

**JOURNAL OF COMMISSION WORK SESSION**  
**January 17, 2012**

City Commission Work Session

Mayor Winters presiding

**CALL TO ORDER:** 5:30 p.m.

**ROLL CALL:** City Commissioners present: Michael J. Winters, Bill Bronson, Fred Burow, Mary Jolley, and Robert Jones. Also present were the City Manager; Deputy City Manager; Directors of Fiscal Services and Public Works; Fire Chief; Interim Police Chief; and the Administrative Secretary.

**1. INDUSTRIAL WASTEWATER RATES**

Public Works Director Jim Rearden reported the original water and sewer agreements for the International Malting Company (IMC) were executed in July 2004. IMC began discharging in November 2005. Full production began in March, 2006 and has continued except for about a month shutdown in mid 2010. The agreements expired in July 2010. An amendment was done in January, 2011 that included an item to make any rate changes retroactive to July 2010.

Mr. Rearden explained IMC discharges about 15% of the total flow into the Wastewater Treatment Plant (WWTP) and about 40% of the total biological loading.

Red Oak Consulting Principal Consultant Andrew Rheem presented a PowerPoint presentation of the Cost of Service Analysis to update IMC rates. The main components of the rates include flow and extra-strength concentrations.

When evaluating the Cost of Service Analysis, Mr. Rheem reported Water Environment Federation principles were applied. Working with City staff, costs, system information, and customer data were gathered to complete and develop system-wide unit costs for the limited Cost of Service Analysis.

Mr. Rheem reviewed key assumptions and information used for both flow-based and strength-based characteristics that were evaluated. He reported an 18% increased adjustment for FY 2012, or \$200,000, is necessary to meet the overall cost of service for IMC.

Two options were proposed to generate the revenue from IMC. Both options generate the same amount of revenue. The difference in the options is in the flow rate.

Mr. Rearden explained Option A only charges for the amount of biochemical oxygen demand (BOD) or total suspended solids (TSS) over domestic strength, whereas Option B charges for every pound of BOD and TSS. He noted that when wastewater goes stagnant, oxygen is needed to break it down.

Both options are considered revenue neutral based on current flows and loadings. He believes Option A provides better protection if IMC goes to pretreatment, but may have to be comprehensively evaluated in a couple years because of permit related upgrades.

Mr. Rheem believes Option B is fairer because the customer is being charged for what they are contributing, but consideration is not given to other pretreatment issues and potential changes in permit requirements and processes at the WWTP.

Commissioner Bronson questioned if either option could potentially drive MaltEurop into looking at pretreatment. Mr. Rearden responded he thinks they are considering that option because they pay about \$1.1 million per year in treatment costs.

Commissioner Jolley asked for clarification on how the City would be protected from Option A if IMC goes to pretreatment. Mr. Rearden responded strength charge would be much less, and some WWTP expenses would be reduced.

Commissioner Jolley questioned if IMC may be paying more than their fair share under Option A if they provide pretreatment. Mr. Rheem responded that depends on the amount of pretreatment. The City may want to update the Cost of Service Analysis at that point.

Commissioner Jolley questioned the length of the proposed contract. Mr. Rearden responded rates are only one component of the water and sewer agreements, but believes a three-year agreement will be proposed.

City Manager Greg Doyon asked when the last comprehensive sewer study was completed. Mr. Rearden responded that was done in 2001.

Mayor Winters questioned if the 18% is retroactive to when the contract ended. Mr. Rearden responded that is correct, according to the amendment.

Mr. Rheem reviewed the proposed rates under Option A and Option B. He recommended a more comprehensive rate study after two or three years, once the permit required improvements and potential modifications and overall system processes have been considered.

Mr. Rheem stated next steps include moving forward with agreement discussions and financial issues evaluated in the study. Mr. Rearden reported there have been discussions with MaltEurop on the water and sewer agreements and a Cost of Service Analysis was needed to determine the costs.

Mr. Rearden reported the water and sewer agreements also include hydrogen sulfide control issues, EPA requirements, flow and strength measuring, and annual increases. He requested Commission approval of Option A to move forward with the agreements.

Mr. Doyon asked Mr. Rearden to explain why IMC has a negotiated rate. Mr. Rearden explained there are currently five water rates – residential, regular commercial, Black Eagle, Malmstrom, and the raw water charge. Sewer rates include residential, regular commercial, Black Eagle, Malmstrom, MaltEurop, and a pretreatment and sewer extra-strength charge. Rates are based on cost of service.

The consensus of the Commission was to proceed with the agreements.

## **2. CITY-COUNTY HEALTH DEPARTMENT UPDATE**

Health Officer Alicia Thompson presented a PowerPoint presentation on public health, the third arm of public safety. The mission of the City-County Health Department (CCHD) is to prevent disease and illness, promote healthy choices, and deliver quality health care.

Ms. Thompson explained the three core functions of public health are assessment, policy development, and assurance. Each of the core functions is further broken down into the ten essential services of public health. Every community across the country should be able to expect those essential services from their local public health department.

Ms. Thompson noted a major role of public health is to work and collaborate with the entire public health system to work toward developing policies that support health efforts. The public health system in a community includes city and county governments.

Ms. Thompson reported CCHD has five major divisions. The Community Health Care Center, Inc. (CHCC), while a division of CCHD, requires special consideration because it is a federally qualified health center and few health departments in the country have a federally qualified health center as one of their divisions. She reported that key leadership of the CHCC was strengthened in 2011 with a full-time executive director and a full-time chief financial operations officer. The CHCC will be able to grow to provide quality medical, dental, and behavioral health services to more people in the community.

The four traditional divisions of public health are Administrative Services, Environmental Health, Family Health Services, and Prevention Services.

In 2011, Environmental Health implemented an electronic data tracking system (HDIS) to capture the number of services provided to the community. Ms. Thompson reviewed the core functions of Environmental Health and noted the majority of the work by staff is for establishments and issues within the City of Great Falls.

Ms. Thompson reported Family Health Services provides assurance to the community for pregnant women, infants, and young children by linking them with needed personal health services and health care when otherwise unavailable. She reviewed services provided in 2011.

Ms. Thompson reported the substantial decline in the number of vaccine preventable diseases during the 20<sup>th</sup> century is one of the top 10 greatest achievements for public health, along with the prevention and control of communicable infectious diseases. She reviewed Prevention Services provided in 2011.

The job of Administrative Services is to account for the multiple funding streams and the inventory and facility. The total budget for CCHD is just under \$2.5 million, and only one of the streams receives general funds from Cascade County and the City of Great Falls. She reviewed remodeling projects accomplished in 2011.

Ms. Thompson reported figures from the City of Great Falls FY 2012 Budget for each of the three arms of public safety – fire operations-\$6,275,213; police-\$10,613,299; and, public health-\$250,000. She also reported the majority of public health funding is provided through contracts,

grants, and fees-for-service, and those funds can only be spent on the specific services outlined in the contract or grant.

Ms. Thompson reported the CCHD is stretched very thin in its ability to fulfill its responsibilities to the community to insure the safety of the food that citizens and visitors are eating at restaurants and unable to do the level of outreach and assurance around vaccine preventable diseases she believes should be done. Those two areas are partially funded with unrestricted general fund contributions from Cascade County and the City of Great Falls. She believes the amount of unrestricted funds needs to be increased.

Ms. Thompson reviewed the CCHD 2012 Strategic Plan to support the Community Health Improvement Plan, address issues of concern in the Environmental Health division, prepare for accreditation, and use ACHIEVE grant funds to work with the Get Fit Great Falls coalition, primarily to support the City through its Downtown Master Plan for a Complete Streets policy.

Ms. Thompson requested additional funding of \$125,000 to include a registered sanitarian to do inspections of licensed establishments. Currently, each restaurant is only inspected once a year.

Mr. Doyon explained the CCHD is a city-county health department, but Cascade County maintains general management. Ms. Thompson noted they are employees of Cascade County, but the City-County Health Board oversees the programs. Mr. Doyon requested additional information for the City Commission regarding CCHD funding in order to make a future budget decision.

Commission Jolley applauded the presentation by Ms. Thompson.

### **3. SAFER GRANT APPLICATION**

Fire Chief Randy McCamley provided a SAFER Grant Application handout. The SAFER Grant is available through the Department of Homeland Security (DHS) specifically for combat firefighters.

Chief McCamley reported the City of Great Falls had to decline a SAFER grant in 2008 for 16 additional firefighters that would have brought Great Falls Fire Rescue (GFFR) up to the National Fire Protection Association (NFPA) minimum standards. Last year an application for a SAFER grant for eight firefighters was not awarded.

Chief McCamley stated the 2012 SAFER grant application process for eight firefighters will begin soon and must be completed within 30 days. He requested authorization to apply for the grant.

Chief McCamley reported the 2012 SAFER grant does not include a salary/benefits cap. The grant will provide full salaries and benefits for eight firefighters for two years; the City will be required to pick up those costs in the third year. Estimated costs for eight firefighters in the third year would be \$518,640.

Chief McCamley also provided a cost breakdown for four fighters, though that number takes GFFR further away from the goal of an additional 16 firefighters. NFPA standards require 16 firefighters at the scene of a structure fire in a typical residence; GFFR currently sends 10.

Chief McCamley noted the SAFER grant only requires a commitment for the third year, but he recommends a commitment to sustain that level of staffing.

Commissioner Jolley questioned if the SAFER grant can be declined even though it is awarded. Chief McCamley responded that the grant can be declined until receipt of the dollars, but he does not recommend that.

Commissioner Bronson believes a higher consideration is given to departments to rehire laid-off firefighters. Chief McCamley responded that is correct, and the second priority is for retention of firefighters who may be facing layoffs. He noted the application strategy is to go after the eight positions lost in the late 1980's.

Commissioner Bronson questioned if a case can be made for new positions, if the lost positions are considered to be new positions. Chief McCamley responded that the strongest application possible will be submitted. He believes communities that are serious about bringing staffing levels up to NFPA standards will be given higher priorities.

Mr. Doyon believes the Commission should have serious intent for this grant, preferably with a funding strategy, before making a commitment. He noted that one or two staff can be added to the objective, working toward the goal, or the grant route can be pursued with the understanding of the financial commitment. At this point, there is no identified way to fund a commitment.

Chief McCamley noted DHS has added an exit strategy request for year three due to economic hardship that would not allow keeping the extra firefighters.

The consensus of the Commission was to support the 2012 SAFER grant application.

#### **4. FIRE RESCUE EXCHANGE**

Fire Chief Randy McCamley provided a handout for a potential Citizens Fire Academy. The estimated cost for supplies and personnel per class would be \$4,025. The personnel costs are for off-duty firefighters. Administrative staff would participate at no cost.

Chief McCamley projected a ratio of five citizens to one instructor for a class size of 20 during six of the eight classes. The first night would be orientation, and the last night class would be an overview and graduation. The classes would involve putting on gear, showing how it must be used, and involving participants in a situation.

A budget commitment would be needed. GFFR would like to hold a class in May 2012, and another class in the fall.

The consensus of the Commission was to proceed with the Citizens Fire Academy.

**ADJOURN**

There being no further discussion, Mayor Winters adjourned the work session of January 17, 2012, at 6:50 p.m.