

**JOURNAL OF SPECIAL COMMISSION WORK SESSION**  
**April 4, 2023**

City Commission Special Work Session  
Civic Center, Gibson Room 212

Mayor Kelly presiding

**CALL TO ORDER: 5:30 PM**

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

**STAFF PRESENT:** City Manager Greg Doyon and Deputy City Manager Chuck Anderson; City Attorney David Dennis and Deputy City Attorney Rachel Taylor; Finance Director Melissa Kinzler, Deputy Director Kirsten Wavra and Utility Billing/Customer Service Manager Laura Lynch; Public Works Director Chris Gaub, Utilities System Manager Jake McKenna, Water Plant Manager Jason Fladland and City Engineer Jesse Patton; Municipal Court Judge Steve Bolstad; Mansfield Center for the Performing Arts Manager Owen Grubenhoff; Fire Marshal Mike McIntosh; Police Chief Jeff Newton; and, City Clerk Lisa Kunz.

**PUBLIC COMMENT**

None.

**1. 2023 RATE ANALYSIS FOR WATER, SEWER AND STORM DRAIN UTILITIES**

Public Works Director Chris Gaub reported that there has not been a Utility Rate increase since November 2019.

Public Works Utilities System Manager Jake McKenna and Water Plant Manager Jason Fladland reviewed and discussed the following PowerPoint:



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### AVERAGE MONTHLY UTILITY BILL CITY OF GREAT FALLS (Proposed)

- **Residential:** average utility bill would increase \$4.88 (10%)
  - Average water bill increase \$1.83 (10%) from \$18.35 to \$20.18 per month
  - Average sewer bill increase \$2.39 (10%) from \$23.90 to \$26.29 per month
  - Average storm drain bill increase \$.66 (10%) from \$6.60 to \$7.26 per month
- **Commercial:** average monthly utility bill increase \$14.31 (10%)
  - Average water bill increase \$5.74 (10%), from \$57.47 to \$63.21 per month
  - Average sewer bill increase \$7.62 (10%) from \$76.22 to \$83.84 per month
  - Average storm drain bill increase \$.95 (10%) from \$9.45 to \$10.40 per month

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### 2023 CITY COMPARISON COMMERCIAL Monthly water and sewer charges based on: 1" meter, 2,400 cf water, 2,400 cf sewer

City	2023 Water Rate	2023 Sewer Rate	Total
Missoula	\$89.85	\$50.10	\$139.95
Kalispell	\$66.59	\$158.91	\$225.50
Bozeman	\$85.38	\$117.99	\$203.37
Butte	\$91.86	\$73.30	\$165.16
Helena	\$113.56	\$117.49	\$231.05
Billings	\$88.51	\$130.92	\$219.43
Great Falls (Current)	\$57.47	\$76.22	\$133.69
Great Falls (Proposed)	\$63.19	\$83.84	\$147.03

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### COMMERCIAL CHARGES 1" METER, 2,400 CF WATER, 2,400 CF SEWER, LOT SIZE 7,500 SQ FT

Year	Water bill	Total % inc.	Sewer bill	Total % inc.	Storm drain bill	Total % inc.	Total \$ inc.	Total % inc.	Total avg. bill
2012	\$36.37	5%	\$60.01	10%	\$6.14	0%	\$3.15	6%	\$102.52
2013	\$38.09	5%	\$66.01	10%	\$6.14	0%	\$3.44	7.5%	\$110.24
2014	\$40.07	5%	\$66.01	0%	\$6.14	0%	\$1.42	1.8%	\$112.22
2015	\$42.90	7%	\$67.93	3%	\$6.75	10%	\$3.22	4.8%	\$117.58
2016	\$47.17	10%	\$70.09	3%	\$7.42	10%	\$4.40	6.0%	\$124.68
2017	\$51.74	10%	\$72.03	3%	\$8.18	10%	\$4.79	5.8%	\$131.95
2018	\$54.46	5%	\$74.12	3%	\$9.00	10%	\$0.91	4.3%	\$137.58
2019	\$57.47	6%	\$76.22	3%	\$9.45	5%	\$1.21	4.0%	\$143.14
2020	\$57.47	0%	\$76.22	0%	\$9.45	0%	\$0.00	0.0%	\$143.14
2021	\$57.47	0%	\$76.22	0%	\$9.45	0%	\$0.00	0.0%	\$143.14
2022	\$57.47	0%	\$76.22	0%	\$9.45	0%	\$0.00	0.0%	\$143.14
2023	\$63.21	10%	\$83.84	10%	\$10.40	10%	\$4.88	10.0%	\$157.45

Average Rate Increase Per Year: 3.65%

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### WATER DISTRIBUTION



### 2023 CITY COMPARISON

RESIDENTIAL  
Monthly water and sewer charges based on:  
3/4" meter, 600 cf water, 600 cf sewer

City	2023 Water Rate	2023 Sewer Rate	Total
Missoula	\$37.50	\$17.95	\$55.45
Kalispell	\$25.61	\$50.39	\$76.00
Bozeman	\$35.37	\$39.26	\$74.63
Butte	\$71.51	\$28.50	\$100.01
Helena	\$29.60	\$29.77	\$59.37
Billings	\$31.73	\$37.53	\$69.26
Great Falls (Current)	\$18.35	\$23.90	\$42.25
Great falls (Proposed)	\$20.21	\$26.30	\$46.51

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### RESIDENTIAL CHARGES 3/4" METER, 600 CF WATER, 600 CF SEWER, LOT SIZE 7,500 SQ FT

Year	Water bill	Total % inc.	Sewer bill	Total % inc.	Storm drain bill	Total % Incr	Total \$ Incr	Total % incr	Total avg bill
2012	\$13.55	5%	\$19.54	10%	\$4.27	0%	\$3.15	6%	\$37.36
2013	\$14.23	5%	\$21.49	10%	\$4.27	0%	\$3.44	7.0%	\$39.99
2014	\$14.93	5%	\$21.49	0%	\$4.27	0%	\$1.42	1.8%	\$40.69
2015	\$15.97	7%	\$22.12	3%	\$4.70	10%	\$3.22	5.2%	\$42.79
2016	\$17.59	10%	\$22.78	3%	\$5.17	10%	\$4.40	6.4%	\$45.54
2017	\$19.35	10%	\$23.49	3%	\$5.69	10%	\$4.79	6.6%	\$48.53
2018	\$17.64	-9%	\$23.72	1%	\$6.26	10%	\$0.91	-1.9%	\$47.62
2019	\$18.35	4%	\$23.90	1%	\$6.60	5%	\$1.21	2.6%	\$48.85
2020	\$18.35	0%	\$23.90	0%	\$6.60	0%	\$0.00	0.0%	\$48.85
2021	\$18.35	0%	\$23.90	0%	\$6.60	0%	\$0.00	0.0%	\$48.85
2022	\$18.35	0%	\$23.90	0%	\$6.60	0%	\$0.00	0.0%	\$48.85
2023	\$20.18	10%	\$26.30	10%	\$7.26	10%	\$4.88	10.0%	\$53.74

Average Rate Increase Per Year: 4.21%

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## Utilities Service Connections

	Residential	Commercial
Water	19,888	2,672
Sewer	19,724	2,602
Storm Drain	19,900	2,789

Water Mains - 328 Miles  
Sanitary Sewer Mains - 255 Miles  
Storm Mains - 128 Miles  
Utilities staff repairs and maintains

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## Emergency water main repairs

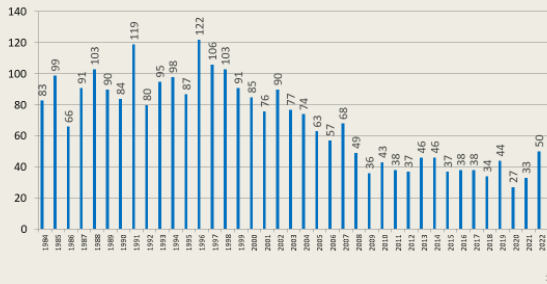


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### WATER MAIN BREAKS (1984-2022)



### Material Costs Due to Inflation

Material	2019 cost (\$)	2023 cost (\$)
¾" Corp Stop (water main to service line valve)	\$57.59	\$93.45 (62%) ↑
1" Corp Stop (water main to service line valve)	\$71.77	\$132.59 (84%) ↑
¾" Water Meter	\$198.78	\$214.89 (8%) ↑
1" Water Meter	\$253.43	\$282.85 (11%) ↑
Radio antenna for water meter	\$159.47	\$189.50 (18%) ↑
7" Fire Hydrant Assembly	\$1917.00	\$3568.27 (86%) ↑



### Water Main replacements

Year	Cost	Footage	Miles	Emergency Repair Costs
2012	\$1,531,862	9,246	1.75	\$259,514
2013	\$1,680,436	12,831	2.40	\$322,641
2014	\$1,388,989	7,392	1.40	\$322,841
2015	\$1,672,072	4,182	.79	\$277,507
2016	\$1,688,250	9,680	1.82	\$285,791
2017	\$1,610,581	8,614	1.63	\$285,891
2018	\$2,061,000	8,843	1.67	\$77,435
2019*	\$6,170,000	10,800	2.05	\$290,718
2020	\$930,000	3,900	.74	\$174,507
2021	\$1,590,000	6,765	1.28	\$321,712
2022	\$1,637,000	4,995	.95	\$415,583

\* Year 2019 includes the added cost of installing a 24 inch water main crossing under the Missouri River

### Water Main Taps



Sizes	2019 Parts, Equipment, and Labor	2023 Parts, Equipment, and Labor (Proposed)
¾"	\$584	\$685
1"	\$613	\$775
1.5"	\$924	\$1260
2"	\$1166	\$1740
4"	\$550	\$605
6"	\$574	\$631
8"	\$598	\$658
12"	\$644	\$708

\* Prices are per tap up to 5 taps, up to 2" are City supplied parts, 10% increase was not sufficient to cover cost of materials, labor, tapping equipment etc.

### FUTURE PRIORITY CAPITAL NEEDS

- Water main replacement
  - 25 Blocks (\$15M FY23-FY28)
- North side river crossing (\$3.3M FY28)

### WASTEWATER UTILITY SYSTEM



### SANITARY SEWER COLLECTION REHAB AND REPLACEMENT

Year	Cost	Footage	Miles	Emergency repair Cost
2012	\$1,223,120	14,760	2.80	\$66,846
2013	\$380,000	13,400	2.54	\$47,815
2014	\$373,617	13,882	2.63	\$23,925
2015	\$448,384	11,574	2.19	\$156,076
2016	\$580,775	15,699	2.97	\$109,287
2017	\$528,000	12,789	2.42	\$17,000
2018	\$1,792,690	22,741	4.31	\$95,000
2019	\$360,728	12,604	2.38	\$19,687
2020	\$830,711	11,782	2.23	\$18,519
2021	\$764,666	12,962	2.45	\$64,776
2022	\$856,914	13,804	2.61	\$35,691

### Future Sewer Capital Needs

- Sewer lining phase 23-28 (\$5.9M FY23-27)
- Lift station # 1 upgrades and Missouri River force main crossing (\$7.8M FY23-24)
- Manhole rehab phase 7-11 (\$500,00 FY23-27)
- 6<sup>th</sup> St and 3<sup>rd</sup> St rehab of 48" and 30" main trunk lines FY23-27

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### Storm Drain System



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### Future Storm Drain Needs

- NW Great Falls & Northwest bypass (\$450,000 FY23)
- South Great Falls storm drain improvements (\$600,000 FY24)
- Valeria way phase III rehab of old main (lining) (\$600,000 FY23)
- Central Ave and 3<sup>rd</sup> St drainage construction phase IV (\$8.3M FY23-25)
- 5<sup>th</sup> St and 12<sup>th</sup> Ave S drainage improvements (\$1.8M FY26)

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### Water Treatment Plant



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### 5 Year Completed Projects

- Filtration Improvements Phase 1 (\$4.3M)



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### Gore Hill Water Tank Replacement



\*In service Fall of 2018 (\$2.5M)

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### Continual Water Plant Improvements



The Great Falls WTP Improvements Phase 1 project consisted of the removal of an existing above ground steel storage tank and existing piping to facilitate the construction of a new UV and Chemical Building, Surge Tank, and addition to the existing Electrical Building. Necessary site improvements included installation of new exterior underground piping from 4' to 64' diameter and a 60' and 84' bore and jack under an existing railroad spur to be the new facilities into existing.

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### Ongoing Projects

- Filtration improvements phase 2 (\$1.2M, FY23)
  - Due to EPA guidelines and protocols.
- Solids mitigation facility (Screw Press) (\$6M split with sewer, FY 23-24)
- Hill 57 pump station upgrades (\$700K, FY 25)
- 33rd St water storage tank evaluation (\$400K, FY 23-24)



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### Future Priority Capital Needs

- 33rd St water storage tank rehab (\$3M FY23) or replacement (\$12M FY 24)
  - Tank has exposed rebar and concrete degradation.
- Secondary east zone booster station and tank (\$2.2M FY26-27)
- Filtration Improvements phase 3 (\$3.5M FY27)
- High/Low service pump upgrades (\$5.5M FY 25-27)
- Head house structural improvements (\$2.3M FY 25-26)
- Emergency power supply (\$3.6M FY26)

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## Waste Water Treatment Plant



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## Septic Receiving Station Improvements (\$430,000)



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## Improvements at WWTP



HVAC repairs on solids building (\$1.1M)



WWTP Final Clarifier Rehabilitation(\$4.3M)

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## 5 Year Completed Projects

- Dissolved Air Flotation Thickeners (\$1.2M)
  - Sealed basins to prevent sewage leaks.



Before



After

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## Ongoing Projects

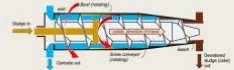
- Lift station # 1 upgrades and Missouri River force main crossing (\$7.8M FY23-24)
- Final clarifier No. 1 & No. 2 rehabilitation (\$3M FY23)
- Solids building HVAC improvements(\$1.1M FY23-24)
- Westside pump station bar screen improvements (\$1.5M FY23-24)



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## Future Priority Capital Needs

- Nutrient removal improvements
  - Driven by EPA guidelines
- Additional centrifuge
  - Increased reliability and redundancy for the WWTP
- Lift station #4, #15, #29, #30, #31 rehabilitation
  - Maintain and preserve current infrastructure
- Lift station backup power generators
  - Crucial to prevent sewage from overflowing into city streets, generators keep lift stations running when times of outages.



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# THANK YOU



Finance Utility Billing/Customer Service Manager Laura Lynch explained that the 2023 sewer rate base fee for Kalispell increased from \$8.44 a month to \$14.22 and the consumption charge almost doubled from \$4.76 per thousand gallons to \$8.06. The Missoula sewer model changed from a semi-annual fee, plus an admin charge to a single-family residential base rate plus a consumption charge. It was \$83.40

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for six months and currently Missoula charges a base fee of \$16.63 and \$.22 per cubic foot.

Mayor Kelly received clarification that Public Works Environmental staff check storm water outfalls and grease interceptors for commercial accounts daily to comply with the current Environmental Protection Agency (EPA) standards.

Water Plant Manager Fladland reported that the Water Treatment Plant operates at 8 million gallons daily to sustain the City for all its domestic needs, has peaks as high as 32 million gallons during the summer months, currently has a hydraulic capacity of approximately 46 million gallons daily, and there is room for future growth. He added that inflation has affected the supplies needed for the Water Treatment Plant and there is an increase in electrical costs for water and wastewater. There is 9 ½ million gallons of storage across the City and would take approximately four hours to get the plant back on line if there was a failure.

Commissioner McKenney received clarification that the 9 ½ million gallons of storage in Great Falls is less than other communities in the state. He further received clarification that the Water Treatment Plant has three circuits of power and additional pumps that can be swapped to pump different areas to protect critical infrastructure for any failures. However, it would be critical if the Northwestern Energy feed were lost.

Mayor Kelly received clarification that currently there is no indication of invasive species at the intakes. He commented that it is important for the taxpayers to understand that the City received American Rescue Plan Act (ARPA) grant money to help with Public Works improvements that has allowed the City to keep the increase at 10 percent.

Finance Director Melissa Kinzler encouraged the Commission to look at the cost and cash flow analysis handout and to call her with any questions.

Commissioner Tryon commented that, because of the indirect inflationary impact, efficiency initiatives or programs to save taxpayer money should be implemented within not only the Public Works Department's budget, but every City Department's budget.

Commissioner Wolff added that the storyboard communication and other communication outlets to show cost savings to the public from Public Works is critical.

Public Works Director Gaub reiterated that the proposed rate adoption process schedule is May 16, 2023 for a Public Hearing and the rates take effect on June 1, 2023.

### **2. COURT REMODEL/RELOCATION DISCUSSION**

Cushing Terrell Architect Tony Houtz reviewed and discussed the following PowerPoint:

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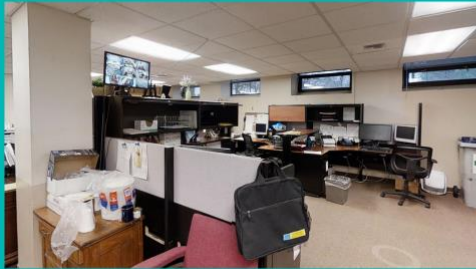
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hello.

### City Courts. Civic Center Options

4-4-2023

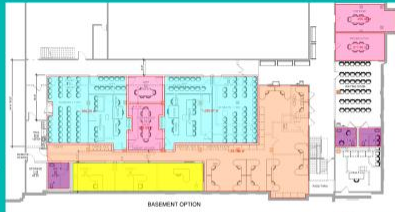
Cushing Terrell



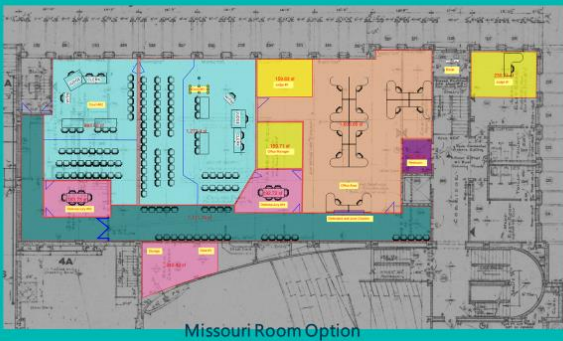
**Advantages**  
 similar location as now  
 room to expand  
 proximity to files  
 defendant/public entries

**Disadvantages**  
 columns/infrastructure  
 ceiling heights  
 fresh air / hvac access  
 not enough room in some areas  
 less control over unknowns

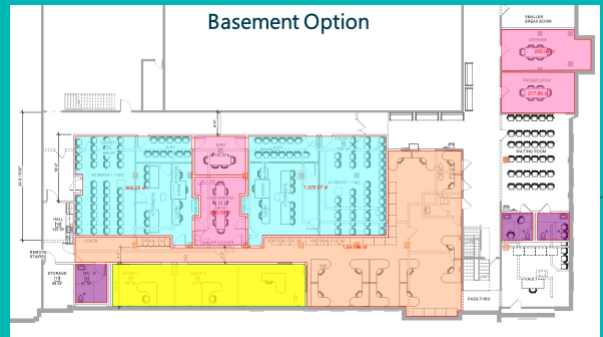
**Collateral Impacts**  
 facilities  
 break room  
 vault  
 records storage



Cushing Terrell



Missouri Room Option



**Advantages**  
 ceiling height  
 access to fresh air/hvac  
 no columns  
 public restrooms  
 ADA access is better  
 north side of the Civic Center  
 unknowns more controlled

**Disadvantages**  
 none?  
 Security  
 Gibson Room  
 Missouri Room

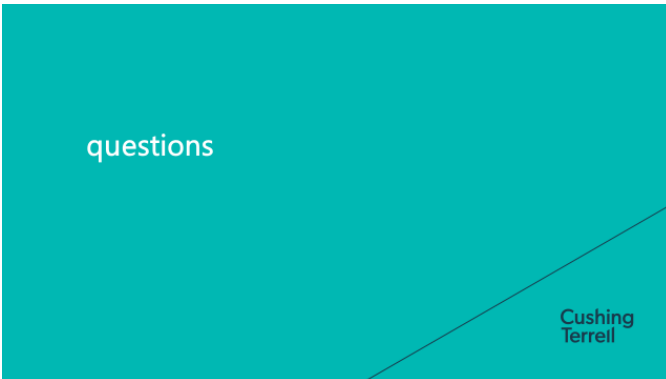
**Collateral Impacts**  
 IT Training  
 Rainbow Room



Cushing Terrell

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Cushing Terrell Architect Houtz explained that relocating or remodeling Municipal Court needs to interface between the public and court system being safe, legal and as efficient as possible. He added that remodeling the basement would not be an ideal situation and the Missouri Room is a better option. The Missouri Room is currently used to support events that take place in the Mansfield Center; however, the green room in the basement has better access to the Mansfield Center.

Mayor Kelly commented that the Municipal Court renovation is an eligible use for ARPA funds and the City is in a better financial position architecturally with remodeling the Missouri Room rather than the basement. Mayor Kelly inquired if creating a new space in the Missouri Room for court would be aesthetically designed with the rest of the Civic Center.

Cushing Terrell Architect Houtz responded that the Missouri Room would be a great space for Municipal Court.

Commissioner Wolff commented that there is a real advantage of having daylight in an office.

City Manager Greg Doyon explained that the City does not have to have public space in the Civic Center; however, with regard to relocating court, off-site locations, a new building, the Children's Museum and renovations to the basement were all considered. No elected body has ever been willing to listen to having anything other than the space in the Missouri Room used as a public space. If the Missouri Room is used for court, providing appropriate security for the facility would be crucial, and there could be changes to the ingress and egress in the rest of the Civic Center. Municipal Court would also continue to occupy some space in its current location in the basement.

Mansfield Center for the Performing Arts Manager Owen Grubenhoff reported that the Mansfield Center makes approximately \$20,000 year from events in the Missouri Room, which allows him to pay for a part-time employee and the Gibson Room is approximately \$1,200. Mansfield Center Manager Grubenhoff explained that the Commission Chambers would be a more desirable location and court could continue to utilize the basement. He expressed concern about the historical preservation aspect of turning the Missouri Room into court space, security, directing the public into one entrance and mixing the public with City Employees. He concluded that it would be sad to see the public space lost in general from a community standpoint.

Deputy City Manager Chuck Anderson added that it is critical to have the loss of space currently utilized



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by staff, including the Ryan, Rainbow, IT Training Rooms and Human Resource Training/Development Coordinator Mark Willmarth's office replicated in the basement or other areas in the Civic Center and are included in this plan and funded.

Mayor Kelly commented that he is unaware of any other City Hall that has space available for the public and the conditions in court are abominable and not a conducive place to work.

It was the consensus of the Commission to explore utilizing the Missouri Room for the court option, including Cushing Terrell Architect Houtz to provide addition information and detail with regard to having office space replicated in the basement or other areas in the Civic Center with the current budget.

Commissioner Wolff added that the City has reached a crucial point where it needs to move forward with public comment since it has been waiting for the other renovations in the Civic Center.

Commissioner Tryon received clarification that either remodeling the current location for court in the basement or moving court to the Missouri Room with the current budget are the only two options.

Municipal Court Judge Steve Bolstad pointed out that in 1939 the Civic Center was not built without controversy, was challenged and the Supreme Court ruled in favor of the City. This is a one-time situation where the court can be upgraded. The Civic Center, although historical, has gone through many renovations over the years. The court sees approximately 7,800 jurors a year, witnesses and victims, all who are citizens of Great Falls. He commented that turning the Missouri Room into court space would be a jewel for the City of Great Falls and the court would be good stewards and keep the historical value.

### **DISCUSSION OF POTENTIAL UPCOMING WORK SESSION TOPICS**

City Manager Greg Doyon reported that a Collective Bargaining discussion and GO Bond Infrastructure related to the Safety Levy will be topics for the April 18, 2023 work session.

Commissioner Hinebauch inquired about the anticipated action date for the bond.

City Manager Doyon responded presumably the same election cycle.

**ADJOURN**

There being no further discussion, Mayor Kelly adjourned the informal special work session of April 4, 2023 at 6:51 p.m.