

Regular City Commission Meeting

Mayor Stebbins presiding

CALL TO ORDER: 7:00 PM

PLEDGE OF ALLEGIANCE

ROLL CALL: City Commissioners present: Dona R. Stebbins, Bill Bronson, John Rosenbaum, Bill Beecher and Mary Jolley. Also present were the City Manager, Assistant City Manager, Assistant City Attorney, Directors of Community Development, Fiscal Services, Library, Park and Recreation, Planning Public Works, the Assistant Fire Chief, Police Chief, and the Acting City Clerk.

PROCLAMATIONS: Mayor Stebbins read proclamations for Alma Smith Jacobs Week and the 20th Annual Lewis & Clark Festival.

ANNOUNCEMENT: Norma Ashby, Co-Chair of the Great Falls Centennial Committee in 1984, noted that, as part of the year-long celebration of the City's 100th birthday, an above-ground time capsule was placed in the Montana room of the Great Falls Public Library. Following the dedication of the Alma Jacobs Memorial Plaza at the Library at 11 a.m. on Saturday, June 20, 2009, everyone is invited to have a close look at the contents of the time capsule that have been preserved for 25 years.

Additionally, Ms. Ashby requested the City Commission endorse the film she and her co-producer, Craig Wirth, are working on, "The Great Falls Story: a tribute to 125 years." Complete information is available at www.thegreatfallsstory.com. Citizens are invited to share home videos and film. The City's logo will be on the website, and the Commission endorsement will be helpful for grants and other funding in the making of this film legacy.

NEIGHBORHOOD COUNCILS

1. There were no miscellaneous reports or announcements from neighborhood council representatives.

PUBLIC HEARINGS

**Great Falls Soccer
Complex Lease
Agreement.**

2. LEASE AGREEMENT, GREAT FALLS SOCCER COMPLEX.

Park and Recreation Director Marty Basta reported that on November 4, 2003, voters approved a \$2.5 million bond issue for the construction of the soccer park. On June 1, 2004, the City entered into a lease agreement (**OF 1397**) with the School District for thirty acres of property for the use of the soccer complex at the cost of \$1.00 per year for 25 years. In return, the School District was granted access to the complex for practice games at no charge. The School District authorized the City to sub-lease the property for a soccer park as part of this agreement. This agreement for the soccer park complex with the Soccer Foundation includes the thirty acres of School

District property, as well as an additional 37.6 acres of City property for 25 years, for an annual cost \$1.00 per year. The agreement will be renewed every five years unless terminated by written notice by either party. The Soccer Foundation is responsible for maintenance and upkeep of the property and buildings and all associated costs. The Soccer Foundation has provided \$1.3 million in improvements to the soccer park, in addition to the bond proceeds. The Commission is asked to approve or deny the soccer park lease agreement with the Soccer Foundation.

Mayor Stebbins declared the public hearing open. No one spoke in opposition.

Kathleen Gessaman, 1006 36th Avenue NE, commented that this is a wonderful idea and said the construction and buildings on the soccer field look beautiful. She inquired if the buildings on site would revert to the City if the Soccer Foundation should disband. Mr. Basta reported that the Lease Agreement specifies that all the improvements become the property of the City of Great Falls.

Brett Doney, Great Falls Development Authority, stated that, from an economic development standpoint, that facility is a wonderful draw. When they held the tournament in Great Falls this year, hotel rooms were full, restaurants were full, and shops were filled. Facilities like this are a benefit to the community and an economic development attraction.

Mike Witsoe, 2612 1st Avenue South, asked for clarification on the \$1.00 fee the City is charging the School District. Mr. Basta explained that the Lease Agreement between the City and the School District specifies the City will pay the School District \$1.00 per year for the property, and the City is leasing both properties to the Soccer Foundation for \$1.00 per year. Mr. Witsoe inquired about maintenance and water expenses. Mayor Stebbins explained that those expenses are the responsibility of the Soccer Foundation, as explained in Mr. Basta's presentation. Mr. Witsoe asked if the water bill during the summer ranges from \$10,000-\$30,000. Public Works Director, Jim Rearden, reported that the total water bill for the season is estimated to be \$70,000, or \$10,000 plus for the peak months. The Soccer Foundation has been operating the facility for over two years and is aware of the expenses.

Mayor Stebbins closed the public hearing.

Commissioner Bronson moved, seconded by Commissioners Beecher and Rosenbaum, that the City Commission approve the lease agreement with the Great Falls Soccer Foundation

Mayor Stebbins asked if there was any discussion amongst the Commissioners. No one responded.

Mayor Stebbins commented that she received six or seven phone calls after the recent tournament praising the park facility and the smooth way that the Foundation ran that tournament.

Motion carried 5-0.

Res. 9836. Adopted.

3. RESOLUTION 9836, CONDITIONAL USE PERMIT TO ALLOW A DAY CARE CENTER ON LOT 1A, BLOCK 3, SUNRISE COURT ADDITION (5115 3rd AVENUE SOUTH).

Interim Planning Director Bill Walters reported that the Great Falls Housing Authority has applied for a conditional use permit to allow operation of a day care center in an existing building at 5115 3rd Avenue South. The involved property is presently zoned R-5 multi-family residential district, wherein a day care center is permitted upon processing and approval of a conditional use permit. At the conclusion of a public hearing held April 28, 2009, the City Zoning Commission passed a motion recommending the City Commission grant a conditional use permit to allow the involved building on Lot 1A, Block 3, Sunrise Court Addition to serve as a day care center. Therefore, following this evening's public hearing, it is recommended the City Commission adopt Resolution 9836.

Mayor Stebbins declared the public hearing open. No one spoke in opposition.

Sandra Guynn, Chair of NC 4, reported that the people in attendance at their April meeting were very much in favor of this day care center.

Mayor Stebbins closed the public hearing.

Commissioner Rosenbaum moved, seconded by Commissioner Bronson, that the City Commission adopt Resolution 9836.

Mayor Stebbins asked if there was any discussion amongst the Commissioners. No one responded.

Motion carried 5-0.

OLD BUSINESS

NEW BUSINESS

Prepayment of debt service interest payable to GFDA for N.E.W. loan and annual release

4. PREPAYMENT OF DEBT SERVICE INTEREST PAYABLE TO GREAT FALLS DEVELOPMENT AUTHORITY FOR N.E.W. LOAN AND APPROVE ANNUAL RELEASE OF URBAN RENEWAL TAX INCREMENT DISTRICT SURPLUS FUNDS.

**of Urban Renewal Tax
Increment District
Surplus Funds.
Approved.**

Fiscal Services Director Coleen Balzarini reported that the City Commission is asked to take action on two items. The Commission is able to consider releasing tax increment surplus funds, as has been done since 1990, to the City, County, State and School District jurisdictions. The Commission is also asked to consider prepayment of interest the City committed to pay on behalf of N.E.W. Economic Development Loan. This amount can be released because there is only one principal payment remaining on the Tax Increment Bonds and the reserves are no longer required. The \$235,000 in loan interest that the Commission is asked to approve payment to the Development Authority on behalf of the N.E.W. loan is authorized through Montana Code 7.15.4288, which authorizes the use of tax increment funds to pay costs incurred in connection with the redevelopment activities which are allowed under 7.15.4233, specifically to improve, clear or prepare for redevelopment any real or personal property in an urban renewal area. The Commission approved this intent in January, 2000. The long-term savings to the City for prepaying this loan are \$45,324. The Development Authority will be able to make an early payment on the principal, as well as re-loan a portion of the funds for another economic development project. Ms. Balzarini stated that the City has put \$20 million of improvements into the downtown urban renewal area and released over \$18 million back to the taxing jurisdictions. Basically, this urban renewal district has worked over the years, creating about \$40 million in increased taxable value, and the Commission is asked to approve the motion as presented.

Commissioner Jolley moved, seconded by Commissioner Rosenbaum, that the City Commission authorize the use of available tax increment funds to prepay \$280,324 in loan interest payable at the discounted amount of \$235,000 to the Great Falls Development Authority, as it relates to City participation in an economic development loan to N.E.W.; and, authorize the release and distribution of \$1,000,000 of surplus tax increments from the Tax Increment Debt Service Fund to the City, Cascade County, School District 1, and the State.

Mayor Stebbins asked if there was any discussion amongst the Commissioners or inquiries from the public.

Commissioner Jolley asked Ms. Balzarini to repeat the Montana Code sections she referred to in her presentation. Ms. Balzarini restated Montana Code 7.15.4288(5), and 7.15.4233(i). Commissioner Jolley said she is satisfied that this is a good use of these funds.

Brett Doney, Great Falls Development Authority, explained that this loan was made approximately 9 years ago and has been a great economic development success. N.E.W. currently has many more employees than they promised they would have, they've done a beautiful renovation of the old department store and are currently making more improvements, and they've always been current on their loan. These funds are permanently

restricted funds for the Development Authority, and this cash will go directly to the Economic Development Administration Loan fund. Mr. Doney explained that two-thirds of this loan was sold several years ago to the Montana Board of Investment to be able to get the money to loan the Port Authority \$1 million to make the Centene deal possible. A large portion of this early payoff will go to the Montana Board of Investments. Approximately \$75,000 will go into the GFDA loan fund, and there are deals pending in the City, so this money will be back working in the community by the end of July.

Motion carried 5-0.

ORDINANCES/RESOLUTIONS

Ord. 3034. Accepted on first reading and set public hearing for July 7, 2009.

5. ORDINANCE 3034, TO ADD PROVISIONS FOR WIND-POWERED ELECTRICITY SYSTEMS TO THE LAND DEVELOPMENT CODE.

Interim Planning Director Bill Walters reported that Ordinance 3034, if adopted, will amend the Land Development Code to permit certain types of wind-powered electricity systems within the City subject to compliance with specified standards and conditions including size, height, setbacks, appearance and noise. The City Zoning Commission, at the conclusion of a public hearing held March 10, 2009, unanimously passed a motion recommending the City Commission adopt the provisions contained in Ordinance 3034. The action requested of the Commission this evening is to accept Ordinance 3034 on first reading and set a public hearing for July 7, 2009.

Commissioner Rosenbaum moved, seconded by Commissioners Beecher and Bronson, that the City Commission accept Ordinance 3034 on first reading, and set a public hearing for July 7, 2009.

Mayor Stebbins asked if there was any discussion amongst the Commissioners or inquiries from the public. No one responded.

Motion carried 5-0.

Consent Agenda. Approved.

CONSENT AGENDA

- 6. Minutes, June 2, 2009, Commission meeting.
- 7. Total expenditures of \$1,251,594 for the period of May 28 through June 10, 2009, to include claims over \$5,000, in the amount of \$1,037,684.
- 8. Contracts list.
- 9. Approve Change Order No. 1 in the amount of \$389.38 and final payment to United Materials and the State Miscellaneous Tax Fund in

the amount of \$1,568.15 for the 2008 CDBG Sidewalk Replacement.
OF 1537.2

- 10.** Award construction contract to River City Concrete in the amount of \$56,320 for the 2009 Valley Gutter and Handicap Ramps. **OF 1485.7**
- 11.** Approve final payment in the amount of \$12,727.08 to Phillips Construction LLC and the State Miscellaneous Tax Fund for the 14th Street SW and 5th Avenue SW water main replacements. **OF 1436**
- 12.** Approve final payment in the amount of \$22,856.93 to Phillips Construction and the State Miscellaneous Tax Fund for the West Bank Park Storm Drain Outfall improvements. **OF 1482**

Commissioner Jolley moved, seconded by Commissioners Rosenbaum and Beecher, that the City Commission approve the Consent Agenda as presented.

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

Kathleen Gessaman, 1006 36th Avenue NE, noted that the master account check for Agenda Item #7 runs from May 28th through June 10th and the wire transfers run from May 29th through June 8th. She asked if the \$650,000 June 10th payment to SME was made this month. Ms. Balzarini said the payment was made, but since the wire transfer is done on the 10th, it is not recorded until the 11th, so it wasn't included in this report.

Ron Gessaman, 1006 36th Avenue NE, commented on Agenda Item #7. He said he looked through several years of past \$5000 reports and only found two where the master check run dates and the wire transfer dates are different. He asked if there is an established policy for the period that is to be covered by the items in the greater than \$5000 report.

Mr. Gessaman also commented on the Contracts list. He said item A is an item wherein the City is being reimbursed by the DEQ to perform design reviews for public utility improvements, and is an extension of an existing DEQ contract. He asked how long the City has had this contract and if there have been performance reviews by the DEQ. He said it isn't clear what this agreement involves. He asked if the City is doing design reviews on their own public utility improvements, for someone outside the City, i.e., other small communities, etc.

Ms. Balzarini explained that when a wire transfer isn't reported on the current \$5000 report, it will be reported on the next one. She said she wasn't aware of similar dates. She said that the main wire transfers are for debt service payments and are large payments to Southern Montana Electric. They typically end on the 15th, 10th, or the 1st.

Public Works Director, Jim Rearden, explained that the contract with DEQ has been in place for eight or nine years. The contract allows the City to review water and sewer extension plans primarily for developer-type

projects and subdivisions. The City is not allowed to review plans for City-owned projects; DEQ reviews those plans. The City must submit their review letters and comments to the DEQ and the developers, and DEQ does spot reviews on the City’s reviews. This agreement allows the City to review quicker and not have to send a lot of development plans to the State.

Mr. Gessaman asked if item F on the Contracts list is an existing or a new contract for utility bill printing and mail processing in the amount of \$2,062 per month to IPS. Ms. Balzarini said this is an outsourcing of the printing of the City utility bills. She explained that the City is contracting this service because the dedicated printer in the Information Technology (IT) department costs around \$14,000, is 15 years old and needs to be replaced. The City already outsources printing of permits, parking tickets, etc. After an analysis, it was determined that the costs are comparable, whether kept in-house or sent out. By outsourcing, it frees up staff time for more important tasks such as reviewing the utility bills before they are billed.

Mr. Gessaman reported that one section of the City receives their water utility bills approximately five weeks after the readings are made. About four years ago, software was promised that would upgrade this problem so bills in the Riverview area would be received on a timely basis. The bills are currently still arriving about five weeks after the meter readings. He noted that Energy West provide bills two days after meter readings; NorthWestern Energy provides a bill the next day. He said this is a problem for the elderly in Riverview who receive a bill in October or November for \$100 for water and sewer and are confused because they haven’t been watering for two months.

Motion carried 5-0.

**James (Jim) Weber
appointed to the Great
Falls Housing Authority
Board.**

BOARDS & COMMISSIONS

13. APPOINTMENT, GREAT FALLS HOUSING AUTHORITY BOARD.

Commissioner Bronson moved, seconded by Commissioner Rosenbaum, that the City Commission appoint James (Jim) Weber to the Great Falls Housing Authority for a five-year term through May 31, 2014.

Mayor Stebbins asked if there was any discussion amongst the Commissioners. No one responded.

Motion carried 5-0.

**Dea Nowell appointed to
the Library Board.**

14. APPOINTMENT, LIBRARY BOARD.

Commissioner Bronson moved, seconded by Commissioner Rosenbaum, that the City Commission appoint Dea Nowell to the Library Board for a five-year term through June 30, 2014.

Mayor Stebbins asked if there was any discussion amongst the Commissioners. No one responded.

Motion carried 5-0.

15. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

CITY MANAGER

City Manager, Greg Doyon, said that if the Commission should have any questions as they continue to review the proposed budget, please let him know and he will provide the information.

16. APPOINT ACTING CITY MANAGER FOR JUNE 19, 2009.

City Manager, Greg Doyon, said that, with the consent of the City Commission, he appoints Police Chief, Corky Grove, as Acting City Manager for Friday, June 19, 2009.

17. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

PETITIONS AND COMMUNICATIONS

18. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

Mayor Stebbins opened the meeting to Petitions and Communications.

Commission meeting/ECP deficit.

18A. Ed McKnight, 906 3rd Avenue North, commented that he is confused by Commissioner Rosenbaum’s responses at the May 19, 2009 City Commission meeting. Mr. McKnight shared a quote regarding ECP’s deficit in recent years, and said Commissioner Rosenbaum didn’t ask for clarification on the information when he presented it. He expressed frustration that he did not get a satisfactory response to his inquiries.

Price increases/Public Drug fire/Toxins.

18B. John Hubbard, 615 7th Avenue South, said he is concerned about the recent increase in gas prices, and overall price hikes. He said he is also concerned about the direction of the country. He applauded the recent response by the Fire Department to the fire at Public Drug, and said additional fire equipment isn’t needed, especially with the current economy. He also said he is concerned about possible toxins at the Weissman’s yard.

Mil Levy/Public Drug ramp.

18C. Mike Witsoe, 120 Lions Creek Road, reported that he heard a good explanation on the mil levy from the Fire Department at a Neighborhood Council meeting, and hoped they provide the same information to the other

Neighborhood Councils. They explained that there are only thirteen people and one officer on each shift. He said the levy is needed and will help protect homes and families. He said he doesn't think the Police mil levy will succeed. Regarding Public Drug, he recommends a City inspector check the large ramp drop-off because he fears someone will be injured.

Holiday Inn/Whitmore Ravine/University of Great Falls/Holiday Inn Express/Industrial Park/Visit to Billings.

18D. Brett Doney, Great Falls Development Authority, reported that a \$398,200 loan has been approved to assist Holiday Inn with a \$900,000 renovation project. The Whitmore Ravine Agreement was signed this date. The University of Great Falls has begun construction on their first apartment complex on campus for upper classmen. Holiday Inn Express has filed for design approvals and hopes construction will begin as soon as possible. Efforts have been underway for an Industrial Park, getting financing for the design and approval process. He expressed gratitude to the Great Falls engineering community for providing over \$85,000 in-kind support. He said the project can now proceed in the design process. He said he participated in a trip to Billings, June 15, 2009, organized by Ellen Sievert, of the Historic Preservation Commission, to look at downtown projects. He said he was able to bring back many great ideas.

Plastics.

18E. Kathleen Gessaman, 1006 36th Avenue NE, commented that she is collecting her plastics, but would let the Mayor continue with that story. However, she said it was a fun afternoon.

CITY COMMISSION

19. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

Commissioner Beecher stated that a lot of interesting comments and opinions are heard at the public comment section at the end of the meeting. He explained that there is a report available on the City website, as well as available in written form, from November, 2008, "Electric City Power Financial Condition and Comparative Rates" that provides useful information. He said he encourages new candidates to review this report.

Commissioner Beecher also noted that the Commission has been criticized for not allowing public participation. He said that during the meeting this evening, there was public comment on agenda items, and questions were answered by the appropriate staff. The section at the end of the meeting provides opportunity for anyone to make observations regarding something not included on the agenda at that meeting. He cited State Code that requires the agenda to include an opportunity for people to participate in the public process. He noted public comment is encouraged; however, the Code does not invite cross-examination or interrogation.

Mayor Stebbins expressed appreciation to Commissioner Bronson for serving as Mayor Pro Tempore at the Elder Abuse Forum and the Flag Day Ceremony the past weekend.

ADJOURNMENT

Adjourn.

There being no further business to come before the Commission, **Commissioner Beecher moved, seconded by Commissioner Rosenbaum, that the regular meeting of June 16, 2009, be adjourned at 8:05 p.m.**

Motion carried 5-0.

Mayor Stebbins

Acting City Clerk

Minutes Approved: July 7, 2009