

JOURNAL OF COMMISSION WORK SESSION
April 5, 2022

City Commission Work Session
Civic Center, Gibson Room 212

Mayor Pro Tempore Wolff presiding

CALL TO ORDER: 5:30 PM

CITY COMMISSION MEMBERS PRESENT: Susan Wolff, Joe McKenney, Eric Hinebauch, and Rick Tryon. Mayor Bob Kelly was excused.

STAFF PRESENT: City Manager Greg Doyon and Deputy City Manager Chuck Anderson; City Attorney Jeff Hindoien and Deputy City Attorney David Dennis; Finance Director Melissa Kinzler and Finance Grant Administrator Tom Hazen; Public Works Director Paul Skubinna and Public Works Sanitation Manager Ross Bartell; Municipal Court Judge Steve Bolstad and Court Supervisor Morgan Medvec; Fire Chief Jeremy Jones; Police Chief Jeff Newton; and, Deputy City Clerk Darcy Dea.

PUBLIC COMMENT

Rebecca Engum, Great Falls Montana Tourism, reported that assessment revenues have declined for eight quarters since the start of COVID-19 in 2020 and Montana Tourism has estimated a loss of approximately \$350,000 due to COVID-19. Tourism from June to September are the highest months for leisure travel in Great Falls and from February to August Great Falls Montana Tourism works on proposals to bring conventions and events to the City. Ms. Engum requested that the Commission consider using ARPA funds timely to aid in tourism recovery.

Commissioner Hinebauch expressed support with regard to utilizing ARPA funds for Great Falls Montana Tourism.

Mayor Pro Tempore Wolff received clarification that Ms. Engum could provide the Commission a proposal with an amount.

Beth Morrison, Cascade County Substance Abuse Prevention and Alliance for Youth, expressed appreciation to the Commission for its efforts with regard to adding marijuana to the existing social host ordinance. She explained that social host ordinances are a strong deterrent, a good tool to have, provide the community with an expectation that there are consequences for hosting underage drinking or marijuana use and indicates that the City cares about the welfare of the youth in the community.

1. SANITATION DIVISION 2022 RATE ANALYSIS.

Public Works Director Paul Skubinna reviewed and discussed the following PowerPoint:

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City of Great Falls Sanitation Division

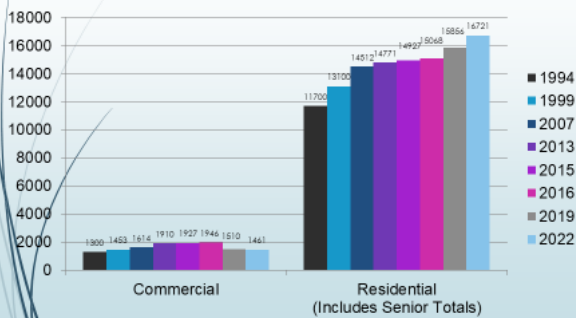
2022 RATE ANALYSIS

City Commission
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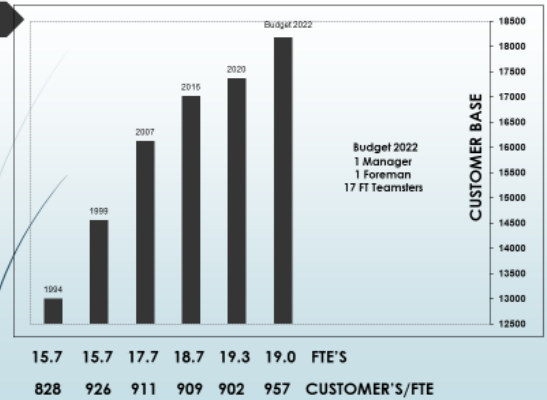
City Sanitation Customer Base

City Utility Customer Base FY 2022	20,961	100%
City SN Residential Customers	16,721	
City SN Commercial Customers	1,461	
Total City	18,182	87%
Republic Residential Customers	2,210	
Republic Commercial Customers	579	
Total Republic	2,779	13%

City Sanitation Customer Base



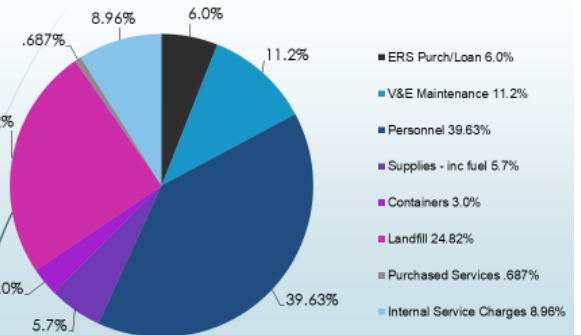
City Sanitation Collection Staffing



MAJOR RATE DRIVERS

- Landfill Costs** - 24.82% of Budget (Approx. \$1,027,000 per year)
 - 1.4% CPI Increase 2021
 - 6.85% CPI Increase 2022
- Personnel Costs** - 39.63% of Budget
 - 3.0% annual increase last 4 years
- Vehicle Replacement** - Intercep Loan Final Payment Feb 2022
 - 6% of Budget (Updating Fleet)
 - Approx. \$248,000 per year
- Vehicle Maintenance** - 11.2% of Budget
 - Approx. \$464,000 per year

Sanitation Operating Costs Adopted FY 2021-2022



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Sanitation Fleet Residential

YEAR	MANUFACTURER	MODEL
2012	Mack	LEU 613
2015	Peterbilt	320
2016	Peterbilt	PB 320
2017	Auto Car	ACX 64
2017	Auto Car	ACX 64
2018	Auto Car	Expiditor
2018	Auto Car	Expiditor
2019	Peterbilt	520
2021	Peterbilt	PB 520 Side Loader

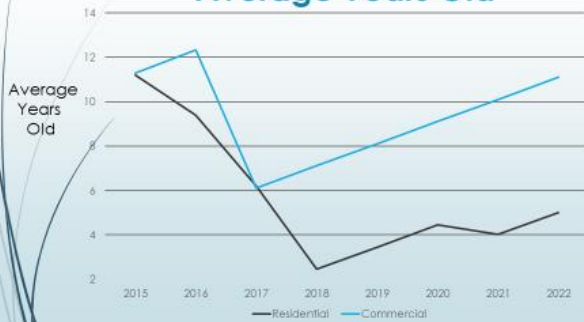
Average Residential Fleet Age 5 years

Sanitation Fleet Commercial

YEAR	MANUFACTURER	MODEL
2003	Volvo (Cardboard Collection)	WX64
2003	Sterling (Backup Roll-Off)	LT9500
2007	Sterling (Backup Commercial/Brush)	LT9500
2007	American LaFrance	Condor
2010	Kenworth	T800
2013	Peterbilt	320
2016	Kenworth	T440
2016	Kenworth	T800
2017	Kenworth	T440
2017	Kenworth	T440

Average Commercial Fleet Age 11.1 Years

Sanitation Fleet Average Years Old



Targeted Life Span: Residential 6-8 years Commercial 10 years

Internal Maintenance Charges With Both Plans

FY Year	Actual/Projected	Plan with no changes 7% increase per year	Plan with Intercap Loan & new trucks 2016
2016	Actual	\$ 432,530.00	\$ 432,530.00
2017	Actual	\$ 462,807.10	\$ 459,543.00
2018	Actual	\$ 495,203.60	\$ 487,217.00 *
2019	Actual	\$ 529,867.85	\$ 431,411.00 *
2020	Actual	\$ 566,958.60	\$ 406,661.00 *
2021	Actual	\$ 606,645.70	\$ 442,284.00 *
2022	Projected	\$ 649,110.90	\$ 463,933.00
2023	Projected	\$ 694,548.66	\$ 473,211.66
2024	Projected	\$ 743,167.07	\$ 482,675.89
2025	Projected	\$ 795,188.76	\$ 492,329.41
Total Cost		\$5,976,028.24	\$4,571,795.96

Expected Savings With New Units \$1,404,232.28

*With Building Improvements Added \$22,500

Average Fleet Age In 2015: C: 11.33 years R: 11.2 years
In 2022: C: 9.10 years R: 6.0 years

Total Sanitation Fund Cash Flow with Capital Outlay/ Debt Service without Depreciation

	FY 2020 Actual	FY 2021 Actual	Projected FY 2022 No Revenue Increase	Projected FY 2023 Proposed Revenue Increase	Projected FY 2024 Proposed Revenue Increase	Projected FY 2025 Proposed Revenue Increase	Projected FY 2026 Proposed Revenue Increase	Projected FY 2027 Proposed Revenue Increase
Beginning Unrestricted Cash Balance	\$ 318,290	\$ 510,142	\$ 713,724	\$ 692,843	\$ 1,018,903	\$ 996,753	\$ 996,750	\$1,018,317
Revenues								
Commercial Utility	\$ 1,930,133	\$ 1,491,942	\$ 1,491,942	\$ 1,597,136	\$ 1,676,993	\$ 1,760,843	\$ 1,848,885	\$1,941,320
Utility Equipment Rentals	\$ -	\$ 75,740	\$ 73,740	\$ 81,114	\$ 85,170	\$ 89,428	\$ 93,960	\$ 98,666
Cardboard	\$ -	\$ 16,552	\$ 18,552	\$ 20,487	\$ 21,424	\$ 22,489	\$ 23,624	\$ 24,845
Total Commercial	\$ 1,930,022	\$ 1,544,234	\$ 1,544,234	\$ 1,698,657	\$ 1,783,490	\$ 1,872,710	\$ 1,966,469	\$2,064,722
Residential	\$ 2,690,385	\$ 2,644,810	\$ 2,690,385	\$ 2,959,424	\$ 3,107,385	\$ 3,262,764	\$ 3,425,963	\$3,597,316
Interest	\$ 4,261	\$ 2,645	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sale of Scrap & Rights	\$ 772	\$ 428	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
Insurance Recovery	\$ 89,403	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted Revenue	\$ -	\$ -	\$ 148,880	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	\$ 4,215,039	\$ 4,287,039	\$ 4,398,889	\$ 4,665,081	\$ 4,887,985	\$ 5,142,514	\$ 5,392,431	\$5,661,526
Expenses								
Personal Services	\$ 1,468,561	\$ 1,618,898	\$ 1,640,652	\$ 1,722,685	\$ 1,808,819	\$ 1,899,280	\$ 1,994,223	\$2,093,934
Supplies & Material	\$ 296,352	\$ 337,714	\$ 439,262	\$ 461,229	\$ 484,280	\$ 508,900	\$ 533,320	\$ 560,622
Other Purchased Services	\$ 26,676	\$ 22,962	\$ 26,020	\$ 25,223	\$ 29,687	\$ 30,321	\$ 31,627	\$ 33,509
Landfill Costs	\$ 1,026,758	\$ 1,039,892	\$ 1,082,800	\$ 1,115,940	\$ 1,171,737	\$ 1,230,324	\$ 1,291,840	\$1,356,432
Taxes	\$ 21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Serv Charge - Vehicle & Equip Maintenance	\$ 496,661	\$ 442,255	\$ 463,913	\$ 487,130	\$ 511,084	\$ 537,660	\$ 563,913	\$ 592,100
Interest Serv Charge - Other	\$ 334,420	\$ 337,824	\$ 370,990	\$ 389,543	\$ 409,020	\$ 429,471	\$ 450,944	\$ 473,492
Delin Services	\$ 247,409	\$ 251,849	\$ 247,706	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Outlay	\$ 193,270	\$ 274,363	\$ -	\$ 95,000	\$ 508,000	\$ 506,000	\$ 506,000	\$ 506,000
Total Expenses	\$ 4,021,088	\$ 4,284,537	\$ 4,251,450	\$ 4,298,843	\$ 4,920,035	\$ 5,140,737	\$ 5,317,474	\$5,615,797
Revenues Over (Under) Expenses	\$ 193,952	\$ 3,342	\$ 139,041	\$ 366,238	\$ (22,050)	\$ 1,797	\$ 10,957	\$ 66,729
Adjustment to receivables / payables / restricted cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Unrestricted Cash Balance	\$ 510,142	\$ 513,524	\$ 852,565	\$ 1,018,902	\$ 996,753	\$ 998,550	\$ 1,018,387	\$1,065,116

COMMERCIAL RATES

MONTHLY

	CURRENT	PROPOSED
96 Gallon	\$ 22.80	\$ 25.10
300 Gallon	\$ 27.30	\$ 30.00
1.5 yard	\$ 38.60	\$ 42.45
2 yard	\$ 46.10	\$ 50.70
3 yard	\$ 66.20	\$ 72.80
4 yard	\$ 88.20	\$ 97.00
6 yard	\$ 131.20	\$ 144.30
8 yard	\$ 174.20	\$ 191.60
Cardboard Recycling	\$ 20.00	\$ 22.00
Vacant Business--Once a month pick up	\$ 5.00	\$ 5.00
DROP BOX (PER PICK-UP)		
3 yard construction dumpster	\$ 62.00	\$ 68.00
10 yard concrete dumpster (plus rental & disposal)	N/A	\$ 185.00
20 yard construction dumpster	\$ 299.00	\$ 329.00
30 yard construction dumpster	\$ 337.00	\$ 370.00
40 yard construction dumpster	\$ 370.00	\$ 407.00
30 yard compacted (plus disposal charge)	\$ 213.00	\$ 234.00
40 yard compacted (plus disposal charge)	\$ 213.00	\$ 234.00
Flat Rate Surcharge (overweight containers)	\$ 105.00	\$ 115.00
Dry Run Fee	\$ 60.00	\$ 65.00
Per Day Rental Fees	\$ 2.00	\$ 2.00

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RESIDENTIAL RATES

MONTHLY

RESIDENTIAL	CURRENT	PROPOSED
Regular 96 Gallon	\$ 13.65	\$ 15.00
Duplex (\$15.00 per unit)	\$ 27.30	\$ 30.00
Triplex (\$15.00 per unit)	\$ 40.95	\$ 45.00
Additional 96 Gallon	\$ 7.70	\$ 8.50
Senior Citizen	\$ 9.57	\$ 10.50
Extra PU 96 Gallon	\$ 11.00	\$ 15.00
Extra PU 300 Gallon	\$ 17.00	\$ 21.00
Plus Extra's - per minute	\$ 5.00	\$ 7.00
Large Appliances	\$ 16.00	\$ 20.00
Large Appliances with Freon	\$ 54.00	\$ 60.00
Special Services - Dumpster Cleaning		
Residential Dumpster	N/A	\$ 15.00
Commercial Dumpster	N/A	\$ 50.00
Compactors/Receiver Box	N/A	\$ 100.00

City Residential Customers Breakdown By Container Size

Container	Customers	Percentage
96 gallon	13,636	81.5%
96 gallon extra	448	2.7%
Seniors	2,145	12.8%
65 gallon	2	.001%
Duplex	393	2.4%
Triplex	97	.60%
Total	16,721	100.00%

City Commercial Customers Breakdown By Container Size

Container	Customers	Percentage
96 gallon	231	15.80%
300 gallon	67	4.60%
1.5 yard	224	5.20%
2 yard	192	3.20%
3 yard	411	28.10%
4 yard	37	2.50%
6 yard	46	3.10%
8 yard	10	.66%
96 additional	16	1.10%
Vacant Business	11	.76%
Cardboard	94	6.40%
Misc. Construction	122	8.50%
Total	1,461	100.00%

Previous Residential 96 Gallon Rate Increases

Year	Residential Rate	Residential Increase
2011	\$ 9.96/mo.	\$0
2012	\$ 9.96/mo.	\$0
2013	\$ 9.96/mo.	\$0
2014	\$10.96/mo.	\$1.00/mo.
2015	\$11.51/mo.	\$0.55/mo.
2016	\$11.51/mo.	\$0
2017	\$12.09/mo.	\$0.58/mo.
2018	\$12.09/mo.	\$0
2019	\$12.70/mo.	\$0.61/mo.
2020	\$13.65/mo.	\$0.95/mo.
2021	\$13.65/mo.	\$0

10 year average annual increase: \$.36

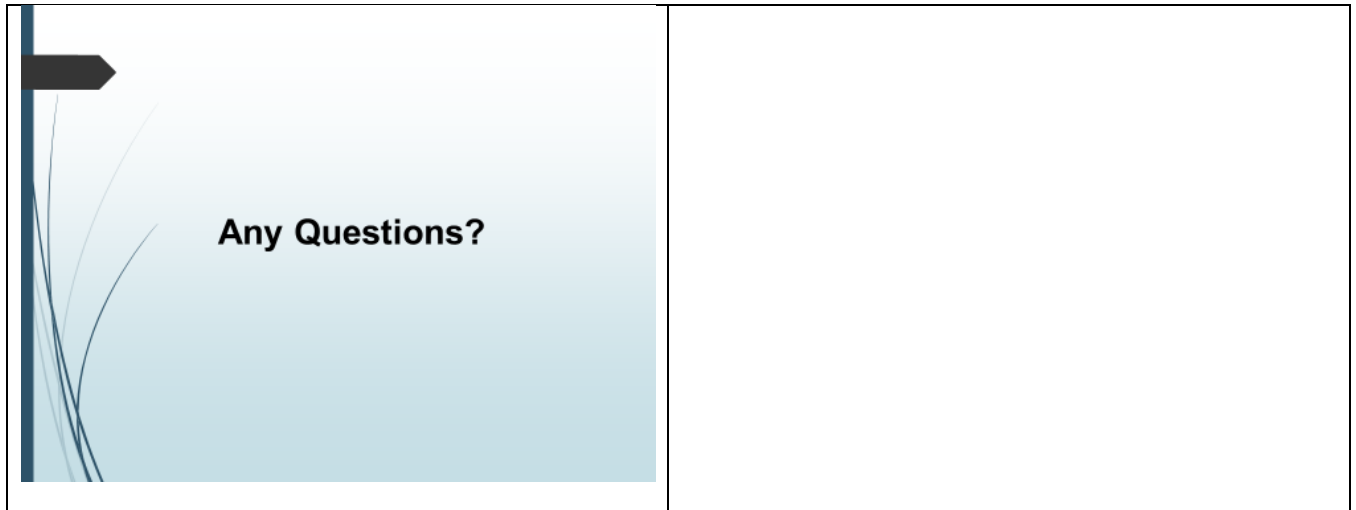
SANITATION LANDFILL

YEAR	MWS/REPUBLIC LANDFILL RATE	TONNAGE	TOTAL FEES PAID TO REPUBLIC
1992	\$14.31	25,992	\$371,946
1997	\$16.49	31,369	\$517,275
2002	\$18.88	38,266	\$722,468
2007	\$20.98	33,634	\$705,644
2012	\$23.05	37,747	\$870,109
2017	\$25.61	35,138	\$885,484
2018	\$26.64	33,704	\$787,782 Some paid 2019
2019	\$27.35	33,422	\$1,001,077
2020	\$27.98	36,873	\$1,018,742
2021	\$28.37	36,121	\$1,015,358
2022	\$30.31	22,343 thru Feb	\$640,206 thru Feb

Current Statewide Rates

PUBLIC	MONTHLY RESIDENTIAL RATE	COMPETITION	LANDFILL FEE PER TON	OWN LANDFILL
Bozeman	\$26.73	YES	\$27.00 Regular \$48.00 Construction Material	NO
Havre	\$16.33	NO	\$22.00 Landfill	NO
Kalispell	\$15.97	YES	\$31.05	NO
Helena	\$14.68	NO	\$56.75 Transfer Sin \$26.00 Landfill City Only	NO
Great Falls	\$13.65	YES	\$30.31	NO
Billings	\$11.82	NO	\$22.00 Other Towns/County \$33.00	YES
PRIVATE	MONTHLY RESIDENTIAL RATE	COMPETITION	LANDFILL FEE PER TON	OWN LANDFILL
Republic Services Missoula (2021)	\$34.17	NO	\$62.96 (2019)	YES
Republic Services Bozeman (2019)	\$25.68	YES	\$27.00	NO
Evergreen Kalispell (2019)	\$15.95	YES	\$31.05	NO
Republic Services Outside GF 2021	\$20.91	NO	\$36.00	YES
Republic Services Great Falls 2022	\$13.34	YES	\$36.00	YES

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Commissioner Tryon received clarification that the City's rates are slightly higher than Republics; however, the City Sanitation Customer Base has increased because the City provides more services than Republic and for its customer service.

Public Works Director Skubinna reported that the City would be integrating the sanitation bill along with the utility bill in the near future.

Commissioner Tryon expressed concern with regard to the impact that fee increases will have on senior citizens. He inquired if there is a way the City could make up for the fee increases or offset the proposed fee increases by enforcing fines for customers who do not comply with bagging garbage properly.

Director Skubinna responded that special rates are applied for items that cannot be bagged and are reflected in the proposed rates.

Commissioner Tryon commented that his expectation of the proposed \$155,000 Solid Waste Study is to indicate how sanitation rates would be affected if the City were to go completely private and contract with Republic, as well as if the City had its own landfill.

Director Skubinna responded that Phase 1 of the Solid Waste Study would determine whether or not the City should remain in the sanitation business.

2. CONTINUATION OF ARPA DISCUSSIONS.

City Manager Doyon provided and discussed a revised Commission prioritized list of recommendations that included the following:

- Civic Center Office – Municipal Court, Planning and Community Development, Human Resources acquisition of additional space and remodel
- Civic Center Capital Improvements - Planning and Community Development HVAC and Boiler System upgrade
- Emergency Response/Public Safety – Fire Department replace station doors, station infrastructural improvements; and Police Department Evidence Building

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Manager Doyon further provided and discussed his prioritized list of recommendations, as well as a list of projects to be considered for a later date. Manager Doyon explained that some capital maintenance projects might need to be financed through the budget or debt service. Manager Doyon recommended that the Commission allow him to initiate the process of receiving cost estimates and bids for the items on his list of recommendations.

Manager Doyon explained that the list of items to be considered for a later date are eligible for further discussion; however, the items are not one time expenses and cannot be sustained with the City's current revenue structure.

Finance Grant Administrator Tom Hazen reported that the Commission supported Manager Doyon's list of recommendations that he identified as priorities and have a level of time sensitivity to them.

Commissioner McKenney reiterated that the Commission advised Manager Doyon to identify and prioritize the City's maintenance and improvement needs and that Manager Doyon, as well as City staff, have the expertise and are aware of the City's needs. Commissioner McKenney explained that the City now has an opportunity to take care of some deferred maintenance and he suggested that Manager Doyon move forward with pursuing bids as soon as possible because of supply challenges, as well as the whole country having ARPA funds to utilize.

Commissioner Tryon concurred with Commissioner McKenney's suggestion with regard to pursuing bids for the items on Manager Doyon's list of recommendations; however, he expressed concern about public perception with regard to utilizing ARPA funds for remodeling offices in the Civic Center. He suggested that City staff inform the public with regard to why the City is utilizing ARPA funds for remodeling Civic Center Offices.

Manager Doyon responded that space in the Civic Center has been an issue for several years and he would rather use ARPA funds than a bond to pay for known needs in order to accommodate more space. The Civic Center is a great building that is worth preserving for public space use and an entertainment venue for the Mansfield Center. There may be an opportunity to obtain space offsite; however, the building would require renovation.

Commissioner Tryon requested adding another section to Manager Doyon's prioritized list that indicates which items would fulfill Crime Task Force recommendations.

Mayor Pro Tempore Wolff commented that, instead of describing the space issues in the Civic Center as remodeling, a better way to describe it would be repurposing because the City would utilize spaces differently to increase efficiencies.

It was the consensus of the Commission that City Manager Doyon proceed with initiating the process of receiving cost estimates and bids for the items on his list of recommendations.

DISCUSSION OF POTENTIAL UPCOMING WORK SESSION TOPICS

04/05/2022

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City Manager Greg Doyon reported that the April 19, 2022 work session will consist of a TIF Program and Quarterly Downtown TIF update, as well as a Transportation Study update. The May 17, 2022 work session will consist of an update about the hiring and retention process.

Commissioner McKenney requested adding a Crime Task Force update to an upcoming work session.

Mayor Pro Tempore Wolff inquired about the process with regard to Ms. Engum's timely request of utilizing ARPA funds to aid in tourism recovery.

Manager Doyon responded that Ms. Engum could submit an ARPA Application. He explained that the City established a process that gives citizens ample time to request ARPA funds and that considering applications prior to the due date would be at the discretion of the Commission. However, considering applications early could open the door for others to indicate an emergent need for ARPA funds as well.

Commissioner Hinebauch requested adding a topic about a public safety levy to an upcoming work session and gathering data to determine the needs of the Municipal Court, Police and Fire Departments.

Commissioner McKenney concurred with Commissioner Hinebauch's request and he added that the data gathering process would tie into the Crime Task Force.

Mayor Pro Tempore Wolff mentioned that she attended a Safety Alliance meeting that consisted of a discussion about determining which issues in the community should be addressed. She suggested coordinating all efforts in order for the City to utilize its resources in the best way possible.

ADJOURN

There being no further discussion, Mayor Pro Tempore Wolff adjourned the informal work session of April 5, 2022 at 6:45 p.m.