

JOURNAL OF COMMISSION WORK SESSION
October 19, 2010

City Commission Work Session

Mayor Winters presiding

CALL TO ORDER: 5:45 p.m.

ROLL CALL: City Commissioners present: Michael J. Winters, Robert Jones, Bill Bronson, and Mary Jolley. Commissioner Burow was excused. Also present were the Acting City Manager/Director of Planning and Community Development, Directors of Public Works, Park and Recreation, Library, and Fiscal Services, the Executive Director of the Housing Authority, Police Chief, Fire Chief and the Administrative Secretary.

1. GOLF FEES

Park and Recreation Director Marty Basta provided a PowerPoint presentation on golf course fees and the performance of the two City golf courses over the last four years. Mr. Basta also provided a handout of Statement of Net Assets Golf Courses Fund FY 2006-2010.

Mr. Basta reviewed FY 2010 highlights. Revenue increased 9% (nearly \$112,000); golf course bond covenants were exceeded for the first time in 10 years; six additional golf carts were added; a rough mower was purchased; ball dispensing machines were replaced; twenty tournaments were hosted; and, a \$9,800 grant was received from LPGA.

Mr. Basta reviewed FY 2011 challenges. The Eagle Falls Clubhouse HVAC must be replaced at a cost of approximately \$11,000. He reported plans include further reducing the General Fund subsidy. Maintenance equipment purchases continue to be deferred. He noted the minimum wage will increase in January, 2011. Goals include continuing to pay down the golf course debt to the General Fund and meeting bond covenant requirements.

Mr. Basta believes the steady revenue growth in the operating budget over the last five years has been impacted by marketing efforts, advertising, and promotions. Customer base has increased due to the closing of a local golf course, and people are recreating closer to home with the downturn in the economy. He believes some growth may continue, but not at the level seen in recent years.

Mr. Basta reported that of the \$1.4 million golf course revenues, about \$800,000 is derived from the Eagle Falls Golf Course and about \$600,000 from Anaconda Hills. He explained fees at Eagle Falls are slightly higher and rounds played are greater than at Anaconda Hills. Strategies to increase the play at Anaconda Hills are being considered for the times of day when play is down.

Mr. Basta noted there has been increased play at the golf courses over the last two years, also probably impacted by the closure of the local golf course, less travel, and promotional efforts. He also noted that the amount owed to the General Fund has been paid down over the last couple

years. The large drop in 2010 was possible because funds not needed from the transfer of \$240,000 from the General Fund were applied to what was owed. He also reported this is the first year the bond covenants have been met for ten years. Bond coverage in FY 2010 is up 156%.

Mr. Basta reported the CyberCard has been a successful promotion, increasing 157% during the four years it has been available. For the \$50 fee, the purchaser receives one 18-hole greens fee; one 18-hole cart rental; two golf course logo balls; one large bucket of range balls; and, 25% off greens fees, cart rentals, range balls, and pro shop merchandise for the season.

Mr. Basta proposed a 6% golf fees increase to be used for the underfunded golf course capital needs and debt service payments. Fees have not been increased for two consecutive years and this increase to be applied next season would be equivalent to a 2% increase per year over a three-year period, which is comparable to the average consumer price index increase.

With a 6% golf fees increase, season passes would increase approximately \$30 per year. Greens fees would only increase \$1-\$2 for 18-Hole, 9-Hole, Junior and Swing Time Specials. Daily trail fees would increase \$1 and \$15 for the season. Cart storage goes up \$15 for both gas and electric carts. Other than season passes, cart rental increases are also \$1-\$2.

When comparing a 6% golf fees increase to other golf courses in Montana, weekday greens fees would be very competitive and weekend fees the lowest in the state (substantially less in many cases) for those courses surveyed. Also, season passes would be substantially less than what is charged at courses around the state.

Mr. Basta explained the 1998 Golf Revenue Bonds (approximately 77% of the debt owed) will be satisfied in FY 2016. The remainder will be satisfied in 2020. He believes that if the current financial trend continues, the golf course fund will be able to incrementally reduce the subsidy from the General Fund. The goal is to become a self-supporting enterprise fund requiring no subsidy.

Commissioner Jones asked if Mr. Basta had received comments regarding the fee increase. Mr. Basta responded the proposed fee increase was posted. Also, the Golf Advisory Board has endorsed the increase and recommended the City Commission do likewise.

Mr. Basta commented that capital needs currently are not being funded and eventually there will be equipment failures. To continue to meet the bond covenant, revenue increases are needed. He expressed concern about slipping back from progress made over the last three years.

Mayor Winters asked if policies are in place to assure that everyone pays who plays golf. Mr. Basta responded that a Point-of-Sales system was purchased three years ago that provides safeguards at registers to insure people are paying. Surveillance cameras pointed at the registers have been installed, and Fiscal Services audits the cash handling procedures.

Mayor Winters also questioned if reduced rates are available such as military day or senior day. Mr. Basta responded there are currently no discounts. However, some Golf Advisory Board

members have suggested a Father's Day discount or military day discount. As previously mentioned, plans are to consider some strategies to increase play, especially at Anaconda Hills.

2. RURAL FIRE DISTRICT ACCESS TO CITY HYDRANTS

Fire Chief Randy McCamley provided a PowerPoint presentation on the use of City fire hydrants by rural fire departments. Approximately two years ago, Great Falls Fire Rescue became aware that some surrounding rural fire departments were using the City's fire hydrants to suppress fires and fill their apparatus water tanks. Both the City Manager and Assistant City Manager were notified and staff was asked to investigate to determine if the City wanted to allow the practice to continue. Further investigation revealed there was no formal agreement with any rural fire departments to use the City's fire hydrant system. Rural fire chiefs have confirmed they have routinely used the City's water distribution system for at least 30 years.

Chief McCamley reported that meetings have been held twice with rural fire chief's councils, and at one meeting, City Manager Greg Doyon and Cascade County Commissioner Bill Salina were in attendance. As the City continues to grow, it is appealing to the rural fire departments to tap into the water distribution systems when needed. That practice, however, is in conflict with existing City ordinances.

Chief McCamley cited City Code Title 13, Chapter 2, Section 13.2.090 in part: "It is an offense punishable pursuant to the general penalty provided in Chapter 1.4.070 of this Code for any person to do any of the following acts: A. To open, close, turn or interfere with, or attach to, or connect to a fire hydrant, stop valve or stop cock belonging to the Utility Division, without proper permit." He also cited 13.2.130, Enforcement of rules and regulations: "It shall be the duty of the Police and Fire Departments of the City to give vigilant aid to the City in the enforcement of its rules and regulations, and to this end they shall report to the office of the City Manager all violations thereof which come to their knowledge. See Section 13.06.040. (Ord. 2645, 1993; Ord. 2356 Exh. B (part), 1984, § 13.08.370).

Chief McCamley explained former City Manager John Lawton at the time directed him to work with Public Works Director Jim Rearden to come up with some solutions. However, those rural fire departments wanting to utilize the City's water distribution system should go through the same permitting process as someone else. He noted that over the last couple years, efforts have been made to bring the issue before the rural fire chiefs to develop a policy and guidelines that work well for Public Works, Fire Rescue, and the rural fire departments. He stated staff has worked on a draft agreement for Commission consideration.

Public Works Director Jim Rearden reported meeting with the Fire Council the previous night and presented details of an agreement that would allow further use of the City hydrants. County Commissioners Bill Salina and Jane Weber were also in attendance.

Mr. Rearden noted there are several types of hydrants throughout the City that operate differently and proper training must be provided. A liability release must be signed. All apparatus that may connect to City fire hydrants shall be equipped with approved back-flow preventers. Notification to Cascade County Consolidated Dispatch is required as soon as possible, and City Public Works

must be notified the next business day. An annual service agreement must be executed. A \$250 service fee per incident has been proposed. Repairs for damages to the water distribution system or the hydrant must be paid. In addition, permission must be given to use privately owned hydrants.

Mr. Rearden noted there are four volunteer fire districts immediately surrounding the City: Gore Hill, Sand Coulee, Black Eagle, and Vaughn.

Mayor Winters reported he received a phone call from Cascade County Commissioner Bill Salina asking how often rural fire districts had tapped into City hydrants, what equipment had been broken, and how often rural fire districts had responded to incidents within the City limits over the last five years. Mr. Rearden reported the City Utility Foreman could not determine any incidents over the last five years of damage by the rural fire districts.

Mayor Winters suggested an educational program. Mr. Rearden responded that training has been offered as part of the proposed agreement.

Commissioner Jolley questioned the fee City residential hookups pay each month and asked if homes serviced by the rural fire districts could be charged. Mr. Rearden responded there is a \$2.00 fire hydrant fee per month as part of the water rate structure. He believes it would be too cumbersome to count those rural homes. Also, fire trucks would fill up at home base for homes in their district closer to home base.

Commissioner Bronson asked for an estimate of incidents over the last few years. Mr. Rearden estimated there have been 2-5 per year. Chief McCamley commented that number is not known because the City hasn't been notified. He added the rural fire districts have been good about notifying City Dispatch recently when using a hydrant. He noted that notification is a primary issue because Dispatch may send a truck to a fire where a hydrant is being used by a rural department.

Commissioner Bronson questioned if the rural districts have been asked to do research and share the number of incidents when they have tapped into City hydrants. He also questioned how other cities in Montana have resolved the issue.

Chief McCamley responded that City residents pay to have hydrants installed and maintained in their neighborhood. He noted that even if rural districts can provide a number of incidents when they have used City hydrants, it is difficult to come up with a fair cost. Therefore, the proposed \$250 fee per incident was decided, regardless if a fire had to be fought all night. To just top off a tank would be reconsidered because of the fee. A water distribution center would be much cheaper.

Chief McCamley also responded they will research how other cities have addressed the issue. The City of Missoula's water distribution system was actually run by a separate company.

Chief McCamley commented on a pattern of development that seems to be occurring around the City. When Town Pump built on Gore Hill, they decided to not annex into the City and built

across the road from Flying J. Flying J decided to build within the City and had to comply with all the regulations on hydrants, fire flow, sizing, etc. Town Pump's rural fire department would utilize the City's system to combat their fire. He questioned the equity issue when both companies would utilize that hydrant, should a fire occur. Also, the Johnson-Madison depot was built on 10th Avenue North, just outside the City, next to a fire hydrant. The front part of Steel, Etc. is within the City, but the back part is outside. Any firefighter will want to tap into those fire hydrants. There is an equity issue with residents who pay to have those hydrants.

Commissioner Jones commented that though the \$250 per incident seemed high, he believes the Commission will be flexible as the conversation continues. Commissioner Jolley stated she understands the intent is to be getting toward the end of the conversation.

Chief McCamley commented that his understanding is that rural fire departments don't believe they should have to pay anything. He asked if the Commission would like to see some fee associated with that usage.

Commissioner Bronson stated he wants to hear rationale why that service should be free. Mayor Winters commented that water and hydrants are being used that are paid for by City residents. He stated he believes a usage fee is reasonable.

3. FIRE INVESTIGATION CANINE

Fire Chief Randy McCamley stated he believes in the Fire Investigation Canine tool that has been proven in fire service. One of the chief roles of Fire Marshall Doug Bennyhoff is origin and cause determination on all fires. Mr. Bennyhoff is a graduate of the National Fire Academy Arson Investigation program located in Emmitsburg, Maryland. Mr. Bennyhoff is a member of the International Association of Arson Investigators and a Certified Fire Scene Technician.

Mr. Bennyhoff provided a PowerPoint presentation on Fire Investigation Canine. He requested authorization in advance to accept a grant for a Fire Investigation Canine, if offered the opportunity. Mr. Bennyhoff reported he submitted a grant to State Farm over two years ago for a Fire Investigation Canine, and he believes he will be accepted this time because he was accepted in August, 2010, but there wasn't enough time to get it together. Also, the nearest canine currently is 800 miles away in Utah.

Mr. Bennyhoff reported canine qualities include olfactory receptors of 220 million, whereas humans have 5 million. Olfactory receptors are responsible for the detection of odor. Suspicious fires have almost doubled from since 2007, and intentionally set fires have increased by 8%.

The Canine program will drastically reduce the man hours spent looking for ignitable liquids, and the wear and tear of detection equipment. The program will also reduce the number of samples sent to the crime lab, and the crime lab has a timeframe of 6 to 12 months, at best. If a dog senses ignitable liquids, investigation techniques can begin earlier.

The program will also be a great educational tool for the public and local schools, with the ability to generate monies through other agencies requesting the service.

The general cost of the dog, training, and travel expenses is about \$23,000, all covered by State Farm. Mr. Bennyhoff estimated annual costs to the fire department to be about \$1100, including recertification and dog food. K-Heart has offered to do complete veterinary service on the dog while it is in service to the City. Fire Rescue will have an obligation to have the dog five years. He also estimated a one-time initial cost of \$700 for training aids, dog supplies, kennel, etc.

Costs of the program would be covered by the Fire Prevention Trust Fund, which was started by the Hi-Ho Tavern that has run a golf tournament every year. Over the last sixteen years, they have provided revenues of about \$25,000 for programs such as this.

Commissioner Jones noted the Police Department has been involved with the canine operation for a number of years. Fair Labor Standards Act (FLSA) has policies that take time, requiring kennel operation, kennel cleaning, etc., reducing the work week to about 32 hours. In addition, all vehicles had to be modified for appropriate ventilation to transport a canine. Though supportive, Mr. Jones encouraged researching FLSA and talking with the Police Chief, canine handlers, and administrators, considering the reduced work time.

Commissioner Bronson also expressed support, with concern over FLSA policies. Commissioner Jolley questioned if a vehicle would be donated. Mr. Bennyhoff responded he has a verbal commitment for a donated vehicle that would need to be retrofitted. Mayor Winters also expressed support.

Park and Recreation Director Marty Basta asked for clarification from the Commission for implementation of the golf fees. The Commission gave their support.

ADJOURN

There being no further discussion, Mayor Winters adjourned the work session of October 19, 2010, at 6:43 p.m.