

JOURNAL OF SPECIAL COMMISSION WORK SESSION
March 21, 2023

City Commission Special Work Session
Civic Center, Gibson Room 212

Mayor Kelly presiding

CALL TO ORDER: 4:45 PM

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

STAFF PRESENT: Deputy City Manager Chuck Anderson; City Attorney David Dennis and Deputy City Attorney Rachel Taylor; Finance Director Melissa Kinzler; Public Works Director Chris Gaub, City Engineer Jesse Patton, Engineer Amanda Brownlee and Sanitation Manager Ross Bartell; Library Director Susie McIntyre; Police Chief Jeff Newton; Fire Chief Jeremy Jones; and, Deputy City Clerk Darcy Dea.

PUBLIC COMMENT

Brian Cayko, City resident, submitted written comments, via March 20, 2023 correspondence, expressed concern about a public library director exposing children to a drag queen story hour and being dishonest about having done so. He further expressed concern that the financial information with regard to the library and possible levy were misleading and demonstrated to be utilized for inappropriate purposes, such as hiring social workers. He requested that the Commission consider these things carefully and no longer allow this kind of disgraceful, untrustworthy, and manipulative behavior to continue in the leadership of the public library.

Jeni Dodd, City resident, commented that lying is one of the most detrimental human behaviors and when government officials and employees lie, it is disingenuous and destroys public trust. Ms. Dodd expressed concern that Library Director Susie McIntyre lied about several aspects of a drag queen story hour and was misleading about a certain book being in the adult section when it was classified as a comic book. Ms. Dodd commented that it is very disturbing and inappropriate that Library Director McIntyre would equate death threats to concerns expressed by a Great Falls Pachyderm club member over a drag queen story hour and obscene material accessible to children. Ms. Dodd further commented that the consideration of a Library Mill Levy during a recession shows how out of touch Library Director McIntyre and the Library Board are with the public. Ms. Dodd concluded that Library Director McIntyre lacks awareness of the financial stress of the working class, has misrepresented the current spending per capita of the library and should be removed from her position as library director.

1. LIBRARY UPDATE

Mayor Kelly read from a prepared list of questions from Commissioner Tryon and Library Director Susie McIntyre read her prepared responses.


2. FIBER AND 5 G TELECOMMUNICATION PRESENTATION

Public Works Engineer Amanda Brownlee reviewed and discussed the following PowerPoint:

JOURNAL OF SPECIAL COMMISSION WORK SESSION
March 21, 2023




Fiber and 5G




WHAT IS FIBER

- Aerial or Underground Cable
 - Long-Distance and High-Performance Data Networking
- Future
 - Promises faster internet and data sharing
 - More companies – Faster internet – More competition



2



WHAT IS 5G

- Latest Iteration of Cellular Technology
 - Increase in speed and responsiveness of wireless networks when outside
- Not fiber
 - Fiber is for in the house
- 5G is for your phone

3




WHO IS KNOCKING

- WANRack
 - Fiber To The Schools
 - Fiber to Benefits
- TDS
 - Fiber To The Homes
- KDS
- Zayo
- Zply
- Charter/Spectrum
- Dish Network
- Verizon
- Lumen




4




WHAT IS ENTAILED


- Public Works
 - Engineering
 - Permitting
 - Route Review
 - Utility Conflicts
 - Utilities
 - Locating City Utilities
 - Mediating Conflicts
 - Streets
 - Street Repair from potholing/street openings
- PCD
 - Permitting
 - All permits other than Linear Underground Development



5



WHAT IS ENTAILED - FIBER continued



JOURNAL OF SPECIAL COMMISSION WORK SESSION
March 21, 2023

CITY OF GREAT FALLS **WHAT IS ENTAILED - FIBER**

- Engineering
 - Creation of Linear Underground Development permit and process
 - Meeting with interested parties both in the field and in the office
 - Review of applications and submittals
 - Inspection

7

CITY OF GREAT FALLS **WHAT IS ENTAILED - FIBER**
continued

ALLEY CROSS SECTION

8

CITY OF GREAT FALLS **WHAT IS ENTAILED - FIBER**
continued

STREET CROSS SECTION

9

CITY OF GREAT FALLS **WHAT IS ENTAILED - FIBER**
continued

10

CITY OF GREAT FALLS **WHAT IS ENTAILED - FIBER**
continued

- Utilities
- Streets
- PCD

11

CITY OF GREAT FALLS **WHAT IS ENTAILED - TOWER LEASING**

- Engineering/Water Plant
 - Contractor contacts either Engineering or the Water Plant
 - Contacted party works with the other party to discuss logistics
 - Looks up requested locations drawings and any current leases at that location
 - Contacts Contractor to set up meeting for walk through of location and requirements of being at that location
 - Reviews submittals and applications

12

JOURNAL OF SPECIAL COMMISSION WORK SESSION

March 21, 2023



WHAT HAS BEEN PERMITTED

- Charter/Spectrum (Franchise)
 - 5 Approved Linear Underground Development Applications
 - 1 more in the works
- KDS (Non-franchise, Non-Utility)
 - 2 Approved Applications
- TDS (Franchise)
 - Approximately 40 applications will be submitted
- WANRack (Non-franchise, Non-Utility)
 - 11 Approved Applications
 - 3 Pending Applications
- Zayo (Non-franchise, Non-Utility)
 - 2 Approved Applications
- Lumen (Non-franchise, Non-Utility)
 - 2 Pending Application


13



WHAT HAS BEEN INSTALLED

- Charter/Spectrum
 - 1714 ft of Underground
- WANRack
 - Approximately 60,000 ft of underground installation
- KDS
 - 1200 ft installed underneath the 10th St walking bridge
 - 485 ft installed for Johnson Madison Lumber
- Zayo
 - 650 ft installed for Library installation
 - 600 ft installed for fiber to Great Falls North Apartments


14



WHAT WILL BE INSTALLED


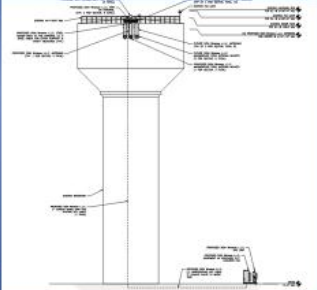
- Charter/Spectrum
 - More applications submitted every quarter
- TDS
 - Projected to start 1st or 2nd ¼ 2023
- WANRack
 - Benefis build out started

15



WHAT WILL BE INSTALLED CONTINUED

- Dish Network
 - Requesting to place antennas on Gore Hill Water Tower

16




TIME

- Engineering
- Utilities
- Streets
- Water Plant
- PCD
- City Attorney's Office
- City Manager's Office



17




FEES

- \$50 Application Fee
 - \$1/inch diameter/ft installed per year, for non-utility, non-city fiber.
- Lease fees for on Water Towers
 - Depends on location of tower and location of antenna on the tower
- Administration Review Fees
 - \$108/Hour
- Inspection Fees
 - \$66/Hour
 - \$80/Hour Overtime

18

JOURNAL OF SPECIAL COMMISSION WORK SESSION
March 21, 2023

 **FEEES: WHO PAYS WHAT**

- Application Fee
 - Every Application pays the fee
 - Each node/area is an application
- Yearly Fee
 - Non-franchise, non-utility
- Lease fees
 - Anyone who leases City owned land.
- Administration Review Fees
 - Those not paying yearly fee
- Inspection Fees
 - Those not paying yearly fee

19

 **INSPECTIONS**





20

 **INSPECTIONS**



21

 **INSPECTIONS**





22

 **INSPECTIONS**



23

 **QUESTIONS**



24

Mayor Kelly received clarification that the Engineering fees are standard across the board. He suggested

JOURNAL OF SPECIAL COMMISSION WORK SESSION
March 21, 2023

that Public Works Engineers be mindful of all the businesses wanting to install fiber and make sure that it is charging appropriately.

Public Works Engineer Jesse Patton explained that because WANRack was school related, it was billed per hour and the City was able to recoup all costs. TDS will be a Franchise Agreement and will be billed per hour for its costs. He added that there has not been any yearly fees to compare to hourly; however, that information will be provided to the Commission when it is available.

Mayor Kelly suggested that Public Works Engineers look at this demand across the board with other engineering products that are billed out on a regular basis. Mayor Kelly added that the demand is high for applicants wanting to put cable in, there is money available for infrastructure and applicants should not be sent away. He suggested that a company hired to place antennas on the Gore Hill Water Tower would also consider sponsoring the mural.

Mayor Kelly requested that Public Works Engineer Brownlee look into a damaged Americans with Disabilities Act (ADA) access south of the Great Falls Public Library.

Commissioner Wolff received clarification that the preferred place for installation of fiber would be under the sidewalk on both sides with regard to the Alley Cross Section PowerPoint slide.

Commissioner McKenney inquired about the sudden interest in fiber and if the businesses involved are competing against each other.

Public Works Engineer Brownlee responded that federal money has been provided to companies for fiber installation and some of the businesses are competitors.


Deputy City Manager Chuck Anderson added that this is timely because construction season is approaching soon. With the number of applications, companies such as TDS might be the first competitor that Charter/Spectrum has had in the community. The companies will be looking to go across the community and it will be a multi-year project doing fiber layout. He explained that there is also federal guidelines regarding 5G and federal law has been passed that if the City delays telecommunication providers past a certain date, they do not have to follow any local rules.

3. 2023 RATE ANALYSIS FOR SANITATION DIVISION

Public Works Director Chris Gaub reviewed and discussed the following PowerPoint:

JOURNAL OF SPECIAL COMMISSION WORK SESSION
March 21, 2023

**City of Great Falls
Sanitation Division**

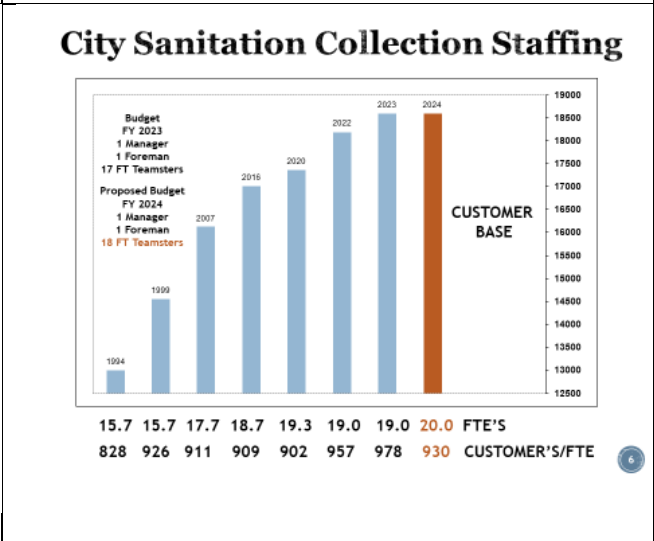
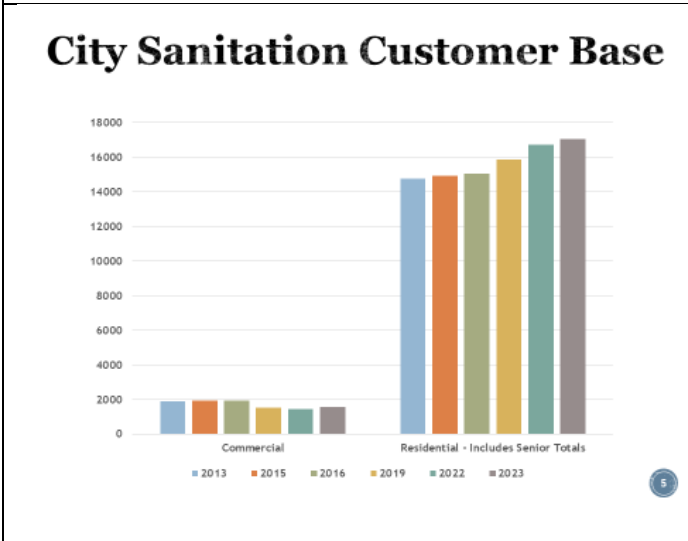
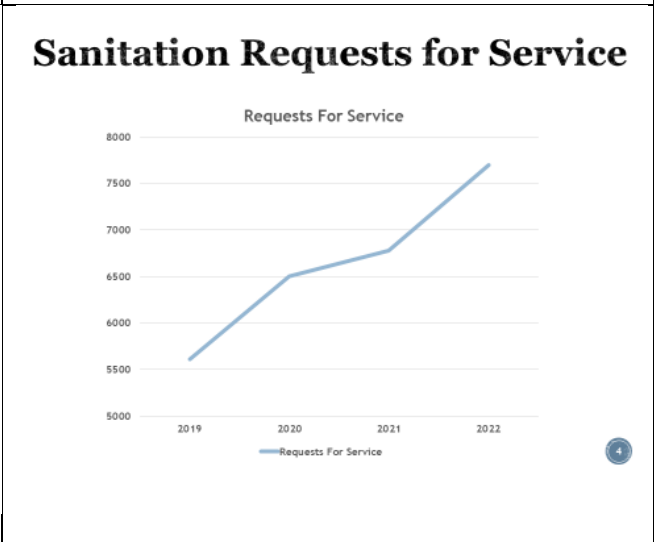


**2023 RATE ANALYSIS
City Commission
Work Session
March 21, 2023**

City Sanitation Customer Base

City Utility Customer Base FY 2023 January	21,924	100%
City SN Residential Customers	17,040	
City SN Commercial Customers	1,551	
Total City of Great Falls Customers	18,591	84.8%
Total Republic Services Customers <small>Republic could not provide an accurate split between residential and commercial customers without including customers outside city limits.</small>	3,333	15.2%

- ### Trends: More Customers Because...
- **City of Great Falls is growing:**
 - New businesses, housing and apartment complexes
 - **City Sanitation Customer Service:**
 - When someone calls they talk to someone local
 - City Utility Customer Service team goes above & beyond
 - Garbage charges are on same utility bill with water
 - City Sanitation drivers are top notch
 - **No long term contracts required for businesses**
 - **No Miscellaneous Fuel Surcharges**



JOURNAL OF SPECIAL COMMISSION WORK SESSION

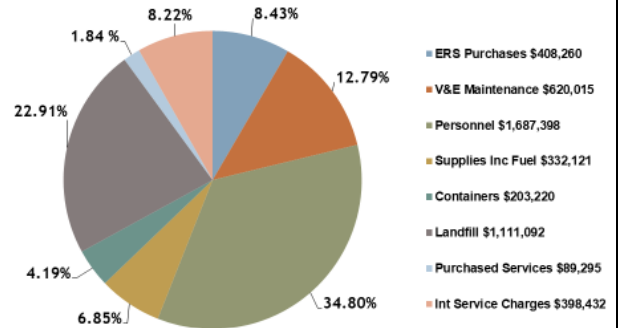
March 21, 2023

MAJOR RATE DRIVERS

- **Landfill Costs:** 22.91% of Budget (Approx. \$1,111,092 per year)
 - 1.40% CPI increase 2021
 - 6.85% CPI increase 2022
 - 7.15% CPI increase 2023 (max agreement 7.00%)
- **Personnel Costs:** 34.80% of Budget
 - 4.5% average increase last 4 years (Includes salaries, health insurance, life insurance, unemployment, workers compensation, FICA, Medicare, PERS, and pensions)
- **Vehicle Replacement:** 8.43% of Budget (Updating Fleet)
 - Budgeted FY23 \$408,260 (Foreman Truck / Sideloader)
 - Projected FY24 \$607,248 10 year plan (Roll-Off / Rearloader)
- **Vehicle Maintenance:** 12.79% of Budget
 - Budgeted FY23 \$620,015
 - Projected FY24 \$651,016

7

Sanitation Operating Costs Adopted FY 2023-2024



8

SANITATION LANDFILL

FY YEAR	REPUBLIC LANDFILL RATE	CPI RATE INCREASE PER YEAR	TONNAGE	TOTAL FEES PAID TO REPUBLIC
2002	\$18.88	2.30%	35,975	\$ 722,468
2007	\$20.98	2.00%	33,634	\$ 705,644
2012	\$23.05	3.35%	36,852	\$ 870,109
2017	\$25.61	3.00%	35,138	\$ 885,484
2018	\$26.64	4.00%	33,704	\$ 787,782
2019	\$27.35	2.65%	33,422	\$1,001,077
2020	\$27.98	2.30%	36,873	\$1,018,742
2021	\$28.37	1.40%	36,121	\$1,015,358
2022	\$30.31	6.85%	35,185	\$1,025,642
2023	\$32.43	7.00%	Estimated 36,234	Estimated \$1,103,722

Average Landfill Rate Increase Per Year since 2017: 3.89%

9

Sanitation Fleet Residential

YEAR	MANUFACTURER	HOURS	MODEL
2016	Peterbilt	9,125	320
2016	Peterbilt	13,752	PB 320
2017	Auto Car	10,758	ACX 64
2017	Auto Car	11,073	ACX 64
2018	Auto Car	8,284	Expiditor
2018	Auto Car	6,881	Expiditor
2019	Peterbilt	5,335	520
2021	Peterbilt	2,480	PB 520 Side Loader
2023	Auto Car	New Truck	ACX64

Average Residential Fleet Age 5 years - Industry Target: 6-8 years

10

Residential Truck



11

Sanitation Fleet Commercial

YEAR	MANUFACTURER	HOURS	MODEL
2003	Volvo (Cardboard Collection)	10,304	WX64
2003	Sterling (Backup Roll-Off)	13,391	LT9500
2007	Sterling (Backup Commercial/Brush)	18,981	LT9500
2007	American LaFrance	15,263	Condor
2010	Kenworth	12,260	T800
2013	Peterbilt	10,941	320
2016	Kenworth	10,970	T440
2016	Kenworth	10,300	T800
2017	Kenworth	11,194	T440
2017	Kenworth	11,233	T440

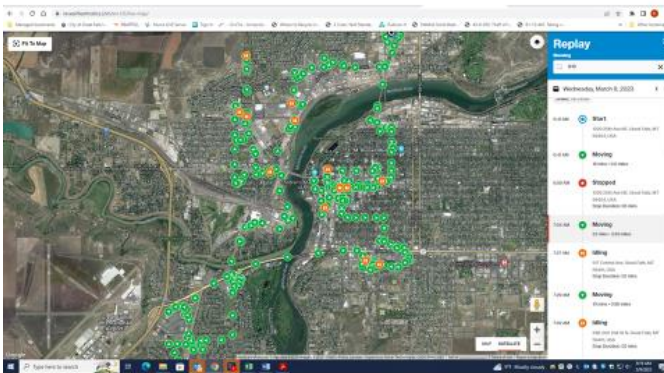
Average Commercial Fleet Age 12 Years - Industry Target: 10 years

12

JOURNAL OF SPECIAL COMMISSION WORK SESSION

March 21, 2023

GPS – Truck 918 Wednesday Route



Internal Maintenance Charges

Fiscal Year	Actual/Projected	Plan with no changes 7% increase per year	Intercept Loan purchased 6 new trucks in 2016 Not replacing 6 in 2023 10 Year Plan 5%
2020	Actual	\$ 566,958.60	* \$ 406,661.00
2021	Actual	\$ 606,645.70	* \$ 442,284.00
2022	Actual	\$ 649,110.90	\$ 463,933.00
2023	Actual	\$ 694,548.66	\$ 620,015.75
2024	Projected	\$ 743,167.07	\$ 651,016.00
2025	Projected	\$ 795,188.76	\$ 683,566.54
2026	Projected	\$ 850,851.97	\$ 717,744.86
2027	Projected	\$ 910,411.61	\$ 753,632.11
2028	Projected	\$ 974,140.42	\$ 791,313.71
Total Cost		\$6,791,023.69	\$5,530,166.97

*With Public Works Building Improvements \$22,500
Expected Savings 10 Year Plan \$1,260,856.72
Cost of 6 Trucks 10 Year Plan \$2,170,458

Cash Flow with Capital Outlay 10 Year Replacement of Trucks

	FY22 Actual	FY23 Budgeted Revenue Increase 0%	FY24 Projected Revenue Increase 10%	FY25 Projected Revenue Increase 10%	FY26 Projected Revenue Increase 5%	FY27 Projected Revenue Increase 5%	FY28 Projected Revenue Increase 5%
Beginning Cash Balance	\$ 513,524	\$1,141,284	\$ 935,925	\$ 664,911	\$ 451,512	\$ 614,117	\$ 418,206
Revenues	\$4,680,607	\$4,646,874	\$5,110,861	\$5,621,248	\$5,894,960	\$6,189,708	\$6,499,193
Expenses	\$4,230,835	\$4,852,233	\$5,381,875	\$5,834,646	\$5,732,355	\$6,385,619	\$6,790,417
Over/Under	\$ 449,772	\$ (205,359)	\$ (271,014)	\$ (213,399)	\$ 162,605	\$ (195,911)	\$ (291,223)
Ending Unrestricted Cash Balance	\$1,141,284	\$ 935,925	\$ 664,911	\$ 451,512	\$ 614,117	\$ 418,206	\$ 126,983

COMMERCIAL RATES

	MONTHLY	CURRENT	10% PROPOSED
96 Gallon		\$ 25.10	\$ 27.60
300 Gallon		\$ 30.00	\$ 33.00
1.5 yard		\$ 42.45	\$ 46.70
2 yard		\$ 60.70	\$ 65.80
3 yard		\$ 72.80	\$ 80.00
4 yard		\$ 97.00	\$ 106.70
6 yard		\$ 144.30	\$ 158.70
8 yard		\$ 191.60	\$ 210.80
Cardboard Recycling		\$ 22.00	\$ 24.00
Vacant Business—Once a month pick up		\$ 5.00	\$ 6.00
DROP BOX (PER PICK-UP)			
3 yard construction dumpster		\$ 58.00	\$ 64.00
10 yard concrete dumpster (plus rental & disposal)		\$ 185.00	\$ 203.00
20 yard construction dumpster		\$ 329.00	\$ 362.00
30 yard construction dumpster		\$ 370.00	\$ 407.00
40 yard construction dumpster		\$ 407.00	\$ 447.00
30 yard compacted (plus disposal charge)		\$ 234.00	\$ 257.00
40 yard compacted (plus disposal charge)		\$ 234.00	\$ 257.00
Flat Rate Surcharge (overweight containers)		\$ 115.00	\$ 126.00
Dry Run Fee		\$ 55.00	\$ 60.00
Per Day Rental Fees		\$ 2.00	\$ N/A

RESIDENTIAL RATES

	MONTHLY	CURRENT	10% PROPOSED
Regular 96 Gallon		\$ 15.00	\$ 16.50
Duplex (\$15.00 per unit)		\$ 30.00	\$ 33.00
Triplex (\$15.00 per unit)		\$ 45.00	\$ 49.50
Additional 96 Gallon		\$ 8.50	\$ 9.35
Senior Citizen		\$ 10.50	\$ 11.55
Extra PU 96 Gallon		\$ 15.00	\$ 16.50
Extra PU 300 Gallon		\$ 21.00	\$ 23.00
Plus Extra's – per minute		\$ 7.00	\$ 8.00
Large Appliances		\$ 20.00	\$ 22.00
Large Appliances with Freon		\$ 60.00	\$ 66.00
Special Services – Dumpster Cleaning			
Residential Dumpster		\$ 15.00	\$ 16.50
Commercial Dumpster		\$ 50.00	\$ 55.00
Compactors/Receiver Box		\$ 100.00	\$ 110.00

Previous Residential 96 Gallon Rate Increases

Year	Residential Rate	Residential Increase
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
2022	\$15.00/mo.	\$1.35/mo.
2023	\$16.50/mo. proposed	\$1.50/mo. proposed

10 year average annual increase: \$.65

**JOURNAL OF SPECIAL COMMISSION WORK SESSION
March 21, 2023**

PUBLIC	MONTHLY RESIDENTIAL RATE	COMPETITION	LANDFILL FEE PER TON	OWN LANDFILL
Bozeman	\$26.73	YES	\$27.00 Regular \$48.00 Construction Material	NO
Kalispell	\$17.48	YES	\$31.05	NO
Havre	\$16.33	NO	\$30.00	NO
Great Falls	\$15.00	YES	\$32.43	NO
Helena	\$14.68	NO	\$36.75 Transfer Stn \$26.00 Landfill City Only	NO
Billings	\$12.45	NO	\$23.50 Other Towns/County \$35.25	YES

PRIVATE	MONTHLY RESIDENTIAL RATE	COMPETITION	LANDFILL FEE PER TON	OWN LANDFILL
Republic Services Missoula (2023)	\$34.06 + fuel sc \$39.74	YES	\$62.96	YES
Republic Services Bozeman (2019)	\$25.68	YES	\$27.00	NO
Republic Services Outside GF 2023	\$29.53 + fuel sc \$33.20	NO	\$37.62	YES
Evergreen Kalispell (2019)	\$15.95	YES	\$31.05	NO
Republic Services Great Falls 2023	\$14.28 + fuel sc \$17.61	YES	\$37.62	YES

**RECOMMENDATION
NEXT STEPS**

- 3/21 City Commission - Set Public Hearing
- 4/04 City Commission - Public Hearing
- 5/01 Proposed Rates Effective

Any Questions?

Finance Director Melissa Kinzler provided a Total Sanitation Fund Cash Flow with Capital Outlay 10 Year Replacement handout.

Mayor Kelly commented that the 10-year average annual increase of \$.65 is excellent fiscal management with regard to the Previous Residential 96 Gallon Rate Increases PowerPoint slide. Mayor Kelly added that residents have the option of choosing another provider if they do not want to pay the rate increase for sanitation services. Mayor Kelly pointed out that several citizens have indicated to him how kind and considerate the sanitation drivers are and the Public Works Department has received several compliments.

DISCUSSION OF POTENTIAL UPCOMING WORK SESSION TOPICS

Deputy City Manager Chuck Anderson reported that the City Manager’s Annual Performance Evaluation and Contract Review will be a topic for the April 4, 2023 Special Commission Meeting. The April 4, 2023 work session will consist of a Utility Rate review, as well as a Court remodel/relocation update.

JOURNAL OF SPECIAL COMMISSION WORK SESSION
March 21, 2023

Topics for the April 18, 2023 work session will consist of a Collective Bargaining preparation and GO Bond Infrastructure related to Safety Levy.

Mayor Kelly explained that the April 4, 2023 Special City Commission Meeting will begin at 4:00 p.m. and regardless of whether it is finished early, the regular work session will start at its regular time at 5:30 p.m.

ADJOURN

There being no further discussion, Mayor Kelly adjourned the informal special work session of March 21, 2023 at 5:54 p.m.