

Regular City Commission Meeting

Mayor Pro Tempore Bronson presiding

CALL TO ORDER: 7:00 PM

PLEDGE OF ALLEGIANCE

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

NEIGHBORHOOD COUNCILS

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

PUBLIC HEARINGS

Res. 9766 and Ord. 3012, annexation and zoning for Water Tower Park Addition. Adopted.

2A. RESOLUTION 9766 ANNEXES WATER TOWER PARK ADDITION.

2B. ORDINANCE 3012 ASSIGNS CITY ZONING OF R-2 SINGLE-FAMILY MEDIUM-DENSITY DISTRICT.

Planning Director Ben Rangel reported that in June, 2008, the City Commission approved the Preliminary Plat for Water Tower Park Addition. Tim Spencer and Dana Hennen, doing business as TD Land Development, are the property owners and developers of this subdivision. The subdivision is located in North Great Falls, just southwest of the City's water tower near 36th Avenue Northeast and Bootlegger Trail. It consists of 16 residential lots.

On October 21, 2008, the City Commission set public hearing for this evening. After conducting a joint public hearing, Mr. Rangel requested that the City Commission adopt Resolution 9766 to annex, and to adopt Ordinance 3012 to assign R-2 Single-Family Residential zoning. Mr. Rangel also requested that the City Commission approve the Final Subdivision Plat and the Annexation Agreement.

The Planning Board/Zoning Commission unanimously recommends City Commission approval.

Mayor Pro Tempore Bronson declared the public hearing open. Speaking in favor of Resolution 9766 and Ordinance 3012 was **Tim Spencer**, 618 Central Avenue. Mr. Spencer reported that the project was moving along

nicely and he thanked City staff.

No one spoke in opposition to Resolution 9766 and Ordinance 3012.

Mayor Pro Tempore Bronson declared the public hearing closed and asked for the direction of the City Commission.

Commissioner Beecher moved, seconded by Commissioner Rosenbaum, that the City Commission adopt Resolution 9766, and approve the Subdivision Plat and Annexation Agreement, all related to Water Tower Park Addition.

Mayor Pro Tempore Bronson asked if there was any discussion amongst the Commissioners. No one responded.

Motion carried 4-0.

Commissioner Beecher moved, seconded by Commissioner Rosenbaum, that the City Commission adopt Ordinance 3012.

Mayor Pro Tempore Bronson asked if there was any discussion amongst the Commissioners. No one responded.

Motion carried 4-0.

**Res. 9777 and Ord. 3020,
annexation and zoning
for New Castle
Condominiums
Subdivision. Adopted.**

**3A. RESOLUTION 9777 ANNEXES NEW CASTLE
CONDOMINIUMS SUBDIVISION.**

**3B. ORDINANCE 3020 ASSIGNS CITY ZONING OF PUD PLANNED
UNIT DEVELOPMENT DISTRICT.**

Planning Director Ben Rangel reported that Harold Poulsen is the property owner and developer of this subdivision. The subdivision is located in South Great Falls and more specifically in the southeast corner of the intersection of 13th Street and 24th Avenue South. The subdivision is proposed to accommodate 26 single story residential condominiums. The project will satisfy all of the City's fire/emergency services, as well as garbage service access standards and requirements.

On October 21, 2008, the City Commission set public hearing for this evening. After conducting a joint public hearing, Mr. Rangel requested that the City Commission adopt Resolution 9777 to annex, and to adopt Ordinance 3020 to assign PUD Planned Unit Development zoning. Mr. Rangel also requested that the City Commission approve the Final Plat, the Findings of Fact and the Annexation Agreement.

The Planning Board/Zoning Commission unanimously recommends City Commission approval.

Mayor Pro Tempore Bronson declared the public hearing open. No one spoke in favor of Resolution 9777 and Ordinance 3020. Speaking in opposition to Resolution 9777 and Ordinance 3020 was **Susan Ickes**, 2500 Castle Pines Way. Ms. Ickes expressed concerns about the density, construction trucks tearing up the street and danger to children. Ms. Ickes was also concerned that the name of the main street through the development being called Castle Pines Drive would cause confusion with postal service, deliveries and emergency services. Ms. Ickes also requested that the developer construct the main street through the development so that the construction trucks can use that street to save on noise and traffic to the current residents.

Mayor Pro Tempore Bronson declared the public hearing closed and asked for the direction of the City Commission.

Commissioner Rosenbaum moved, seconded by Commissioner Beecher, that the City Commission adopt Resolution 9777, and approve the Plat, Findings of Fact and Annexation Agreement, all related to New Castle Condominiums Subdivision.

Mayor Pro Tempore Bronson asked if there was any discussion amongst the Commissioners.

Commissioner Beecher asked the respective City departments to visit with the contractor to mitigate the concerns addressed by Ms. Ickes.

Mr. Rangel responded that the Master Plan that was reviewed and provided as part of the first phase for Castle Pines and the corner where the condominiums are being proposed showed that corner to be for commercial development. The condominium density, albeit a higher density than single-family, is less of a land use impact and density than commercial development.

Subdivisions develop in phases. The residents of the earlier phases are subjected to some type of construction development for the subsequent phases. Mr. Rangel added that the start of the wall work was not an indication of any preconceived approvals being provided to the project. Wall work is separate from any type of development on this particular lot.

With regard to the street names, Mr. Rangel stated that there are two streets that are named similar. The names are reviewed and scrutinized by the City's street naming section in the mapping department and coordinated with emergency service agencies in Great Falls, as well as the Post Office. All have come to an agreement that Castle Pines Drive was an acceptable street name.

Commissioner Jolley asked if the City was involved in the 1995 Economic Development Agreement that was referred to in the Annexation Agreement.

Commissioner Rosenbaum answered Jerry Peterson was the first owner that subdivided the property. The City approved the plat. Harold Paulsen took over the project. That area was designated commercial and condos were in that area from the beginning.

In response to Ms. Ickes, Commissioner Rosenbaum commented that haul roads can be mandated in Annexation Agreements and suggested that staff work with the developer regarding the safety issues.

Motion carried 4-0.

Commissioner Rosenbaum moved, seconded by Commissioner Beecher, that the City Commission adopt Ordinance 3020.

Mayor Pro Tempore Bronson asked if there was any further discussion amongst the Commissioners. No one responded.

Motion carried 4-0.

Res. 9787, Create Special Improvement Lighting District – City-Owned Residential Lighting District No. 1303, Bootlegger Addition, Phase I. Adopted.

4. RESOLUTION 9787, CREATE SPECIAL IMPROVEMENT LIGHTING DISTRICT – CITY-OWNED RESIDENTIAL LIGHTING DISTRICT NO. 1303, BOOTLEGGERS ADDITION, PHASE I.

Fiscal Services Director Coleen Balzarini reported that the developer approached the City requesting the installation of the lights and agreed to pay for the cost over a number of years, as well as the energy and maintenance costs. On October 21, 2008, the City Commission approved public notice being posted, as well as notification to the developer. Said notice provided an opportunity to oppose the creation of the district. The developer has requested the City go forward with installation of the lights and the creation of the lighting district.

Mayor Pro Tempore Bronson declared the public hearing open. No one spoke in favor of or opposition to Resolution 9787.

Mayor Pro Tempore Bronson declared the public hearing closed and asked for the direction of the City Commission.

Commissioner Rosenbaum moved, seconded by Commissioner Beecher, that the City Commission adopt Resolution 9787 and create Special Improvement Lighting District – City-Owned Residential Lighting District No. 1303.

Mayor Pro Tempore Bronson asked if there was any discussion amongst the Commissioners. No one responded.

Motion carried 4-0.

OLD BUSINESS**Water Rights Purchase and Related Requests for Proposals. Approved.****5. WATER RIGHTS PURCHASE AND RELATED REQUESTS FOR PROPOSALS.**

Fiscal Services Director Coleen Balzarini reported that over the past five years the City of Great Falls has put a lot of time, effort and activity into cleaning up its existing historic water rights. In addition, the City has taken on three large industrial customers that the City committed to provide water for. The 2006 Water Master Plan indicated the City had adequate water available to serve its general and residential population through 2025. There have been presentations on how the City could create a water plan or water portfolio. Ms. Balzarini requested the City Commission consider moving forward on the purchase of water rights. The City currently has rates that are adequate to cover a purchase in the area of \$10 million dollars. In the event the Commission authorizes staff to go forward with the purchase, she also requested that the Commission authorize staff to seek proposals from third party consultants to evaluate the water right applications received.

Commissioner Beecher moved, seconded by Commissioner Rosenbaum, that the City Commission (1) authorize staff to proceed with efforts to purchase water rights; (2) authorize distribution of request for proposals for purchase of water rights; and (3) authorize distribution of requests for proposals for consulting services to assist in evaluation of water right proposals received, assist in due diligence related to the proposed water right offerings received, and facilitate the acquisition process.

Mayor Pro Tempore Bronson asked if other communities in the State of Montana were looking at this type of a process. Ms. Balzarini responded affirmatively providing Bozeman and Helena as examples.

Commissioner Beecher asked if an entity purchased proven water rights, could those water rights be leased for a period of time to some other user as a potential revenue source. Ms. Balzarini answered that was correct with caveats.

Commissioner Rosenbaum asked Ms. Balzarini to discuss banking. Ms. Balzarini responded that water can be banked for the benefit of other users. A specific declaratory intent can be filed to allow Fish, Wildlife & Parks and Trout Unlimited to use it for conservation issues. But, there are some questions whether a municipal right can be banked.

Commissioner Jolley asked Ms. Balzarini to clarify the raw water agreement with SME, and whether the City would still have an obligation to sell water if SME couldn't take the water from the approved point of appropriation

because of the 106 process and the Army Corps of Engineers. Ms. Balzarini responded that Section 106 isn't an Army Corps of Engineers' permit. She explained that is a process that needs to be gone through to evaluate impact on the historical area. However, the Army Corps of Engineers does need to issue a permit to build an intake structure into the river. Commissioner Jolley asked if the City made any representations to SME that if the City purchased additional water it would be provided to them. Ms. Balzarini responded that, pursuant to the raw water agreement, SME is drawing water from the place of use and point of diversion that was approved by DNRC. The intake structure just hasn't been built yet.

Regarding the Request for Proposals, Commissioner Jolley stated that at the last water rights work session it was her understanding the Commission authorized request for proposals to gather additional information and to explore the other options. She does not feel comfortable authorizing staff to purchase water rights.

Commissioner Rosenbaum clarified that the key word was activities. The Commission was being asked to authorize the activities to purchase the water rights. The activities will still come before the Commission for public hearings and approvals. Commissioner Jolley stated it sounds to her that if the criteria was met, then an agreement would be entered into. Ms. Balzarini responded that if there were no obvious impediments, that would be the time to move forward with more in-depth due diligence.

City Manager Doyon added that one of the terms of the purchase would be approval by the City Commission. He stated that he already made it clear that the issue of water rights was going to be done hand in hand with the Commission.

Mayor Pro Tempore Bronson stated that it was his understanding that going out for an RFP is one thing, but if a proposal actually comes forward, the Commission will still have the opportunity to consider it and either accept or reject it. The party making the proposal will be making it with the understanding that the Commission will have the final say.

Commissioner Jolley asked, if the purchase of water rights was financed through the water fund, would it operate in the red for awhile? Ms. Balzarini responded that if this happened, the City would draw down the unrestricted cash balance. There are reserves that are required within the water fund. They are restricted and only to be used in the event that there is such a scenario as this.

Mayor Pro Tempore asked if there were any comments or inquiries from the public.

Brett Doney, Great Falls Development Authority, commented that he was glad to see the City moving forward on this matter. The City has been able

to attract existing and potential heavy water users which create a much needed industrial base for the community. Concurrently to looking at purchasing water rights, Mr. Doney suggested: (1) the City begin application with the Bureau of Reclamation as another alternative; (2) add a clause in the RFP that the City reserves the right to reject all proposals; and (3) have the independent consultant review the RFP before it goes out.

Neil Taylor, 3417 4th Avenue South, commented that SME has a significant portion of the City's water reservation if HGS were to be built. He believes this issue of buying water rights is premature when the City does not know all the facts and figures; the water court has yet to render its final adjudication for this district; the status of SME is unknown; and because of the turmoil with the economy. Mr. Taylor suggested that this matter be brought up during a budget session in the near future.

Kathy Gessaman, 1006 36th Avenue N.E., thanked Coleen Balzarini for the well documented report. Ms. Gessaman also suggested that this matter be discussed during the next budget session. She discussed a conversation she had with Scott Irvin, Regional Manager of DNRC in Lewistown. Mr. Irvin recommended that all sales of water rights be contingent on successful authorization from DNRC and the water courts. Ms. Gessaman suggested that the increase in water rates should not be more than five percent during the 10 year span.

Ron Gessaman, 1006 36th Avenue N.E., discussed his concerns with regard to fiscal impact in the agenda report. He suggested that the capital projects be done first, and then consider increasing rates to cover the \$10 million for water rights. He stated, if the City had surplus cash being generated, it was strange to him the City would still sell bonds.

Andrea Deligdish, 3016 Central Avenue, commented that the City had an opportunity to ask for an extension with the Water Board. It was her understanding that the City lost 33 acre feet by not asking for an extension. She thinks this was unconscionable. She suggested that this matter be tabled.

Aart Dolman, 3016 Central Avenue, suggested carefully developing a plan of action and tabling this matter for further study.

Mike Witsoe, 2612 1st Avenue South, requested that this matter be tabled for two weeks. Mr. Witsoe suggested that the water rights review be offered to companies in Montana.

Commissioner Jolley stated that in the adopted budget there was a water system plan. For the years 2008-2012, the City had already committed to bonds for improvements. In this agenda report it mentions fiscal year 2008, so she believes there would need to be a public hearing on a budget amendment. Ms. Balzarini responded that the capital improvement plan that

the Commission reviewed during the budget presentation looks at what the City might spend in future years. The Commission approves an annual budget. She explained that the spreadsheet showed one of many “what if” scenarios. The City would not be able to sell bonds if it had \$23 million dollars available in the fund. The Commission has annual rate and expenditure approvals. Also, prior to the City issuing debt, the Commission takes action.

Commissioner Jolley again inquired if the City purchased water rights for \$10 million dollars in the current fiscal year through the water fund, wouldn't that require a public hearing on a budget amendment. Ms. Balzarini clarified that there are rates in place that are adequate to pay debt service on \$10 million dollars. That is not saying the City would take \$10 million dollars in cash to acquire water rights.

Commissioner Jolley stated that this agenda item should have been listed under new business on the agenda instead of old business. She would like to see a water plan for the future with cost estimates for all options.

Commissioner Beecher stated that this proposed action is strictly being proactive and beneficial for the City down the road. The Commission is not being asked to commit to any specific option or scenario. The action requested is to get the process under way to develop it as part of a plan. In addition, an expert will be needed to direct the Commission on what the best paths are to pursue.

Commissioner Rosenbaum commented that if HGS does not get built, the City does have that water reservation. But, it has to be proven by 2025. There is no expectation to do that unless the City grows or uses the water for a known use. The rate increase model is only one scenario. The City needs to begin this process by retaining a professional consultant.

Commissioner Jolley requested a copy of the 2006 Water Master Plan that was referenced in the agenda report.

Mayor Pro Tempore Bronson stated that he sees this as doing what any prudent consumer of water services would be doing, which is seeking what the various options are. The proposal set forth by staff accomplishes what is necessary and prudent to protect water rights and to acquire rights to keep in a portfolio. The Commission will have opportunity to consider specific proposals, and what the cost would be and whether to incur those costs at that time.

In response to a previous comment, City Manager Doyon stated that there is a clause that states the City reserves the right to accept or deny any proposal based on the criteria in the RFP. This one option does not preclude the City from looking at its other options. The reason this was brought to the Commission was because of prior representations to the Commission that

staff would make this a transparent process. The Commission will have a full picture of what all the options are and what they are going to cost. This agenda item gives staff authorization to go out and get the information the Commission needs to make a good decision.

Motion carried 3-1 (Commissioner Jolley dissenting).

At 8:25 p.m. Mayor Pro Tempore Bronson recessed the meeting for a 10 minute break.

NEW BUSINESS

ORDINANCES/RESOLUTIONS

Ord. 3025, To Create the Cascade County Community Health District. Adopted. Interlocal Agreement with Cascade County. Approved.

6A. ORDINANCE 3025, TO CREATE THE CASCADE COUNTY COMMUNITY HEALTH DISTRICT.

6B. INTERLOCAL AGREEMENT WITH CASCADE COUNTY TO CREATE SAID DISTRICT.

City Attorney David Gliko reported that the purpose of the Ordinance is to create a multijurisdictional health service district, pursuant to § 7-11-1101, et seq., MCA. This will enable a newly created Cascade Community Health District to assume flexibility and independence and to provide expanded health services throughout the City of Great Falls and the County of Cascade. The ordinance, as presented on first reading, has been amended. Current information was received from the Cascade County Treasurer that adjusts the current mill levy to five mills as a correction of the 3.6 mills stated on first reading. It is a County mill levy. The City is not required under the ordinance to pass a mill levy for support of this district. Therefore, he submitted that the amendment was not a substantive change and stands as merely informational in the ordinance as it relates to the City. Further, there was an amendment to the ordinance with regard to the inclusion of the word “services” being synonymous with the word “function” in the section of the ordinance that describes the boundaries. The statute that enables the creation of this district also contemplates that both jurisdictions, the City and the County, enter into an Interlocal Agreement to support the terms and conditions as generally outlined in the ordinance.

Michael Young, Chairman of the Board of Directors of the Community Health Care Center, residing at 1227 25th Avenue S.W., strongly urged the Commission to support and pass both measures. Mr. Young stated that management needs to be streamlined so that this organization reports to one board instead of four. Passage of this ordinance also increases options to find additional funding to support all of the direct and public health care needs.

Commissioner Jolley moved, seconded by Commissioners Beecher and Rosenbaum, that the City Commission adopt Ordinance 3025, as amended, to create the Cascade Community Health District.

Mayor Pro Tempore Bronson asked if there was any discussion amongst the Commissioners. No one responded.

Mayor Pro Tempore Bronson asked if there were any inquiries from the public.

Ron Gessaman, 1006 36th Avenue N.E., commented that agenda report 6B mentions that District funding will be through revenues and fees generated by health services and functions and by County assessments and appropriations and gifts and grants. Mr. Gessaman believed there were also City appropriations for the City/County Health Department.

Mayor Pro Tempore Bronson responded that the City will continue to support it to the extent that it can.

Les Stevenson, Director of Opportunities, Inc., 905 1st Avenue North, commented that he was not aware that this was being proposed. He expressed concerns that this would decrease the support of the City and County for these services. Mr. Stevenson also asked if the structure would be public or private, non-profit or for profit, how would the board members be selected, and would it be meaningful for the consumer group to be a voice on the board of directors.

Mr. Young responded that the function of the board doesn't change the current Board of Health that much or the Board of Directors of the Health Care Clinic. The Board of Directors of the Department of Health will be expanded under the bylaws being created. The City and County both have input into these boards through the Interlocal Agreement. The Community Health Care Center Board is a federal agency, operating under a federal grant, and they continue to operate in that fashion. But they are a subdivision by Interlocal Agreement with the City/County Board of Health and they will continue to do that under this agreement. This takes the inter-machinations of dealing with the County Commission and City Commission out of the day-to-day operations of the Health Department. This will result in a more directive board. The funding stays the same and provides additional ways to find additional funding.

Motion carried 4-0.

Commissioner Beecher moved, seconded by Commissioner Rosenbaum, that the City Commission approve the Interlocal Agreement between the City of Great Falls and Cascade County to create the Cascade Community Health District and authorize the City Manager to execute the Agreement.

Mayor Pro Tempore Bronson asked if there was any discussion amongst the Commissioners.

Commissioner Jolley read the portion of the agreement regarding the County assessing the mill levies. She stated that it starts with a vote and then the County can raise the mills after that, if needed.

Commissioner Rosenbaum stated this agreement was modeled after Billings. This district being created will be supported my mills rather than monies from the general fund.

Mayor Pro Tempore Bronson asked if there were any inquiries from the public. No one responded.

Motion carried 4-0.

Res. 9784, Adopted and set public hearing for December 16, 2008.

7. RESOLUTION 9784, INTENT TO CREATE SPECIAL IMPROVEMENT LIGHTING DISTRICT – CITY-OWNED RESIDENTIAL LIGHTING DISTRICT NO. 1305, WATERTOWER PARK ADDITION.

Fiscal Services Director Coleen Balzarini reported that the Commission is being asked to authorize publication of the notice of the intent to create this district and conduct the public hearing. The developer requested the addition of four lights.

Commissioner Jolley moved, seconded by Commissioner Beecher, that the City Commission adopt Resolution 9784, and set a public hearing for the creation of Special Improvement Lighting District – City-Owned Residential Lighting District No. 1305 for December 16, 2008.

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

Motion carried 4-0.

Res. 9796. Adopted and set public hearing for December 2, 2008.

8. RESOLUTION 9796, INTENT TO APPROVE A DEVELOPMENT PROJECT PROPOSED BY WEST BANK PROPERTIES, LLC AS AN URBAN RENEWAL PROJECT.

Planning Director Ben Rangel reported that Brad Talcott, doing business as West Bank Properties, LLC, has submitted an application for the use of tax increment funds from the West Bank Urban Renewal District. This is the first application for use of these funds under the project review and evaluation process recently established by the City Commission. In conjunction with several area property owners, the City Commission created the District in March of last year to help revitalize and redevelop the area

generally located along the west bank of the Missouri River, both north and south of Central Avenue West. Because the District was found to be deficient of streets, sidewalks, curbs and gutters, resulting in poor traffic and pedestrian access and to be deficient of some public utilities, a tax increment financing provision was established to help fund public infrastructure that would in turn help to encourage private sector investment and reinvestment in the area.

West Bank Properties has requested tax increment funds for several activities and improvements associated with a planned mixed use development project to include a Staybridge Suites Hotel and future sites for a restaurant, office building and retail shops.

Mr. Rangel requested that the City Commission adopt Resolution 9796, which calls for a public hearing on December 2, 2008, and to consider the approval of the development project and associated public improvements as an urban renewal project and to consider the use of up to \$900,000 of tax increment funds for the proposed public improvements.

Commissioner Beecher moved, seconded by Commissioner Rosenbaum, that the City Commission adopt Resolution 9796, and set a public hearing for December 2, 2008.

Mayor Pro Tempore Bronson asked if there was any discussion amongst the Commissioners. No one responded.

Mayor Pro Tempore Bronson asked if there were any inquiries from the public.

Brett Doney, Great Falls Development Authority, commented that this was a very exciting project as it is the first private sector investment in the West Bank Urban Renewal area as a follow-on to the federal investment that is happening there. He reported that last year the GFDA formed an alliance with the Montana Community Development Corporation to apply to the U.S. Treasury Department for a new market tax credit program. That application was successful in securing a \$40 million dollar allocation of new market tax credits statewide for Montana. He is working on an application for this project to that program. He has also processed a small business administration 504 loan in the amount of \$2 million for the project. The initial application to SBA was rejected. Finalizing the tax increment financing would strengthen that deal. The developer has asked GFDA to consider a bridge loan to help finance those tax increment funds. It is a great project and he expects some other development to happen in the area.

Ron Gessaman, 1006 36th Avenue N.E., stated that he is opposed to tax increment financing. In this instance, he doesn't see how burying power lines benefits the public. He pointed out that the City will not get a penny of tax dollars from the development for 25 years.

Motion carried 4-0.

Res. 9801, Adopted and set public hearing for December 2, 2008.

9. RESOLUTION 9801, INTENT TO APPROVE THE COURTHOUSE/4TH AVENUE NW PROJECT AS AN URBAN RENEWAL PROJECT AND AUTHORIZE FINANCING PUBLIC IMPROVEMENTS WITH TAX INCREMENT REVENUES.

Fiscal Services Director Coleen Balzarini reported that this project is proposed within the same Urban Renewal Tax Increment District area. The courthouse is already being constructed. It is in need of water and sewer lines, street and rail crossing for people to access the courthouse and West Bank Park. The requested action is for the Commission to set a public hearing and to take official action whether the Commission deems it appropriate to use tax increment dollars to finance these public infrastructures.

Commissioner Jolley moved, seconded by Commissioner Rosenbaum, that the City Commission approve Resolution 9801, and set a public hearing for December 2, 2008.

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

Motion carried 4-0.

Res. 9797, State of Montana Voluntary Employees' Beneficiary Association Health Reimbursement Account, "Montana VEBA HRA." Adopted.

10. RESOLUTION 9797, STATE OF MONTANA VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION HEALTH REIMBURSEMENT ACCOUNT, "MONTANA VEBA HRA."

Human Resources Manager Linda Williams reported that adoption of this resolution would allow the City of Great Falls to participate in the State's Voluntary Employees' Beneficiary Association. This plan permits the City to contribute the value of a retiring employee's termination pay into a tax exempt health reimbursement account. This account would be used by that retiree for post-retirement eligible health care expenses, as well as their qualified dependents and their beneficiaries to use until there is a zero balance. The benefit of participating is that the contributions are tax free for the City and for the employee. The potential savings for the City are substantial. The employees also have the option to include their vacation cash out. If they choose to do that, the savings would more than double.

Commissioner Jolley moved, seconded by Commissioner Beecher, that the City Commission adopt Resolution 9797.

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

Motion carried 4-0.

Res. 9800, Establishing an Official City of Great Falls Limited Edition Christmas Ornament. Adopted.

11. RESOLUTION 9800, ESTABLISHING AN OFFICIAL CITY OF GREAT FALLS LIMITED EDITION CHRISTMAS ORNAMENT.

Historic Preservation Officer Ellen Sievert reported that this modest proposal for a limited edition Christmas ornament would be a wonderful way to show the public historic resources in Great Falls and help provide some discretionary funding for preservation programs.

Commissioner Jolley moved, seconded by Commissioner Beecher, that the City Commission adopt Resolution 9800, establishing an Official City of Great Falls Limited Edition Christmas Ornament.

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

Motion carried 4-0.

Consent Agenda. Approved.

CONSENT AGENDA

12. Minutes, November 5, 2008, Commission meeting.
13. Total expenditures of \$1,435,290 for the period of October 31 through November 12, 2008, to include claims over \$5,000, in the amount of \$1,274,416.
14. Contracts list.
15. Lien Release list.
16. Set public hearing for December 2, 2008, on Resolution 9798 to Establish Sanitation Service Rates for FY 09.
17. Award a contract to A.T. Klemens & Sons, Inc. for the 2008 CDBG HVAC System Replacement at the Community Recreation Center in the amount of \$116,400. OF 1443.6.
18. Approve Community Based Policing Agreement with Great Falls Housing Authority.
19. Approve Revised Memorandum of Understanding with the Great Falls Development Authority regarding use of Ag-Tech Industrial Tax Increment District Funds. OF 1552.
20. Approve Final Payment to James Talcott Construction and the State Miscellaneous Tax Division in the amount of \$4,000 for Mitchell, Jaycee and Water Tower Pool Rehabilitation. OF 1501.

Commissioner Jolley moved, seconded by Commissioner Beecher, with the exception of Item 17, that the City Commission approve the Consent Agenda as presented.

Mayor Pro Tempore Bronson asked if there was any discussion amongst the Commission or inquiries from the public with regard to Items 1-16 and 18-20. No one responded.

Motion carried 4-0.

With respect to Item 17, Mayor Pro Tempore Bronson explained that he asked Commissioner Jolley to pull said item from the agenda because of a conflict of interest and that he would recuse himself from voting on that contract.

Commissioner Jolley moved, seconded by Commissioner Beecher, that the City Commission approve Item 17 on the Consent Agenda.

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

Motion carried 3-0 (Commissioner Bronson recused himself).

BOARDS & COMMISSIONS

21. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

CITY MANAGER

22. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

City Manager Gregory T. Doyon reported that he had a productive trip to Minot and a report was forthcoming in the Friday packet. Mr. Doyon reported that he began reviewing Commissioner Bronson's memo with Fiscal Services with regard to direction for ECP. He did not hear any additional direction from the Commissioners. He has started investigating and laying out the options and issues in that Memorandum.

Mr. Doyon also reported that he met last week with Animal Foundation representatives and had a conference call with Kim Stanton. They are moving along, albeit slowly, but are trying to resolve up front how the organization will look and who will be accountable for what and how outcomes will be measured in this new public/private relationship. An existing set of plans is being reviewed with City staff.

Also, Department Heads had their first quarterly budget review today. A brief update will be provided to the Commission.

PETITIONS AND COMMUNICATIONS

23. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

Mayor Pro Tempore Bronson opened the meeting to Petitions and Communications.

Sidewalks.

23A. Vern Fisher, 1209 2nd West Hill Drive, expressed concerns that he was told he had to put his sidewalk in within six months of building his house, and there are a number of residents that haven't done the same. As a result, there are people walking in the streets causing a hazard. Mayor Pro Tempore Bronson requested staff to contact Mr. Fisher to respond to his concern.

MAFB, SME.

23B. Richard Liebert, 289 Boston Coulee Road, mentioned the runway vote that did not pass and discussed other opportunities for Malmstrom. He found it commendable that the City was working on the recycling center. He is a County resident and finds it reasonable to raise the rates. Mr. Liebert commented that CMR has the first wind turbine in the City. He also reported that the Montana Alberta tie line was finally approved. The cost of energy was discussed at the work session. He forecasted the cost of Highwood power in a spreadsheet to be \$77 per megawatt by 2012. Mr. Liebert asked what the difference was between the old and new SME, and how will the City get the value of its initial development investment back from the new SME.

Water Study Group.

23C. Kathy Gessaman, 1006 36th Avenue N.E., suggested that the City continue the GFDA water study group. She thought the group was very informative for the citizens and thought it was worthwhile to pursue.

Parking.

24D. Carol Olthoff, 717 43rd Street North, commented that she was confused about the parking rates. It was her understanding that other alternatives were being explored. She inquired if the position on the Parking Commission was filled and when the Commission met. Ms. Olthoff also asked if the rates were going to be raised.

Community Development Director Mike Rattray responded that on October 5, 2008, the City Commission did approve the rate increase. The citations went from \$3 to \$5 dollars effective November 1. As soon as the meters can be changed, the meter rate will increase from \$0.25 to \$0.50 per hour. He also reported that there are currently two or three vacancies on the Parking Commission.

Ms. Olthoff asked if the parking lot fees were going up too. Mr. Rattray responded that there was no plan to increase the off-street parking rates.

Sanitation Rates, Electric Rate Comparison.

24E. Ron Gessaman, 1006 36th Avenue N.E., commented that the public can recycle CFL bulbs at Ace Hardware stores free of charge. Mr. Gessaman also discussed one of the slides at the work session regarding the rate comparisons. He noted that if you took the slide at face value, the rate was lowered by \$6 a megawatt hour, when ECP was already losing money.

Christmas Stroll, Polar Plunge.

24F. Mike Witsoe, 2612 1st Avenue South, reminded everyone that the Christmas parade and stroll is December 5. He encouraged everyone to purchase a stroll button that was created this year by Pat Halcro. Mr. Witsoe also encouraged participants in the Polar Plunge.

CITY COMMISSION

24. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

ADJOURNMENT

Adjourn.

There being no further business to come before the Commission, **Commissioner Beecher moved, seconded by Commissioner Jolley, that the regular meeting of November 18, 2008, be adjourned at 9:38 p.m.**

Motion carried 4-0.

Mayor Pro Tempore Bronson

City Clerk

Minutes Approved: December 2, 2008