBED AS LOT 1-A, BLOCK 17, NE¼ SECTION 3, T20N, R3E, P.M. (11TH STREET NORTHWEST AND VALLEY VIEW DRIVE).**

Planning and Community Development Director Mike Haynes reported that this is a request to set a public hearing for July 5, 2011 to consider Ordinance 3077 that would establish a zoning of R-2 (Single-Family Medium Density) upon annexation, for one undeveloped residential lot that is now an unincorporated enclave in the Valley View neighborhood.

At a public hearing held on May 10, 2011 the Planning Advisory Board/Zoning Commission recommended that the City Commission approve annexation and assigning R-2 zoning to the subject property.

Commissioner Jolley moved, seconded by Commissioner Jones, that the City Commission accept Ordinance 3077 on first reading and set a public hearing for July 5, 2011.

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

Motion carried 5-0.

CONSENT AGENDA

8. Minutes, May 17, 2011, Commission meeting.
9. Total Expenditures of \$1,694,683 for the period of May 12 through June 1, 2011, to include claims over \$5,000, in the amount of \$1,399,203.
10. Contracts list.
11. Lien release list.
12. Approve exception to the Housing Loan Policy to allow a loan to M & L Rentals to rehab 8 units at 426 Central Avenue in the amount of \$150,000 at 0% interest.
13. Approve purchase of 245 tons of CRS-2P chipseal emulsion from Montana Refining Company, Inc. in the amount of \$124,950.
14. Award construction contract to United Materials of Great Falls, Inc. in the amount of \$135,480 for the 21st Avenue NE Drainage Improvements. **OF 1573.6**
15. Approve final payment to Phillips Construction LLC and the State Miscellaneous Tax Division in the amount of \$19,341.37. **OF 1590**
16. Award bid from DPC Industries Inc. in the amount of \$614.80 per ton for the purchase of liquid chlorine for FY 2011/12.
17. Award bid from Thatcher Company in the amount of \$320.95 per dry ton for the purchase of liquid aluminum sulfate for FY 2011/12.
18. Award bid from DPC Industries Inc. in the amount of \$1.50 per pound for the purchase of anhydrous ammonia for FY 2011/12.

Commissioner Burow moved, seconded by Commissioner Jolley, that the City Commission approve the Consent Agenda, with the exception of Item 12 for additional discussion.

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

With regard to Item 12, Commissioner Burow expressed concern of setting precedent by allowing an exception to the loan program.

Mr. Haynes explained that staff was strongly in favor of additional façade improvements that will make a significant difference to the building when it is rehabbed. Staff proposed the use of revolving loan dollars for the residential component of the project to free up dollars to make other improvements, specifically the facade. The percentage is standard, but exceeds the typical maximum of \$100,000. With regard to exceptions setting precedent, Mr. Haynes commented that each request would come before the Commission for consideration on a case-by-case basis.

In response to Commissioner Bronson, Mr. Haynes explained that the source of funding is a revolving loan fund established through past CDBG funds. The loans that are made are covered by the payments received. There is no fiscal impact to the City.

In response to Commissioner Jolley, Mr. Haynes commented he would have to check on the length of the loan.

Commissioner Bronson further explained that the policy provides that the maximum amount can be exceeded with a recommendation from the loan committee subject to a review by the Commission.

Mayor Winters asked if there were any inquiries from the public.

Cyndi Baker, 500 Montana Avenue NW, inquired why it was a low use fund and what was the balance of the fund?

Mr. Haynes guessed that about \$350,000 comes into, and is expended out of, the fund each year. Compliance with the CDBG requirements is a condition of the loans.

Brett Doney, Great Falls Development Authority, residing at 3048 Delmar Drive, commented in support of the project, and applauded the Planning and Community Development Department.

In response to Mayor Winters' inquiry, Commissioner Burow noted that he was fine with Item 12 on the Consent Agenda as the policy already has a provision addressing exceptions.

Mike Witsoe, 2612 1st Avenue South, inquired about prior year's costs with regard to Items 13, 16, 17 and 18.

Commissioners noted that the information inquired about was contained in the agenda reports, and was also available on the City's website.

Concerning Items 16-18, Public Works Director Jim Rearden responded that two of the three prices are less than the prior year. Regarding Item 13, the State of Montana went through the competitive bid process and, per statute and purchasing agreement, the procurement contracts are available to the City.

Ron Gessaman, 1006 36th Avenue NE, inquired if the payment for legal services in Item 9 was for Mr. Murphy and was responded to affirmatively. He requested an Animal Shelter update later during the meeting.

In response to Mr. Gessaman's inquiries regarding Items 10(G) and (H), Mr. Doyon commented that a base value needs to be established in order to discuss potential sale or lease options.

In response to Mr. Gessaman's inquiry regarding Item 10(I) and the building being privately owned, Mr. Haynes commented that the funds that will be used will be primarily grant funds with a small amount of un-programmed CDBG funds to perform the work. Staff has been working with the Rocky Mountain Building property owners to encourage partnerships and to get that building restored and reused.

Motion carried 5-0.

PETITIONS AND COMMUNICATIONS

19. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

Mayor Winters opened the meeting to Petitions and Communications.

- A. **Alma Winberry**, 423 15th Street South, inquired if the Commission was going to put the referendum concerning chickens on the ballot.

Commissioner Bronson responded that this Commission appointed a subcommittee. That committee has not yet made a recommendation to the Commission.

- B. **Aart Dolman**, 3016 Central Avenue, expressed that the five minute rule does not give citizens the opportunity to explore their ideas. He finds it aggravating that citizens' suggestions do not receive Commission comments of appreciation. Specifically, at the previous meeting, he was disappointed that the Commission did not approach him about the thoughts he expressed on how to counter the SME complaint and consider bankruptcy. Mr. Dolman further found it strange that the Commissioners did not object to what he felt was negative behavior by the Chair in response to Mr. Gessaman at last night's ECP Board meeting.

Mayor Winters responded that the Commission is respectful and does thank citizens for their comments. Respect has not always been reciprocated back to the Commission. With regard to the ECP Board meeting, the comments made to the Chairman were threatening.

- C. **Cyndi Baker**, 500 Montana Avenue NW, commented that she has witnessed a great deal of disrespect from persons commenting at the podium during the past year.
- D. **Judy Tankink**, 3620 9th Avenue North, feels there are enough laws and ordinances in place for the large vehicle issue and that those laws should be enforced. She briefly reviewed City Codes currently in place that address vehicles, parking and penalties.
- E. **John Hubbard**, 615 7th Avenue South, discussed accountability with regard to ECP issues.
- F. **Cleve Loney**, Representative of House District 25, commended the City Commission for its poise and patience.
- G. **Tom Crane**, 1027 4th Avenue North, expressed safety concerns about his neighbor dismantling a recreational vehicle in the street. Mr. Crane was asked to provide the address to staff after this

meeting to follow up.

- H. Stuart Lewin**, 615 3rd Avenue North, felt that the ECP rate specialist did an excellent job explaining his recommendations at the ECP Board meeting. He also felt Chairman Jones did a good job keeping the meeting focused. He was concerned about the policy the Board seems to be leaning towards to get out of the electric business at all cost. He feels that is premature and opined that the Board needs to keep as many options available as possible, and to keep customers. The losses will be paid from the taxpayers or from these various entities.
- I. Mike Witsoe**, 510 11th Street South, inquired the status of the Florida group and the Animal Shelter, and the chicken issue. Mr. Witsoe announced that Farmer's Market, Alive@5 and Wednesday concerts at the band shell have started. He also suggested that a "summer freedom pass" be implemented for bus transportation to pools, as well as a pool punch card for children.

CITY MANAGER

20. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

City Manager Greg Doyon reported that staff is monitoring the flooding situation around the Great Falls area. He received a "thank you" letter and expressed kudos to the Great Falls Fire and Police Departments for their rapid response to a fire. In response to comments received tonight regarding ECP, Mr. Doyon clarified that the City had a fixed rate contract which has created the situation in part with the losses and imbalance sales that are occurring through Southern.

CITY COMMISSION

21. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

In response to inquiries, Commissioner Burow provided a status update of the improvements made at the Animal Shelter, and noted that the City is no longer in discussions with the Florida group.

ADJOURNMENT

There being no further business to come before the regular Commission meeting, **Commissioner Jolley moved, seconded by Commissioner Bronson, that the regular meeting of June 7, 2011, be adjourned at 8:53 p.m.**

Motion carried 5-0.

Mayor Winters

City Clerk

