JOURNAL OF COMMISSION PROCEEDINGS

June 17, 2025 -- Regular City Commission Meeting Civic Center Commission Chambers, Room 206 -- Mayor Reeves Presiding

CALL TO ORDER: 7:00 PM

PLEDGE OF ALLEGIANCE

ROLL CALL/STAFF INTRODUCTIONS:

City Commission members present: Cory Reeves, Joe McKenney, Rick Tryon, and Shannon Wilson. Commissioner Susan Wolff was excused.

Also present were City Manager Greg Doyon, Public Works Director Chris Gaub, Planning and Community Development Director Brock Cherry, Finance Director Melissa Kinzler, City Attorney David Dennis, Fire Chief Jeremy Jones, Police Captain Doug Mahlum, and City Clerk Lisa Kunz.

AGENDA APPROVAL:

There were no proposed changes to the agenda by the City Manager or City Commission. The Commission approved the Agenda as presented.

CONFLICT DISCLOSURE/EX PARTE COMMUNICATIONS:

None.

COMMUNITY INITIATIVES

1. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS FROM GREAT FALLS AREA CHAMBER OF COMMERCE.

Ed Brown, President/CEO of the Great Falls Area Chamber of Commerce, provided a quarterly update that included:

- Three new board members
- Strategic Planning
- One new staff member to replace one that moved
- Summer intern from the Leadership High School Program

PETITIONS AND COMMUNICATIONS

- **2. Jeni Dodd**, City resident, read from a prepared statement asserting the following:
 - Requested that the City cease promoting the narrative that Great Falls is experiencing growth.
 - Alleged that the Commission conducted an illegal public hearing regarding Resolution 10574.
 - Claimed that the average percentages cited within the resolution were inaccurate.
 - Accused the City Manager of exceeding his legal authority during the City's acquisition of property located at 5200 2nd Avenue North.

Manager Doyon responded that the property purchase was made in consultation with the City Attorney as it went through the appropriate process. The City Attorney advised after the last meeting that nothing was done improper. If the Commission doesn't find that satisfactory, the Commission could take additional steps to have the matter investigated.

NEIGHBORHOOD COUNCILS

3. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

None.

BOARDS AND COMMISSIONS

4. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

None.

CITY MANAGER

5. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

City Manager Greg Doyon reported that the Planning and Community Development Department continues to look at Urban Renewal District options with regard to workforce housing. Staff recently met with representatives from the Urban Renewal Districts in the City of Missoula – the only current community that is exercising Tax Increment Financing (TIF) in that way.

Manager Doyon announced that Planning and Community Development Director Brock Cherry and City Engineer Jesse Patton were recipients of the Alliance Ally Award from the Great Falls Development Alliance for going above and beyond, stepping up when needed, and for their ability to deliver results.

Great Falls Development Alliance announced Project Cardinal, a two million square foot hyper scale data center campus proposed for a 569-acre site east of the Great Falls AgriTech Park. The investment of over \$1 billion dollars will create 1,500-2,000 construction jobs and 150-200 high-paying permanent positions, plus additional indirect employment.

CONSENT AGENDA

- **6.** Total Expenditures of \$4,025,096 for the period of May 15, 2025 through May 28, 2025, to include claims over \$25,000, in the amount of \$3,179,949.
- 7. Minutes, June 3, 2025, City Commission Meeting.
- **8.** Contracts List.
- **9.** Approve a final payment for the 5th St S Drainage project, totaling \$50,055.11. This includes \$49,554.56 allocated to Geranios Enterprises, Inc. and \$500.55 to the State Miscellaneous Tax Fund; and authorize the City Manager to execute the payments. **OF 1811.0**
- **10.** Approve a final payment for the Southwest Side Water Main Replacement Phase 4 project, in the amount of \$114,015.68. This includes \$112,875.52 to Capcon, LLC and \$1,140.16 to the State Miscellaneous Tax Fund and authorize the City Manager to make the payments. **OF 1432.5**
- **11.** Award a Professional Services Agreement in the amount not to exceed \$200,000 to Water and Environmental Technologies (WET) for the Smith Ponds Improvements project and authorize the City Manager to execute the necessary documents. **OF 1118.8**
- **12.** Award a contract in the amount of \$93,400 to United Materials of Great Falls, Inc., for the 32nd Ave NE Water and Storm Sidewalk Repair project, and authorize the City Manager to execute the necessary documents. **OF 1786.5**
- **13.** Set a public hearing for the FY2025 Tourism Business Improvement District Budget Amendment for July 1, 2025.

Commissioner Tryon moved, seconded by Commissioner Wilson, that the City Commission approve the Consent Agenda as presented.

Mayor Reeves asked if there were any comments from the public or discussion amongst the Commissioners.

Hearing none, Mayor Reeves called for the vote.

Motion carried 4-0.

PUBLIC HEARINGS

OLD BUSINESS

14. CITY OF GREAT FALLS ELECTRIC SUPPLY CONTRACT.

City Manager Greg Doyon reported that the City Commission approved an initial contract with Guzman Energy for electric supply on April 16, 2024 for a two-year period. The current proposal asks the City Commission to consider an electric supply contract extension with Guzman Energy. The City has previously performed "blend and extend" agreements with energy companies as it has the ability to purchase its supplies directly from the open market.

At the May 6, 2025 City Commission Work Session, Jim Morin of PowerGas Corporation provided a comprehensive update on the City's energy consumption and contracting status, and he highlighted favorable energy pricing trends. PowerGas has implemented a load management and billing optimization program, which contributed to significant savings. Additionally, administrative efficiencies in coding and processing utility invoices have resulted in labor cost savings in the first six months.

As the City's power contract with Guzman Energy is set to expire in December 2026, Mr. Morin noted that staff are already evaluating options for a "blend and extend" or early contract extension. This strategy would allow the City to lock in favorable rates while continuing to capitalize on Guzman's increasingly renewable portfolio and avoid market volatility.

Staff recommends a three-year term on the blend and extend contract. Savings is approximately \$140,000 for the term, but more importantly, the extension provides the City with 1) predictability, 2) rate stability, and 3) potential savings from the default supplier.

The motion above gives the City Manager the authority to execute a blend and extend agreement with Guzman when the City receives a revised and firm proposal on the rates. The City Manager will not sign the agreement unless it meets consultant recommendations and provides for a competitive rate. While the consultant has received indicative rates, a formal proposal will be received and presented to the City Manager on Wednesday, June 18, 2025.

Commissioner Wilson moved, seconded by Commissioner McKenney, that the City Commission authorize the City Manager to execute necessary supply agreements with Guzman Energy for electricity supply to the City of Great Falls and extend the agreement period three years, based on the already received indicative pricing rates.

Mayor Reeves asked if there were any comments from the public. Hearing none, Mayor Reeves asked if there was any discussion amongst the Commissioners.

Commissioner McKenney received clarification that the Commission is authorizing the City Manager to receive a proposal from Guzman, and sign it if it is within the parameters that the consultant has advised for three years.

Commissioner Tryon received clarification that the term of the contract would extend from December 31, 2026 to June 30, 2028. He is comfortable with Manager Doyon executing the contract based on the energy consultant's experience, expertise and advice.

There being no further discussion, Mayor Reeves called for the vote.

Motion carried 4-0.

NEW BUSINESS

ORDINANCES / RESOLUTIONS

CITY COMMISSION

15. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

None.

16. COMMISSION INITIATIVES.

Commissioner Tryon received Commission consensus to direct staff to provide a breakdown of what the Commission's options are for reducing the expenses side of the general fund budget or increasing the revenue side of the general fund budget without utilizing the permissive medical levy or the inflation factor – in other words, what are the Commission's options for balancing and meeting priority general fund needs without increasing the local property tax burden on citizens.

Second, for staff to provide an alternative budget option without any increased taxes to see which services would be reduced any by how much, how a reshuffling of available general fund revenue resources would work and how that would impact the City and various departments.

He clarified that he is not asking for two or three complete and separate budgets. Rather, just a plain and clear list of options available to the Commission to consider during the FY26 budget, and a brief outline of what an alternative, no tax increase budget would look like in real life.

Manager Doyon noted staff could give the Commission an illustration of what it would look like keeping the budget the same as last year, but noted there would have to be some assumptions made – labor agreements, newly taxable value, abatement impacts, etc.

Manager Doyon provided an update to the Commission's June 3rd directive to explore options the City may have with regard to the Rocky Mountain Building.

Under Municipal Code §8.49, the Nuisance Abatement Process includes the following key steps:

- 1. Initial Determination: City staff identifies the property as a nuisance and obtains a title report.
- 2. First Notice: A letter is sent to the owner detailing the violation and requiring action within 10 days, completed within 30 days. This is served by certified mail and posted on the property.
- 3. Second Notice & Public Hearing: If the owner fails to comply, a second notice is issued, setting a public hearing. The notice must include a breakdown of the City's costs and a warning that they may be assessed as a lien.
- 4. Commission Hearing: At the hearing, the Commission may adopt a resolution declaring the nuisance and ordering abatement. If the owner fails to act, the City may proceed to abate the nuisance and assess the costs as a lien.
- 5. Cost Recovery: After abatement, the City holds a hearing to finalize expenses. If unpaid within 5 days, the cost becomes a lien and may be collected as a special assessment.
- 6. Completion: Once abated, a certificate is filed with the Clerk and Recorder confirming the nuisance has been resolved.

Challenges include the cost recovery of the actual abatement. Sletten Construction holds a \$4.5 million dollar deed of trust on 601 Central and other Alluvion-owned properties. This means any lien the City might impose would be junior to the existing \$4.5 million obligation.

Practically speaking, the City would likely never recover the cost of abatement (e.g., razing the building). The City's lien would not be paid until the senior debt is fully satisfied. Even without the senior lien, the cost of abatement would most likely exceed the value of the property after abatement, making subsequent sale of the property, and recovery on the lien, unlikely.

Staff suggested the more viable strategy may be having a meeting with Alluvion and Sletten directly to express our concerns about the ongoing conditions of the building. His best guess is that Sletten put a lot of money into the building and they want their money out of it and to be able to sell it. They have done what they could to get the building in a more saleable position than it was before. It will take an effort to attract somebody to finish the building that requires a lot of work.

Another option is the state's process for declaring a nuisance, which is more broadly defined. It might be more difficult to effectuate the outcome the Commission is looking for going the District Court route.

Mayor Reeves noted he is frustrated with the property because it is a blight.

Commissioner McKenney commented that, based on the research and information from the City Manager, the message has been made that the Commission is looking at doing something in some point in time. He encouraged the Commission to be patient for a good outcome.

ADJOURNMENT

There being no further business to come before the Commission, Commissioner Tryon moved, seconded by Mayor Reeves, to adjourn the regular meeting of June 17, 2025, at 7:38 p.m.

Motion carried 4-0.	
	Mayor Cory Reeves
	City Clerk Lisa Kunz

Minutes Approved: <u>July 1, 2025</u>