

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

AGENDA APPROVAL: No changes were proposed by the City Manager or City Commission. The revised agenda was approved as submitted.

**** Action Minutes of the Great Falls City Commission ****

NEIGHBORHOOD COUNCILS

1. COUNCILS 7 & 9 DRAWING OF TIE-VOTE OF WRITE-IN CANDIDATES.

Due to tie votes between the write-in candidates for the fifth seat on Neighborhood Council District 7 and 9, two drawings were held. Commissioner Kelly drew Jeff Lauver for Neighborhood Council 7 and Commissioner Jones drew Mark Frisbe for Neighborhood Council 9.

2. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

Kathy Gessaman, NC 3, reported on the council's last meeting and announced that Jerry McKinley would be attending their next meeting to discuss concerns with safe pedestrian crossings near Skyline School.

CONSENT AGENDA.

3. Minutes, November 17, 2015, Commission meeting.
4. Total expenditures of \$2,031,308 for the period of October 31, 2015, through November 18, 2015, to include claims over \$5,000, in the amount of \$1,834,349.
5. Contracts list.
6. Set public hearing for December 15, 2015, to obtain comments on the housing and community development needs of the City of Great Falls related to the use of CDBG and HOME funds.

7. Approve Change Order #2 reducing the contract by \$62,573.50 for Wastewater Treatment Plant Disinfection and Ammonia Removal Improvements and approve final payment in the amount of \$26,497.53 to Swank Enterprises and \$267.47 to the State Miscellaneous Tax Fund. **OF 1633**
8. Postpone bid award for new 2016 tandem axle dump trucks.

Commissioner Kelly moved, seconded by Commissioner Jones, that the City Commission approve the Consent Agenda as presented.

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

Commissioner Burow requested an explanation for the decreased amount in the change order of Agenda Item 7.

Public Works Director Jim Rearden explained that a per unit cost for the basin repair work had been included in the original estimate. The final costs were less than anticipated.

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

Ron Gessaman, 1006 36th Avenue NE, referred to Agenda Item 7 and expressed that he was pleased that the City was paying less than anticipated, and he inquired about the delay in final payment.

Director Rearden explained that the project was substantially completed in February, but that there was still a punch list of items that needed completion and a repair list that needed to be finished. Final payment is not issued until everything is done to staff's satisfaction.

There being no one further to address the Commission, Mayor Winters called for the vote.

Motion carried 5-0.

BOARDS & COMMISSIONS

9. APPOINTMENT, AUDIT COMMITTEE.

Commissioner Kelly moved, seconded by Commissioner Bronson, that the City Commission appoint Jeremy Trebas to the Audit Committee to fill the private citizen position through June 30, 2018.

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

Commissioner Kelly commented that he was grateful that someone of this character, quality and skill set be appointed to this committee

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

Ron Gessaman, 1006 36th Avenue NE, commented that Jeremy Trebas is an excellent candidate, but suggested more than one citizen be appointed to the Audit Committee. He also suggested

that the Audit Committee regularly report at Commission meetings.

There being no one further to address the Commission, Mayor Winters called for the vote.

Motion carried 5-0.

10. **MISCELLANEOUS REPORTS AND ANNOUNCEMENTS FROM BOARDS AND COMMISSIONS.**

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

PUBLIC HEARINGS

OLD BUSINESS

NEW BUSINESS

11. **LABOR AGREEMENT WITH THE INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS, LOCAL 8.**

City Manager Greg Doyon reported that the City's labor negotiation team (Manager Doyon, Deputy Reichelt, City Attorney Sara Sexe, Fire Chief Hester, Fiscal Service Director Kinzler) completed negotiation with IAFF Local #8 through their representative Ricky Walsh on November 6, 2015. Negotiations commenced in August 2014, proceeded to mediation on November 24, 2014, and then to Fact Finding on May 5, 2015. With no agreement after mediation, the contract was ultimately scheduled for binding arbitration on November 23-24, 2015. Before arbitration was held, the parties reengaged in negotiations to attempt resolution. A tentative agreement was reached on November 18, 2015, when Local 8 voted to accept the tentative agreement and approve the collective bargaining agreement. Ratification of the proposed agreement by the Commission will eliminate the need to continue with binding arbitration.

Manager Doyon provided an overview of the highlighted changes in the contract. The major change being overtime for hire-backs/call-backs with a minimum guarantee of two hours of pay.

Commissioner Bronson moved, seconded by Commissioner Jones, that the City Commission ratify the Collective Bargaining Agreement between the City of Great Falls and the International Association of Fire Fighters (IAFF), Local 8.

Mayor Winters asked if there was any discussion amongst the Commissioners or comments from the public. No one responded.

Manager Doyon added that the City has an obligation to all employees in the organization, not just those in unions, and that union contracts have the biggest fiscal and economic impact on the organization. He further noted the impact on exempt employees.

Mayor Winters called for the vote.

Motion carried 5-0.

12. SETTLEMENT AGREEMENT WITH LISA SCHNEIDERHAN.

City Attorney Sara Sexe reported that Lisa Schneiderhan was hired by the City on August 12, 2002, to work as the City's switchboard operator. She worked as an operator until 2014 when the position was eliminated due to the purchase of a new automated telephone system. Ms. Schneiderhan later was hired on March 17, 2014 as a Court Account Clerk Senior for the City's Municipal Court (hereafter "Court").

The City terminated Ms. Schneiderhan from her Court position in March 2015 based upon concerns the Court had with her performance. Ms. Schneiderhan made complaints about the Court's work environment, and filed Human Rights Bureau (HRB) claims, and a grievance under the Montana Public Employees Association (MPEA) collective bargaining agreement. She also alleged various federal and state employment law claims.

An HRB investigator conducted numerous interviews and determined that he did not find cause to believe discrimination occurred. Ms. Schneiderhan objected to the determination and a hearing was scheduled with the Human Rights Commission on November 20, 2015. The hearing was postponed pending City Commission review of the proposed settlement.

The investigation of her retaliation complaint has not been completed by the HRB. The MPEA grievance of her termination from employment was scheduled for arbitration on December 8, 2015 and has been postponed pending Commission review of the proposed settlement.

Attorneys from both parties held a mediation conference with a third party mediator on November 17, 2015. To provide closure of all claims and resolve the uncertainty of litigation, at the mediation, the parties agreed to resolve the matter for \$90,000.00. The City's risk management pool, Montana Municipal Interlocal Authority (MMIA) does not provide coverage for grievances under collective bargaining agreements, but does cover the other claims made by Ms. Schneiderhan. As such, the City would pay \$40,000 and MMIA would pay \$50,000 if the proposed settlement is approved by the Commission.

Commissioner Burow moved, seconded by Commissioner Jones, that the City Commission approve the Settlement Agreement with Lisa Schneiderhan.

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

Commissioner Kelly noted that the Commission based its decision not only on what was just reported but also on information provided to the Commission during a closed session earlier today.

Mayor Winters asked if there were any comments from the public. Hearing none, Mayor Winters called for the vote.

Motion carried 5-0.

ORDINANCES/RESOLUTIONS**13. RESOLUTION 10119, ESTABLISH CRITERIA FOR EVALUATING TAX ABATEMENT OR BENEFIT REQUESTS.**

Planning and Community Development Director Craig Raymond reported that this was a request to adopt Resolution 10119 which would establish criteria for evaluating tax abatement or tax benefit requests. The Commission first considered this resolution on November 17, 2015, and had some specific requests for modifications. The revised resolution reflects those changes that city staff and Commission worked on.

The State of Montana has provided enabling legislation to encourage new and expanding industry (MCA 15-24-1402), redevelopment or expansion of existing buildings (MCA 15-24-1501) and restoration, rehabilitation, expansion and new construction of residential and commercial properties within historic districts (MCA 15-24-1601)—through certain tax abatements and benefits. The Montana Supreme Court has stated that the governing body has discretion to approve or deny these abatement requests.

Each of these special property tax application programs have specific criteria for eligibility, outlined in the Montana Code Annotated, which must be met in order for a project to qualify for tax benefits, as well as specific performance measures for the governing body in the processing of the tax benefit application. Each tax benefit program also contains provisions for the recapture of property taxes by the local governing body if the ownership or use of the property does not meet the requirements of the statutes.

Resolution 10119 enables the Commission to evaluate, and consider tax abatement requests, directs the Commission to establish eligibility for each project and allows the Commission to consider other factors which may influence whether certain tax abatement applications are deemed acceptable.

The City Commission has adopted three resolutions in the past for different tax abatement or benefits:

- Resolution 8728, adopted in 1995 for Historic Preservation or Historic Districts
- Resolution 8967, adopted in 1998 for New or Expanding Industry
- Resolution 9004, adopted in 1999 for Remodeling, Reconstruction or Expansion of Existing Buildings

The City Commission has asked for clarification on the criteria for approval of tax abatement and benefit requests. Resolution 10119 provides not only clarification of the criteria, but also establishes consistent criteria between the different types of tax benefits and allows the Commission greater flexibility in considering whether to utilize its discretion in approving or not approving tax abatement or benefit applications.

If Resolution 10119 is approved, the following criteria will be established:

- a) Whether the City's financial condition at the time of the application or consideration of the application warrants granting the application;
- b) Whether the application meets all pertinent statutory criteria for the particular project;

- c) Whether the property taxes or other taxes and/or assessments on the property are current;
- d) Whether the project may unreasonably affect the tax base of the City;
- e) Whether the project would impact employment opportunities within the City;
- f) Whether the project is located within a Tax Increment Financing (TIF) or Targeted Economic Development (TED) District;
- g) Whether the project has already received additional financial assistance from the City or other authorities having jurisdiction;
- h) As to applications filed pursuant to Mont. Code Ann. §15-24-1601 *et seq.*, whether the Montana state historic preservation office has provided design review assistance and certification for qualifying properties;
- i) Whether the project will create affordable housing opportunities;
- j) Whether the project will encourage additional, unsubsidized development in the area of the project, either directly or indirectly, through “spin-off” development;
- k) Whether the project will facilitate the development process and achieve development on sites which would not be developed without assistance, or would not be developed at a level of acceptable quality;
- l) Whether the project would encourage redevelopment of commercial and industrial areas in the City of Great Falls, resulting in a higher level and quality of re-investment;
- m) Whether the project would encourage removal of blight, or the rehabilitation of a high profile or priority site;
- n) Whether the application is sought in whole or in part because of increased costs of redevelopment, such as clean-up of a contaminated site, demolition expenses, and the like, over and above costs normally incurred in development;
- o) Whether the project could be developed without the benefit of a tax abatement; i.e., but for the allowance of a tax abatement, the project would not be developed or pursued;
- p) Whether conferring the tax benefit will create an adverse impact on existing state, county or municipal services;
- q) Whether the project contributes to the implementation of other policies adopted by the City, including, but not limited to, the City’s Growth Policy; and/or
- r) Whether the project would meet other criteria as would be considered reasonable for the best interests of the City.

Commissioner Jones moved, seconded by Commissioner Kelly, that the City Commission adopt Resolution 10119 – a Resolution Establishing Criteria for Evaluating Tax Abatement or Benefit Requests.

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

Commissioner Bronson explained that he had worked with City Attorney Sexe to revise the resolution to better articulate the City’s Growth Policy and State Law. In terms of state law, the City does have discretion as to how it is applied. He expressed that he feels this was staff’s and his best efforts at drafting a document that met everyone’s needs, but that he was open to other suggestions.

Commissioner Kelly referred to Commission consideration of the tax abatement applications for the Hotel Arvon property. He wants the Commission to have more flexibility. He also encouraged applicants to submit applications early.

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, expressed that he was disappointed that there was not a statement included in the tax abatement criteria about high wage jobs.

Jolene Bach, Great Falls Development Authority, 300 Central Avenue, commented that GFDA discussed the document with developers and is fine with the document as submitted. In response to Mr. Gessaman's comments, Ms. Bach noted that GFDA is responsible for recruiting high wage jobs and employers to the community and will continue to do so.

Neil Fortier, NeighborWorks Great Falls, 509 1st Avenue South, commended the Commission and staff for the document. He said that it will allow projects more flexibility.

There being no one further to address the Commission, Mayor Winters called for the vote.

Motion carried 5-0.

14. **RESOLUTION 10126, BOARD OF INVESTMENTS INTERCAP REVOLVING PROGRAM FOR TWO 2016 PUMPER FIRE TRUCKS.**

Fiscal Services Director Melissa Kinzler reported that on November 17, 2015, the City Commission approved the purchase of two 2016 Pumper Fire Trucks. Resolution 10126 authorizes the borrowing of the funds for this purchase. The Montana Board of Investments has agreed to loan the City of Great Falls, \$801,098 for the purchase of two 2016 pumper fire trucks. The loan has a variable interest rate that changes annually in February and the current interest rate is 1.25%. The term of the loan will be 10 years and will be repayable from the General Fund at approximately \$86,000 a year. Any amounts that are authorized in the borrowing that are in excess of the amount needed for the purchase of the trucks will be released back to the Montana Board of Investments for their use on other projects. Early redemption of the loan is possible. The average annual interest rate of this program for the last 5 years is 1.29%. The closing date of this borrowing is scheduled for December 11, 2015.

Commissioner Jones moved, seconded by Commissioner Bronson, that the City Commission adopt Resolution 10126 authorizing the participation in the Board of Investments Intercap Revolving Program for the purchase of two (2) 2016 pumper fire trucks.

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

City Manager Doyon added that the decision to purchase two fire trucks sets the stage for future budget discussions. This purchase will reduce the flexibility of allocating future General Fund monies to other areas of the budget.

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

John Hubbard, 615 7th Avenue South, expressed that he didn't feel it was cost effective to send

fire trucks on all emergency calls.

City Manager Doyon explained that there are paramedics that respond from Great Falls Fire Rescue to emergency calls quicker and administer care faster than Great Falls Emergency Services. That is the model the City decided to work under.

Fire Chief Steve Hester shared that a lot of lives are saved with this model.

Justin Baker, City firefighter, 1100 46th Avenue NE, commented that there is fire based EMS in the City of Great Falls. Firefighters have to be ready for any kind of call that they encounter, and wouldn't leave the fire station without a fire truck containing all the tools. Without the fire truck, he wouldn't have the right tools to do the job.

There being no one further to address the Commission, Mayor Winters called for the vote.

Motion carried 5-0.

PETITIONS AND COMMUNICATIONS

15. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

Sheila Rice, NeighborWorks Great Falls, 509 1st Avenue South, thanked the Commission for its support as NeighborWorks breaks ground on their first rental product.

John Hubbard, 615 7th Avenue South, discussed the Syrian refugee crisis and expressed his personal opinion that they should not be let into the United States. He also told the Commission to stop raising taxes and to bring the last politicians to justice.

Ron Gessaman, 1006 36th Avenue NE, disagreed with Mr. Hubbard and shared that he had been to Syria three times. He discovered that Syrians love Americans, just not our policies. He further noted that there are a number of new businesses in the County, and he opined that it was because it is easier to do business in the County than the City.

CITY MANAGER

16. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

In response to Mr. Gessaman, City Manager Greg Doyon commented that it depends on who you ask in regards to doing business in the City. Some say it's actually easier.

Manager Doyon reported that he and Commissioner Bronson attended a Montana League of Cities and Towns subcommittee meeting about the upcoming Legislative Session.

He further reported that he spoke recently at the Police Citizens Academy and shared what a great experience it was. He expressed kudos to Officer Huston who facilitated this year's program.

CITY COMMISSION

17. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

Mayor Winters announced that the Great Falls College MSU Choir will perform briefly at the next Commission Meeting.

18. COMMISSION INITIATIVES.

There were no Commission initiatives.

ADJOURNMENT

There being no further business to come before the Commission, **Commissioner Jones moved, seconded by Commissioner Kelly, to adjourn the regular meeting of December 1, 2015, at 8:05 p.m.**

Motion carried 5-0.

Mayor Michael J. Winters

Deputy City Clerk Darcy Dea

Minutes Approved: December 15, 2015