

Regular City Commission Meeting

Mayor Winters presiding

CALL TO ORDER: 7:00 PM

Commission Chambers Room 206

PLEDGE OF ALLEGIANCE

MOMENT OF SILENCE

ROLL CALL: City Commissioners present: Michael Winters, Bill Bronson, Fred Burow, Bob Jones and Bob Kelly. Also present were the City Manager; City Attorney; Directors of Fiscal Services, Park and Recreation, Planning and Community Development and Public Works; Police Chief; City Clerk and Deputy City Clerk.

On behalf of the City Commission, City staff and residents, Mayor Winters commended Great Falls Police Officers Tovson, Bower and Garner for their professionalism and dedication, and for going above and beyond what was required of them in their duties in recently helping a woman and her infant child.

AGENDA APPROVAL: City Manager Greg Doyon requested removal of contract G of Agenda Report 4 from the agenda. No changes were proposed by the City Commission. The agenda was approved with the requested change to the contracts list.

PROCLAMATIONS: Mayor Winters read proclamations titled Family Promise Week and National Disability Employment Awareness Month.

**** Action Minutes of the Great Falls City Commission. Please refer to the audio/video recording of this meeting for additional detail. ****

NEIGHBORHOOD COUNCILS

1. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

There were no miscellaneous reports and announcements from Neighborhood Council representatives.

CONSENT AGENDA.

2. Minutes, September 15, 2015, Commission meeting.
3. Total expenditures of \$2,903,657 for the period of September 1 – 23, 2015, to include claims over \$5,000, in the amount of \$2,607,474.
4. Amended Contracts list.
5. Set public hearing for October 20, 2015 on Resolution 10120, Establishing Sanitation Service Collection Rates effective October 27, 2015.

6. Award Construction Contract in the amount of \$628,674 to Phillips Construction, LLC for Lower Southside Water Main Replacement, Phase II. **OF 1465.1**
7. Approve Change Order No. 1 in the amount of \$26,275 to United Materials of Great Falls, Inc. for the Overlay of Rivers Edge Trail at Broadwater Bay. **OF 1396**

Commissioner Burow moved that the City Commission accept the Consent Agenda with the exception of Items 4E and 4F for discussion.

With regard to Item 4E, Commissioner Burow inquired about the E-Suite applications.

Fiscal Services Director Melissa Kinzler responded that E-Suite is the on-line utility payment application that provides for the public to store credit card information to make on-line utility bill payments. The \$0.10 transaction fee is paid to BridgePay for its service in storing the credit card information. BridgePay is solely liable for the security of those credit card transactions.

Commissioner Burow further expressed dissatisfaction with New World services and was hesitant about entering into another contract as set forth in Item 4F.

Manager Doyon and City Attorney Sara Sexe noted that this agreement is not the same suite with New World that the City has been having problems with.

Director Kinzler added that the BridgePay and New World agreements go together to be able to function and perform those utility payment transactions. She concluded that on-line payments is a service people have become familiar with and is a growing demand.

Commissioner Burow moved to amend his main motion to exempt Items 4E and 4F from the Consent Agenda.

Motion failed for lack of a second.

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

Ron Gessaman, 1006 36th Avenue NE, pointed out three areas of the minutes, Agenda Item 2, that he disagreed with on pages 168 and 174.

Commissioner Bronson moved, seconded by Commissioners Jones and Kelly, that the City Commission approve the Consent Agenda as submitted.

Mayor Winters asked if there was any further discussion amongst the Commissioners. Hearing none, Mayor Winters called for the vote.

Motion carried 4-1 (Commissioner Burow dissenting).

BOARDS & COMMISSIONS

8. APPOINTMENT, PLANNING ADVISORY BOARD.

Commissioner Bronson moved, seconded by Commissioner Burow, that the City Commission appoint Michael Wedekind to fill the remainder of a three-year term ending on December 31, 2016, to the Great Falls Planning Advisory Board.

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

Richard Liebert, 289 Boston Coulee Road, suggested that board nominees be in attendance at the time the Commission makes an appointment.

Commissioner Bronson noted that the Commission invites all of the advisory boards to make recommendations to the Commission.

There being no further comments, Mayor Winters called for the vote.

Motion carried 5-0.

9. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS FROM BOARDS AND COMMISSIONS.

There were no miscellaneous reports and announcements from representatives of Boards and Commissions.

PUBLIC HEARINGS**10. USE AGREEMENT PERTAINING TO THE LEASE OF CITY OWNED PROPERTY, KNOWN AS SURFACE PARKING LOT # 3 LOCATED AT 321 2ND AVENUE SOUTH.**

Planning and Community Development Director Craig Raymond reported that the Great Falls Rescue Mission received approval for a Conditional Use Permit (CUP) from the City Commission on April 21, 2015, for the construction and operation of a Family Emergency Shelter. The new facility will consist of over 40,000 square feet upon completion and will include approximately 114 total beds for homeless families across North Central Montana. One of the conditions of that approval is that "The Applicant shall submit a parking plan in compliance with OCCGF sections 17.36.2.040 and 17.36.2.070 to Planning and Community Development for review and approval prior to issuance of zoning and building permits."

During the CUP process, the Rescue Mission began discussions and negotiations with Planning and Community Development to determine if and how they could lease the city-owned parking lot known as surface lot #3. The use agreement before the Commission for consideration provides the Rescue Mission with some long term surety that its parking needs can be met by utilizing surface lot #3 for a period of 20 years.

Director Raymond noted some of the conditions in the agreement include:

- paying the City \$500 per year for the lease
- Landscape renovation and continual maintenance as well as paying for irrigation fees
- snow plowing and performing their own parking enforcement
- allowing other current lot users the use of the lot for another year

Staff supports the approval of this agreement as it decreases the liability of deferred maintenance in the parking system and overall costs to operate the downtown parking system at the same time it supports the Rescue Mission in its goal of serving a much underserved segment of our community.

Mayor Winters declared the public hearing open.

No one spoke in opposition to the Use Agreement.

Speaking in support of the Use Agreement were:

James Kizer, 764 33rd Avenue NE, thanked the City for consideration of the Rescue Mission's request.

Ron Gessaman, 1006 36th Avenue NE, requested clarification of the fiscal impact as noted in the agenda report. Mr. Gessaman suggested that the City sell the parking lot and get out of the parking business.

Director Raymond responded that the sale of the lot is something that could be entertained in the future when the time is right for the Rescue Mission.

Richard Liebert, 289 Boston Coulee Road, spoke in support of the work of the Rescue Mission.

There being no one further to address the Commission, Mayor Winters closed the public hearing and asked the will of the Commission.

Commissioner Jones moved, seconded by Commissioner Kelly, that the City Commission approve the Use Agreement pertaining to the lease of City-Owned Property known as Surface Parking Lot #3 between the City and Great Falls Rescue Mission, Inc.

Mayor Winters asked if there was any discussion amongst the Commissioners.

Commissioner Burow also inquired of the fiscal impact versus annual costs of maintaining the lot.

Director Raymond explained that some of the costs not broken down include snowplowing and parking enforcement. Those items are not billed individually for each facility the City owns. There is also a cost saving associated with the Rescue Mission maintaining the landscaping.

Commissioner Bronson added that Manager Doyon and Director Raymond have made it clear that this is a great opportunity for this Commission to get some use out of this lot. He couldn't think of a better organization to enter into an agreement with.

Commissioner Kelly and Mayor Winters agreed with Commissioner Bronson.

Mayor Winters called for the vote.

Motion carried 5-0.

11. EXCHANGE OF CITY OWNED PROPERTY, LOCATED IN CLARA PARK FOR NORTHWESTERN ENERGY PROPERTY LOCATED IN BLOCK 6, SUNRISE TERRACE ADDITION.

City Attorney Sara Sexe reported that, in an effort to improve and upgrade the eastside substation, NorthWestern Energy requests that the City exchange property in Clara Park with the property on which its substation currently resides to provide better reliability, capacity, accommodate updated technology and better serve the public. If approved, the City will also have more contiguous and usable park area.

To avoid an interruption in electrical service to the Great Falls area served by the eastside substation, the Agreement contemplates that the City first exchange its parcel with NorthWestern, so that it may build the new substation. After the new substation is operational, NorthWestern will dismantle the current substation, remove the underlying gravel and footings, replant the new park area, then deed the property to the City.

The sale of property would provide a one-time cash benefit to the City Park and Recreation Fund, for the monetary difference between the two properties, which will be determined by appraisals of both properties. All other costs of the exchange will be borne by NorthWestern Energy, except for the title insurance for the property the City will deed to NorthWestern.

Mayor Winters declared the public hearing open.

Speaking in support of the exchange of City-owned property was:

Scott Patera, Manager of Community Relations with NorthWestern Energy, residing at 237 30th Avenue NE, provided and discussed a flyer that was sent out to the public explaining the proposal to rebuild the eastside substation in Clara Park. This project is to upgrade the whole system. This substation is quite old and not serving the public the way it should. The upgrade will create less outages and better reliability in that area. If approved, the project could begin this fall and continue into 2016. Construction of the substation and transmission lines is expected to begin in the spring of 2017, with completion by the end of the year. He further reported that there should be minimal interruption to customers during the project.

No one spoke in opposition to the exchange of City-owned property.

Mayor Winters closed the public hearing and asked the will of the Commission.

Commissioner Bronson moved, seconded by Commissioner Kelly, that the City Commission approve the exchange of City-Owned property, located in Clara Park in Block 6, Sunrise Terrace Addition, for North Western Energy property, located in Lot 1, Block 6, Sunrise Terrace Addition, and authorize the City Manager to execute all documents necessary to the exchange.

Mayor Winters asked if there was any discussion amongst the Commissioners. Hearing none, Mayor Winters called for the vote.

Motion carried 5-0.

12. **MEETING A COMMUNITY NEED- VISTA VILLA APARTMENTS, AN EXISTING AFFORDABLE MULTI-FAMILY RENTAL HOUSING COMPLEX ON THE SITES AT 429 56TH STREET SOUTH, 3200, 3201, 3205, 3416 AND 3424 11TH AVENUE SOUTH AND 701 AND 715 3RD AVENUE NW.**

Planning and Community Development Director Craig Raymond reported that this is the public hearing to take public comment on whether the Vista Villa complex of apartments meets a community need. Mont. Code Annot. § 15-6-221 provides for certain property tax exemptions when the applicant demonstrates to the State that it meets certain criteria. There are numerous conditions to be met but essentially the applicant must provide affordable housing for lower-income persons in the community and meets a public purpose in providing housing to an underserved population.

Pursuant to State Statutes, public hearing notices were published in the *Great Falls Tribune* on September 17 and October 2, 2015.

Director Raymond further reported that Tyson O'Connell is in attendance representing Vista Villa Housing Associates LP, the group who is partnered with a non-profit general partner. This group plans to undertake significant efforts to rehabilitate the facility and has committed to maintaining the apartments as affordable housing for 46 more years.

The requested action is to hear from the applicant and then take any public comment. Following the hearing staff will forward the public comment to the Department of Commerce, Board of Housing, to help make its decision on the tax-exempt status of the Vista Villa apartments. No action is required by City Commission except to hold the public hearing.

Mayor Winters declared the public hearing open.

Tyson O'Connell, Wishrock Development Co., Missoula, MT, reported that Wishrock partnered with NeighborWorks Great Falls to redevelop the Vista Villa apartments. Vista Villa is an apartment complex consisting of 96 units, comprising eight complexes that are predominately on four different sites around Great Falls. The apartments were constructed in 1971 and have served low-income residents since that time. Since 1971 the apartments have not had a significant rehab, are considered substandard housing and blighted or near blighted housing. The redevelopment plan calls for a tax credit application with the Montana Board of Housing and then a \$4 million dollar rehabilitation plan – preservation of the existing 96 units of affordable

housing. The goal is to have safe, clean, affordable housing that will last for the next 45 years.

Sheila Rice, NeighborWorks Great Falls, reported that these apartments are critical to the mix in Montana and in Great Falls in particular because they are on scattered sites. They serve a valuable need by letting kids integrate into the schools and into those communities. She discussed a market study that indicated that Great Falls is 400 units short of affordable housing right now. In the next three years that shortage will be 1,200 units. She emphasized that the Vista Villa apartments are good apartments, and are valuable to keep and renovate and keep in the affordability mix. She concluded that NeighborWorks Great Falls maintains a rental listing of about 12-15 homes. There are upwards of 50 people per week that come in to get that list. There are four times more people that come in to get the listing or look at it on-line than there are apartments or homes that are listed.

Kathy Gessaman, 1006 36th Avenue NE, inquired what would happen with the current residents during the renovation period.

Mr. O'Connell responded that residents of one 12-plex will be moved out into temporary housing for approximately 12 months. When the first 12-plex is completely renovated, the people from the second apartment complex will be moved into the completed complex so that the second complex can be renovated, and so forth.

Ron Gessaman, 1006 36th Avenue NE, inquired if the people that will be moved to temporary housing will be moved to different neighborhoods, and if that will cause a problem.

Mr. O'Connell explained that four of the complexes are across the street from each other. The vast majority of people will be in the same neighborhoods or nearly the same neighborhoods.

Jill Kuntz, Great Falls Development Authority, 300 Central Avenue, reported that Great Falls Development Authority (GFDA) is a proponent of quality, affordable housing, and that it is important for the economy and citizens in Great Falls.

There being no one further to address the Commission. Mayor Winters closed the public hearing and noted that the record of the public hearing will be forwarded to the Montana Board of Housing and the property owners.

OLD BUSINESS

13. **CLOSURE AGREEMENT FOR A PORTION OF 6TH STREET NE, SOUTH OF 17TH AVENUE NE AND ASSOCIATED EASEMENT AGREEMENT FOR ACCESS TO CITY PIPE YARD, IN ACCORDANCE WITH RESOLUTION 9957.**

Planning and Community Development Director Craig Raymond reported that in 2012 the Montana Refining Company (now Calumet Montana Refining) petitioned the City to close a segment of 6th Street NE generally located south of 17th Avenue NE extending approximately 300 feet south to the terminus of the street at the BNSF railroad tracks.

The segment of 6th Street NE requested for closure is public right-of-way (ROW), providing

access only to Calumet properties on either side, as well as the City's "pipe yard," used by the Public Works Utility Division. The applicant wished it closed to provide a safe and secure connection between its existing properties on the east and west side of the subject ROW.

The City approved the closure on March 6, 2012, through its passage of Resolution 9957, which included a condition that an agreement outlining the conditions of the closure be executed. A further requirement of the closure was to provide full and uninterrupted access to the pipe yard.

The delay in execution of the Closure Agreement has been the provision of the access easement across Calumet's property immediately north of the City pipe yard. Calumet needed to shorten the railroad easement that extended the full length of that property in order to ensure access to the pipe yard would not be blocked.

Calumet has reduced the length of the railroad spur line, and has fulfilled all the required conditions to effectuate the closure. Acceptance of the Easement and approval of the Easement Agreement will then allow the parties to execute the Closure Agreement. Because the two are related and interdependent, Director Raymond requested that the City Commission take action on both items simultaneously.

Commissioner Kelly moved, seconded by Commissioner Jones, that the City Commission approve a Closure Agreement between the City of Great Falls and Calumet Montana Refining LLC, and an Easement Agreement between the City of Great Falls and Calumet Montana Refining LLC, as the final actions necessary for closure of a portion of 6th Street NE, in accordance with Resolution 9957.

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

Ron Gessaman, 1006 36th Avenue NE, commented that it was his understanding when a street was closed the property owners on both sides of the street received back the property that was taken for the creation of the street.

Director Raymond responded that this action is a closure, not a vacation, of right-of-way.

Director Rearden added that when there is a vacation of right-of-way then the property goes back to adjacent property owners. This item is a closure of 6th Street NE. There is no property exchange. This is simply a closure agreement.

Commissioner Bronson concurred with Director Rearden.

There being no further comments, Mayor Winters called for the vote.

Commissioner Kelly stepped out at 8:08 pm and returned to the meeting at 8:10 pm.

Motion carried 4-0.

NEW BUSINESS**ORDINANCES/RESOLUTIONS****14. RESOLUTION 10122, RESOLUTION RELATING TO FINANCING CERTAIN PROPOSED IMPROVEMENTS; ESTABLISHING COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE.**

Fiscal Services Director Melissa Kinzler reported that at the March 4, 2014, and March 3, 2015, City Commission Work Sessions, as part of the Water, Sewer, and Storm Drain rate increase presentations, the Public Works Department discussed the many water upgrades needed at the Water Treatment Plant due to regulatory requirements imposed by the Environmental Protection Agency. The Public Works Department went into great detail about what construction would be required to meet the regulatory requirements and the different phases needed to update the Water Treatment Plant. The construction cost of this phase of the upgrades is estimated to be \$26.7 million.

Adoption of Resolution 10122 will allow reimbursement by bond proceeds for improvements that have occurred at the Water Treatment Plant prior to the bond issuance.

Commissioner Kelly moved, seconded by Commissioner Jones, that the City Commission adopt Resolution 10122.

Mayor Winters asked if there was any discussion amongst the Commissioners.

Commissioner Burow reviewed the fiscal impact and alternatives set forth in the agenda report.

Director Kinzler explained that adoption of this resolution puts in place the ability to get a reimbursement back for improvements that are being done now. The resolution authorizing the issuance and fixing terms and conditions for the estimated \$26.7 million Water Treatment Plant improvements will be presented at a future date.

Manager Doyon clarified that the way the City is going to budget for this improvement is to finance it through a bond. The fund doesn't have this level of money to do the improvements without doing bond financing.

Mayor Winters asked if there were any comments from the public.

Ron Gessaman, 1006 36th Avenue NE, commented that page 2 of the resolution sets forth that there is a 60 day deadline to meet IRS regulations, and it further sets forth that no expenditures for these projects have been paid by the City. He concluded that for the past two years there has been talk about spending money at the Water Plant.

John Hubbard, 615 7th Avenue South, inquired about money from prior water rate increases.

Motion carried 5-0.

15. **ORDINANCE 3135, ASSIGNING A ZONING CLASSIFICATION OF R-3 SINGLE-FAMILY HIGH DENSITY DISTRICT TO THE PROPERTY ADDRESSED AS 1300 FERGUSON DRIVE.**

Planning and Community Development Director Craig Raymond reported that this is a request to set a public hearing for November 3, 2015, to consider Ordinance 3135 that would assign a zoning classification of R-3 Single-Family High Density District upon annexation into the City. The property is addressed as 1300 Ferguson Drive. It is generally located west of Ferguson Drive and east of Flood Road, due North of Dixie Lane near the west edge of the City limits

The applicant, Faith Lutheran Church of Great Falls, is requesting annexation of ±3.925 acres to construct a worship facility on the subject property. The subject property is currently zoned UR Urban Residential in the County and, upon annexation into the City, would be zoned R-3 Single-Family High Density if approved. The applicant is intending to construct a worship facility on the lot, which also requires a Conditional Use Permit (CUP) in the R-3 zoning district. The City Commission will also be considering the CUP at its November 3, 2015, Commission meeting. Staff has recommended the assignment of the R-3 zoning district, as it is compatible with the R-2 zoning district to the north and R-3 zoning district to the south. Furthermore, the CUP process allows the City to apply specific conditions onto the project to help mitigate any impacts the use may have on the neighborhood.

The subject property is located in Neighborhood Council #1. The Council held a special meeting on August 18, 2015, to hear the proposal and voted unanimously to support the project. Staff has received a few inquiries regarding the specifics of the project, but none have been in opposition.

At the conclusion of a public hearing held on September 22, 2015, the Planning Advisory Board/ Zoning Commission recommended the City Commission approve the annexation, assignment of R-3 Single-Family High Density zoning district upon annexation, and Conditional Use Permit, for the construction of a worship facility on the property described above.

Commissioner Burow moved, seconded by Commissioner Bronson, that the City Commission accept Ordinance 3135 on first reading and set a public hearing for November 3, 2015 to consider Ordinance 3135.

Mayor Winters asked if there was any discussion amongst the Commissioners or comments from the public. Hearing none, Mayor Winters called for the vote.

Motion carried 5-0.

PETITIONS AND COMMUNICATIONS

16. **MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.**

- A. **Richard Liebert**, 289 Boston Coulee Road, discussed the Library being open on Sundays, records he received regarding Calumet, and the co-gen facility.

- B. Ron Gessaman**, 1006 36th Avenue NE, discussed meetings conducted by Tintina Resources regarding its Black Butte Copper project last Tuesday in Great Falls and Friday in White Sulphur Springs. He provided a copy of a “My Two Cents” article authored by Maxwell Nelson of Missoula.
- C. John Hubbard**, 615 7th Avenue South, discussed a Glacier County lawsuit, and opined about the AV equipment not recording during the last Commission meeting, and misinformed voters.

CITY MANAGER

17. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

City Manager Greg Doyon commented that a power surge tripped the recording system prior to the last Commission meeting.

With regard to the request to do a follow up on the status of Calumet’s appeal to the City, Manager Doyon reported that there is summary report available through the City Clerk’s Office.

He reported on his attendance at the International City Manager’s Association conference last week in Seattle, and announced that he will be attending the Montana League of Cities and Towns conference the next three days.

Manager Doyon also followed up on inquiries made at the last Commission meeting regarding the Business Improvement District (BID) and Tourism Business Improvement District (TBID) budgets.

CITY COMMISSION

18. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

There were no miscellaneous reports and announcements from members of the City Commission.

19. COMMISSION INITIATIVES.

Mayor Winters proposed directing staff to look into options for the lease of a portion of Gibson Park and possible construction of an event center.

Park and Recreation Director Joe Petrella explained that a recommendation will come before the Commission at the next meeting to contract with a consultant to conduct research and prepare a Park and Recreation Master Plan. The process should start in November and will take nine months to complete. The needs assessment and surveys will go out to the public in the first two months. Results of what the community is looking for will be received early on in the master planing process. There will be approximately 10 public meetings. He reported that the surveys could include a specific line item asking the public if an event center is wanted in Gibson Park.

After discussion, it was the consensus of the Commission that a specific line item be added to the surveys asking the public if an event center is wanted in Gibson Park during the master planning process.

ADJOURNMENT

There being no further business to come before the Commission, **Commissioner Burow moved, seconded by Commissioner Jones, to adjourn the regular meeting of October 6, 2015, at 8:50 p.m.**

Motion carried 5-0.

Mayor Michael J. Winters

City Clerk Lisa Kunz

Minutes Approved: October 20, 2015