

Regular City Commission Meeting

Mayor Pro-tempore Hinz presiding

CALL TO ORDER: 7:00 PM**PLEDGE OF ALLEGIANCE**

ROLL CALL: City Commissioners present: Bill Beecher, Sandy Hinz, Diane Jovick-Kuntz and John Rosenbaum. Mayor Stebbins was excused. Also present were the City Manager, City Attorney, Directors of Community Development, Park and Recreation, Fiscal Services, Public Works, Planning, Acting Library Director, Police Chief, Acting Fire Chief and the City Clerk.

SWEARING IN: Mayor Pro-Tempore Hinz swore in Neighborhood Council 8 member Pamela Morris.

NEIGHBORHOOD COUNCILS**West Bank Park**

- 1A. Sue Ann Strickland**, NC 2, reiterated that Neighborhood Council 2 would like West Bank Park to be taken off the natural area parks list. She explained that Neighborhood Council 2 would like West Bank Park to be developed.

**West Bank Park.
City Manager
retirement and
Sunset Road.**

- 1B. Bob Mehlhoff**, NC 2, concurred with Ms. Strickland. He added that developers he visited with concur. He also thanked City Manager John Lawton for his dedicated service to the City and wished him well on his future endeavors. Finally, he asked Mr. Rangel to provide information on any traffic count done on the roadway that was on the agenda to be vacated.

PUBLIC HEARINGS

**Res. 9648 Electric
City Power utility
rates. Adopted.**

2. RESOLUTION 9648, ELECTRIC CITY POWER UTILITY RATES.

Fiscal Services Director Coleen Balzarini reported that the City, in an effort to find more cost effective electrical supply, joined the Southern Montana Electrical Generation and Transmission Co-operative in the fall of 2004. On October 1, 2004, the City contractually began supplying electricity to Great Falls Public Schools, the Great Falls Airport Authority, Federal Express, Great Falls Housing Authority and Montana Air National Guard through December 31, 2008, and to its own facilities, including the wastewater treatment plant which is operated by Veolia Water. This group of customers has been referred to as "Block One Customers." There has proven to be a cost effective savings for the customers and extensions of these contracts have been requested. In October 2006, the City Commission approved the purchase of additional power to accommodate this request. The recommended rates will extend the contracts for service through June 30, 2011. The rates for the City-owned facilities have been authorized administratively and included in the budget process for Fiscal Year 2008.

Mrs. Balzarini added that the May 2007 Northwestern Energy default price for electricity was \$55.12 while the rates proposed in Resolution 9648 ranged from \$42.91 to \$52.37. Additionally, this resolution would sunset the "water credit" that was established in the previous rate resolution. She reminded the City Commission the intent of the Water Credit program was to cover the difference between the offering price to customers and the final contract price from supplier. It created a cushion for imbalance purchases and applied to Block 1 customers only.

Mayor Pro-Tempore Hinz declared the public hearing open. No one spoke in support of the Resolution. Those speaking in opposition to Resolution 9648 were as follows:

Mary Jolley, 1910 2nd Avenue North, asked what the actual price of electricity would be if the water credit amount was added to it. She also stated that the public notice was confusing because for some of the Block 1 customers these rates would go into effect in 2008 while for other Block 1 customers these rates were effective July 1, 2006. She questioned how Veolia could be in the Block 1 customers where rates were set administratively in 2006. She suggested that there should have been two resolutions to address each effective date. Finally, she stated that according to the Water Services Agreement with SME, the amount owed by the City for the water credit would be due and payable within 60 days. She expressed concern about this because that amount is over \$1 million dollars and the ordinance creating Electric City Power requires it to be self-sufficient.

Fiscal Services Director Coleen Balzarini explained that the cost per megawatt hour for the water credit was \$5.70.

City Manager John Lawton reminded the Commission that the water credit was not an obligation of the taxpayer it was an obligation of Electric City Power and the payback Ms. Jolley referred to for the water credit was set up to be amortized over time. He added that Veolia operated the waste water treatment plant on a cost plus contract which meant that costs for electricity were passed directly on to the City.

Ron Gessaman, 1006 36th Avenue NE, stated the \$55.12 default rate used by the City was a residential rate, not a commercial rate. He said that Northwestern Energy offered lower rates for commercial entities and suggested the City use those rates in comparisons. Finally, he asked that the Commission consider removing all the members of the Electric City Power Board.

There being no one further to address the City Commission, Mayor Pro-tempore Hinz declared the public hearing closed.

Commissioner Beecher moved, seconded by Commissioner Rosenbaum,

that the City Commission adopt Resolution 9648, establishing Electric City Power Utility Rates through June 30, 2011.

Commissioner Rosenbaum stated that all Electric City Power customers were customers because they did their due diligence and chose us.

Motion carried 4-0.

Res. 9657 Sanitation Rates. Adopted.

3. RESOLUTION 9657, ESTABLISHING SANITATION SERVICE RATES.

Public Works Director Jim Rearden stated that staff proposed that all sanitation rates increase by approximately 4.5 percent and that those rates go into effect June 6, 2007. The increase requested was necessary to cover rising costs of fuel and equipment. He explained that staff worked hard to reduce costs by deferring equipment purchases, reconfiguring routes and maintaining staff levels although the customer base increased by about ten percent.

Mayor Pro-Tempore Hinz declared the public hearing open. No one spoke in support of or opposition to Resolution 9657. Mayor Pro-Tempore Hinz closed the public hearing.

Commissioner Jovick-Kuntz moved, seconded by Commissioner Rosenbaum, that the City Commission adopt Resolution 9657 as amended, establishing Sanitation Service Rates for Fiscal Year 2008.

Motion carried 4-0.

Res. 9659, Animal Control Fees. Adopted.

4. RESOLUTION 9659, ANIMAL CONTROL FEES.

Chief Prosecuting Attorney Kory Larsen reported that an ad hoc committee was formed following the adoption of the new animal control ordinance to research and recommend the animal control fees to the City Commission. After several meetings, the committee proposed fees which were designed to reach the goals of encouraging owners to spay/neuter their pets and to register animals for a "lifetime" rather than annually. Additionally, the ad hoc committee felt that responsible pet owners should be rewarded and that senior citizens should receive some type of a discount. The committee worked hard to ensure that the fees assisted animal control in cost recovery but were not too high which would discourage compliance with the ordinance. The proposed fees were as follows:

REGISTRATION FEE	ALTERED	UNALTERED
1 Year	\$15	\$30
Lifetime	\$75	\$150
Licenses issued for one year beginning January 1 and shall be renewed annually. If the owner renews or obtains a license for the first time after September 1st, the registration is valid for the remaining year and the entire following year. If the		

registration fee is renew or obtained prior to September 1st, the registration is valid until Dec 31st.		
IMPOUND FEE (Per Calendar Year)		
	ALTERED	UNALTERED
1 st Impound Animal Registered	\$20	\$40
1 st Impound Animal Not Registered	\$40	\$80
2 nd Impound Animal Registered	\$30	\$60
2 nd Impound Animal Not Registered	\$60	\$120
3 rd (and above) Impound Animal Registered	\$40	\$80
3 rd (and above) Impound Animal Not Registered	\$100	\$200
If the owner registers the animal when redeeming them, the impound fee charged shall be set at the registered rate		
Free Ride Home: Animals who are registered and altered shall be given one free ride home if animal control is able to contact the owner of the animal at home after the animal is picked up. If an animal has already been given a "free ride home", animals who are altered and registered and returned to their owners at home shall be charged a fee of \$10.00		
DEPOSITS		
	ALTERED	UNALTERED
Rabies	\$15	\$15
Unaltered Dog	n/a	\$100
Unaltered Cat	n/a	\$50
SHOT FEE		
Parvo/Distemper	\$15.00	(No Refunds)
BOARDING FEE (Per Day)		
	ALTERED	UNALTERED
Cat	\$15	\$30
Dog	\$15	\$30
MULTIPLE ANIMAL PERMIT		
	1 Year	Lifetime
6 or Fewer Total Animals	\$25	\$50
7 or More Total Animals	\$50	\$100
All animals must have current registration and all necessary vaccinations prior to issuance of the MAP.		
MULTIPLE ANIMAL HOBBY BREEDER PERMIT		\$300
This permit is valid for one year from the date of issuance.		
Senior Citizens (over 65 years of age) shall be entitled to ½ price on all registration, Multiple Animal Permits, and Multiple Animal Hobby Breeder Permits		

Mayor Pro-Tempore Hinz declared the public hearings open. No one spoke in opposition to Resolution 9659. Those speaking in support of it were:

Bob Mehlhoff, Neighborhood Council 2, stated he was on the ad hoc

committee and thought the fee structure was fine. However, he recommended the City Commission consider lower lifetime fees for anyone who had registered a pet in the past for the first year these new fees were in place. He also suggested the ad hoc committee meet again in a year to review the Resolution and to make any changes that may be necessary.

Sue Ann Strickland, Neighborhood Council 2, concurred with Mr. Mehlhoff. She also suggested that vets be required to issue a tag for Parvo vaccinations and suggested a sliding scale for the fees.

Rick Kavulla, Neighborhood Council 4, asked the City Commission to publicize the ordinance and fees and perhaps set up a “hot-line” to answer questions.

There being no one further to address the City Commission, Mayor Pro-Tempore Hinz closed the public hearing.

Commissioner Rosenbaum moved, seconded by Commissioners Beecher and Jovick-Kuntz, that the City Commission adopt Resolution 9659.

Commissioner Rosenbaum stated that he wanted to give the fees recommended by the ad hoc committee a chance. He suggested revisiting the fees in about a year and make any adjustments at that time.

Commissioner Jovick-Kuntz concurred and asked if the Tribune would print a story about the fees and if the City could put the information on the City’s website. City Clerk Peggy Bourne stated that this information would be included on the City’s website.

Motion carried 4-0.

OLD BUSINESS

NEW BUSINESS

ORDINANCES/RESOLUTIONS

Res. 9667., Intent to vacate a segment of Sunset Road between 5th Avenue SW and 20th Street SW. Adopted.

5. RESOLUTION 9667, INTENT TO VACATE A SEGMENT OF SUNSET ROAD BETWEEN 5TH AVENUE SW AND 20TH STREET SW.

Planning Director Ben Rangel reported that Michael L. and Diane J. McPherson, 2001 5th Avenue SW, submitted a petition to abandon the diagonal segment of Sunset Road extending between 20th Street SW and 5th Avenue SW. The small triangular parcel (Lot 6) located at the northwest corner of the intersection of 20th Street SW and 5th Avenue SW was owned by Cascade County which has provided an affidavit expressing no objection to the abandonment of the involved segment of Sunset Road.

Some area residents provided testimony that the narrowness, the angular configuration and the blind corners associated with the involved section of Sunset Road create a traffic hazard for both vehicles and pedestrians.

Upon abandonment, the northerly half of the vacated right-of-way would revert to and become a part of the abutting Lot 4 currently owned by the McPherson's and the southerly half would revert to and become a part of the abutting Lot 6 which is owned by Cascade County. Mr. Rangel concluded, stating that a traffic count had not been done for this small right-of-way section.

Commissioner Rosenbaum moved, seconded by Commissioner Jovick-Kuntz. that the City Commission adopt Resolution 9667.

Motion carried 4-0.

**Consent Agenda.
Approved as printed.**

CONSENT AGENDA

6. Minutes, May 15, 2007, Commission meeting.
7. Total Expenditures of \$1,955,970.16 for the period of May 10-30, 2007 to include claims over \$5000, in the amount of \$1,690,147.16.
8. Contracts List.
9. Lien Release List.
10. Vacation of an easement and granting of a sewer utility easement Government Lot 5, T20N, R3E, Sec 2 Tract B-1, COS 0004448 all related to the Walgreen's Store on 3rd Street NW Bypass and OF 1497.
11. Set public hearing on Resolution 9669, for June 19, 2007, pertaining to Engineering Division Construction Inspection fees.
12. Set public hearing on Resolution 9660, for June 19, 2007, pertaining to Nuisance Abatement, GF 11th Addition, Block 337, Lot 3 and addressed as 2608 1st Avenue North.
13. Set public hearing on Resolution 9658, for July 3, 2007, pertaining to a conditional use permit for a duplex to be located at 1401 1st Avenue NW, West GF Addition, Block 35, Lot 14.
14. Engineering Services Contract with NCI Engineering for the Lift Station and Wastewater Treatment Plant Rehab Project in an amount not to exceed \$277,880. (OF 1374.5)
15. Construction Contract with Shumaker Trucking and Excavating in the amount of \$222,166 for the 25th Avenue NE Water Main Extension project. (OF 1442).
16. Amendment 6 to the Wastewater Plant O&M Contract with Veolia Water. (OF 1010).
17. Change Order 1, Sanitary Sewer Trenchless Rehabilitation Phase 11 with PEC Inc in the amount of \$29,410. (OF 1425.6)
18. Final payment of \$16,842.10 to Falls Construction and the State Miscellaneous Tax Division for the 10th Avenue North Storm Drain project (OF 1440).
19. Final payment of \$7,818.82 to Shumaker Trucking and Excavating and \$79.97 to the State Miscellaneous Tax Division for Schedule One of the

Medical Technology Park Lot 3 Utility and Street Improvement project. (OF 1417.1).

20. Contract with Talcott Construction in the amount of \$1,453,965 for the Jaycee and Water Tower Pools Rehabilitation project and the Neighborhood Pools Splash Decks Project. (OF 1501 and 1501.1).
21. Agreements for Potable Water Service and Wastewater Treatment Capacity Agreements with Southern Montana Electric Generation and Transmission Cooperative for service to the Highwood Generating Station (OF 1472.2)

Commissioner Jovick-Kuntz moved, seconded by Commissioner Beecher, that the City Commission approve the Consent Agenda as presented minus item 21.

Motion carried 4-0.

21. Agreements for Potable Water Service and Wastewater Treatment Capacity Agreements with Southern Montana Electric Generation and Transmission Cooperative (SMEGTC) for service to the Highwood Generating Station (OF 1472.2)

Commissioner Beecher moved, seconded by Commissioner Rosenbaum, that the City Commission approve the Potable Water Service and Wastewater Treatment Capacity Agreements with SMEGTC.

Mayor Pro-tempore Hinz asked for a staff report. City Manager John Lawton explained that the City has been involved in on-going discussion with SMEGTC to provide potable water and wastewater treatment service to the proposed Highwood Generating Station. The Potable Water Service Agreement prescribes the terms for which potable water service would be provided to the facility prior to and after annexation. The Reservation of Wastewater Treatment Capacity Agreement reserved current capacity available at the wastewater treatment plant owned for SMEGTC's use. He provided capacity statistics of the water and waste water treatment plants as well as the impact the Highwood Generating Station would have them.

While the proposed Highwood Generating Facility was not currently within the corporate limits of the City, SMEGTC requested potable water and sanitary wastewater service be available during construction and for facility operation. The City agreed to provide these services under terms including, but not limited to the following:

- SMEGTC agreed not to protest annexation by the City for the provision of the services to be provided, and agrees not to protest such future annexation.
- SMEGTC agreed to be annexed to the City at a time in which the City deems is appropriate, under additional terms which will be subject of a separate agreement to be entered into between the parties in the future.

- SMEGTC agreed to discharge only wastewater and to comply with all applicable Federal, State and local regulations regarding discharge into the City's system.
- SMEGTC would be responsible for the construction of all infrastructure necessary to provide services to the facility.
- SMEGTC, in return for services provided, would be charged at the current service rates for such services, as established by the City pursuant to Great Falls City Code, Title 13, Water and Sewer and Storm Discharge, including all fees.
- Provides for termination of agreements upon written notice to the City that the facility will not be built.

Commissioner Rosenbaum stated that these agreements needed to be considered as "life support" for the Highwood Generating Station.

Cheryl Reichert (51 Prospect Drive), **Neil Taylor** (3417 4th Avenue South), **Pamela Morris** (2201 8th Avenue North), **Kathleen Gessaman** (1006 36th Avenue NE), and **Ken Thornton**, (31 Paradise Lane) spoke in opposition to the agreements. The opposition generally pertained to the request for the City Commission to delay action on the agreements until a public hearing could be held on them; that the owners of the property the water and sewer lines would cross needed to be informed and invited to participate in this decision; that the City may need to exercise eminent domain in order to secure the property necessary for the infrastructure; and the industrial effluent from the Highwood Generating Station needed to be addressed.

City Manager John Lawton and City Attorney Dave Gliko stated that it was highly unlikely the City would use the eminent domain process and would work toward easement solution in other ways.

Tim Gregorie, Executive Director for SME, stated that SME has met with the property owners and began working on easements for the infrastructure. He added that the infrastructure is buried below ground so it would not interfere with the surface use of the property. He said that effluent studies had been done and SME was prepared to pre-treat the discharge so it matched with the other discharge at the waste water treatment plant which was the standard requirement for all industrial waste.

City Manager John Lawton explained there were national, state and local standards regarding effluent discharge and the Highwood Generating Station would be required to meet those standards.

There being no further discussion, Mayor Pro-Tempore called for the vote. Motion carried 3-1 (Mayor Pro-tempore Hinz dissenting).

BOARDS & COMMISSIONS

Housing Authority. Appoint Corey.

22. APPOINTMENT, GREAT FALLS HOUSING AUTHORITY.

Cal Gilbert was appointed to the Housing Authority Board for a five-year term through May 31, 2007. Mr. Gilbert was not eligible for reappointment; therefore, it was necessary to appoint one member to the Housing Authority Board.

Commissioner Jovick-Kuntz moved, seconded by Commissioner Beecher, that the City Commission appoint Howard Corey to the Great Falls Housing Authority Board for a five-year term through May 31, 2012

Motion carried 4-0.

CITY COMMISSION

4th of July Public Information Program.

25A. Commissioner Beecher asked City Clerk Peggy Bourne to describe the public information campaign for the new fireworks ordinance. Mrs. Bourne stated that staff partnered with KRTV to air a 12-part series beginning June 12, 2007, on the ordinance. She added that staff was creating three public service announcements that will air on television as well as insert a flyer in the utility bill informing residents about the new law.

City Manager retirement.

25B. Mayor Pro-tempore Hinz stated that the City Manager recently announced his plans to retire by the end of the calendar year. She added that the City Commission would begin the process to hire another City Manager. She added that Mr. Lawton would be hard to replace.

PETITIONS AND COMMUNICATIONS

Scared Hoop Journey.

26A. **Tommy Stiffarm** and **Robert Benton** handed out information regarding the Scared Hoop Journey event to be held in August. He invited everyone to participate.

EPA, lottery, taxes and event costs.

26B. **John Hubbard** expressed concern about the Environmental Protection Agency, why the lottery money was not spent on schools, how expensive taxes were and the cost of admission for a powwow that was held in 2005.

Go-cart track presentation and the Montgomery Energy request.

26C. **Ron Gessaman**, 1006 36th Avenue NE, stated he was impressed with the go-cart presentation at the work session. He also asked why the City had not responded to a letter sent by Montgomery Great Falls Energy Partners inviting the City to purchase electricity from their plant to be located in Great Falls.

**Highwood
Generating Station.**

26D. **Carol Fisher**, 500 53rd Street South, asked what the thermal efficiency rate would be for the Highwood Generating Station. Tim Gregorie, SME Executive Director, stated it would be in the upper to mid thirties. However, he added that was still preliminary and would be better as the equipment was matched to the coal that would be used at the plant.

Adjourn.

ADJOURNMENT

There being no further business to come before the Commission, **Commissioner Beecher moved, seconded by Commissioner Rosenbaum, that the regular meeting of June 5, 2007, be adjourned at 8:45 p.m.**

Motion carried 4-0.

Mayor Pro-Tempore Hinz

Peggy Bourne, City Clerk