

JOURNAL OF COMMISSION WORK SESSION
March 21, 2017

City Commission Work Session
Civic Center, Gibson Room 212

Mayor Kelly presiding

CITY COMMISSION MEMBERS PRESENT: Bob Kelly, Bill Bronson, Bob Jones, Tracy Houck and Fred Burow.

STAFF PRESENT: City Manager Greg Doyon and Assistant City Manager Chuck Anderson, Fiscal Services Director Melissa Kinzler and Utility Operations Supervisor Laura Lynch, Assistant City Attorney Joe Cik, Planning and Community Development Deputy Director Tom Micuda, Public Works Director Jim Rearden, City Engineer Dave Dobbs, Environmental Division Supervisor Paul Skubinna, Utilities Systems Manager Mike Judge, Police Chief Dave Bowen, and City Clerk Lisa Kunz.

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

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

2. **PUBLIC COMMENT**

Ron Gessaman, 1006 36th Avenue NE, referred to yesterday's special work session regarding CDBG Timeliness Projects and expressed opposition to Montana Egg, a private company, being allocated public funds. Mr. Gessaman discussed his disappointment that there wasn't any publicity with regard to the City/County Joint Meeting with Local Legislators, and that the specification plans for 36th Avenue NE were not posted on the City's website.

3. **UPDATES FROM NEIGHBORHOOD COUNCIL 3**

Mayor Kelly reported that NC 3's boundaries are: the northern boundary is the City limit line, the southern boundary is the Northwest Bypass, the eastern and western boundaries are the City limit line.

Terry Thompson, NC 3 Chairperson, introduced fellow council members. Chairperson Thompson reported that NC 3 has the largest population within its district. She updated the Commission on neighborhood improvement projects: 36th Avenue NE and 2nd Street crosswalk, Skyline Park playground improvements, painted water tower, and pending intersection improvements at Bootlegger, Eagles Crossing Subdivision and Highway 87, as well as Bootlegger and 36th Avenue NE. The council has concerns about drainage issues near the new apartments and storage units. The council also suggests sidewalks on both sides of the street.

Chairperson Thompson discussed the council's wish list item: north arterial bypass from Highway 87 to Interstate 15. The council anticipates less traffic in the district with the opening of the new Walmart.

She further reported that 10 new homeowners moved into the NeighborWorks self help homes in the Thaniel Addition, West Ridge Addition will begin building townhomes soon, and the council is looking forward to the construction of the Smelter Avenue Apartments.

Chairperson Thompson thanked emergency personnel that responded to the Vinyard fire last July. CodeRed proved to be a valuable resource for communicating to citizens. The council has discussed having a community preparedness event coordinated through the DES emergency manager sometime in the future.

She thanked the City for updating the procedures for property code enforcement which included the complaint form and the nuisance abatement procedures. She also thanked Officer Gerhart for providing the council with quarterly updates of crimes in the neighborhood. She further noted that the Riverview Residents' Facebook page is the primary method of communication used by the neighbors for suspicious or criminal activity, lost pets, etc.

Chairperson Thompson concluded that the council is monitoring development at West Bank, and noted the new or expanding businesses in Great Falls. She thanked City staff Patty Cadwell and Lisa Kunz for support and assistance to the council when needed.

During the school year, NC 3 meetings are held on the first Thursday of each month at 7:00 p.m. at the Riverview Elementary School music room, and everyone is invited to attend.

Commissioner Houck gave kudos to Chairperson Thompson for her NC update, and for utilizing Facebook as a neighborhood watch tool. She further noted that NC 3 voted in opposition to the West Bank and Refinery zone request changes.

Manager Doyon noted that that Commission also asked about Emerson Junction as a full interchange and the Department of Transportation's response was to pay \$250,000 for a feasibility study and then DOT staff will determine if it's even possible. There was a study done years ago about a bypass through there. Chairperson Thompson noted that there are smart growth grants for \$25,000 that could be utilized for studies.

Commissioner Burow noted that he is on the transportation committee and there has been conversation about the need for an interchange in the past. It would be a state project that doesn't seem to get any traction until there are enough funds to get it started.

4. MONTANA AIR NATIONAL GUARD UPDATE

Colonel Lee Smith reported that the purpose of this briefing is to give the Commission an idea of the Montana Air National Guard's (MANG) planned development of a dirt landing zone at Malmstrom Air Force Base (MAFB), and what the operational requirements will be with that development.

Col. Smith commented that MANG has about 830 members in the wing, another 120 units or so with Red Horse Squadron at MAFB, and another 20 to 25 at Joint Force Headquarters in Helena. A significant number of airmen live in Great Falls and surrounding communities.

He further discussed deployment accomplishments subsequent to the conversion of the C 130's. It was a record setting deployment in terms of efficiency and effectiveness. Additionally, a new hanger is in the final stages with expected completion at the end of this month.

Col. Smith reviewed and discussed the attached PowerPoint presentation regarding the development of a dirt landing zone at MAFB, including traffic patterns, runway approach zones, runway departures, landing zones, drop zones, and noise contours. Malmstrom's 344th Civil Engineer and 819th Red Horse Squadrons have agreed to build the runway. It's a fantastic partnership wherein the squadrons will get great training to build a runway that they don't normally get a chance to build and MANG will get to reap the rewards of the runway and train on it in perpetuity.

Mayor Kelly requested an invitation for the Commission to tour the facility at MAFB when it's getting laid down, as well as a tour of MANG.

Additional discussion continued about the accident potential zone.

Col. Smith announced that an air show is scheduled in Great Falls for July, 2017, that includes the Thunderbirds, as well as a celebration for the 70th Anniversary of the Montana Air National Guard.

Mayor Kelly asked what else the City could do to help with MANG's mission. Col. Smith responded that the level of support MANG gets from the City is fantastic, and that includes private organizations like MAC, and mutual support agreements. He concluded that the opportunity to continue to find synergies to help each other out is crucial for long term success.

5. UTILITY RATE REVIEW

Public Works Director Jim Rearden reported that the City of Great Falls provides water, sewer and storm drainage utility services to approximately 18,700 residential properties, approximately 2,300 commercial properties, and also serves Black Eagle and Malmstrom Air Force Base; and, includes over 700 miles of pipes, treatment plants and other appurtenances.

He explained the proposed rates will be presented on tonight's agenda to set the public hearing for May 2, 2017. Proposed new rates would take effect June 1, 2017.

Director Rearden reviewed and discussed the attached PowerPoint slides on the City of Great Falls' 2017 Utility Rate Analysis. He noted that permit cycles are driving the costs. He further noted that 80% of the rate increases go back into the community, either by fortifying systems, or through material suppliers, consultants or contractors.

Due to a lack of time, Director Rearden was asked to present the Storm Drain Utility at the next work session.

6. DISCUSSION OF POTENTIAL UPCOMING WORK SESSION TOPICS

Manager Doyon reported that the next work session will include the Storm Drain Utility review, and a presentation on implementation of the Park and Recreation Master Plan and introduction of models of a Park Maintenance District.

Manager Doyon asked if the Commission wanted anything added to the topic list. No one added any topics, but noted that the work sessions have been too overloaded.

ADJOURN

There being no further discussion, Mayor Kelly adjourned the informal work session of March 21, 2017, at 6:47 p.m.

Montana Air National Guard



120 AW Landing Zone

21 March 2017

1

Overview

- Wing Update
- Traffic Patterns
- RW Departures
- Noise Contours
- Results/Analysis

We live Right Here



MTANG: 980 Members
851 Enlisted
129 Officer


928 Members live in Montana
 545 Members live in Great Falls
 63 Members live in Cascade County
 52 Members live outside MT

Vigilantes - Ready to Ride!

Deployment Accomplishments


- Completed Conversion on 1 Oct 16
- Deployed to Persian Gulf on 23 Oct 16
- Record-setting deployment
 - 3,868.2 Hours - most hours flown since 2010
 - 2426 Sorties - most sorties flown since 2010
 - 17,111 Passengers - most moved since Mar 2010
 - 9658.8 Tons - 2nd most cargo moved since Mar 2010
 - Highest Mission Effectiveness rate since 2014 (over 99%)
- 108 Vigilantes returned 4-6 March (20 currently deployed)
- New hangar will be done this month!

Traffic Pattern North Up

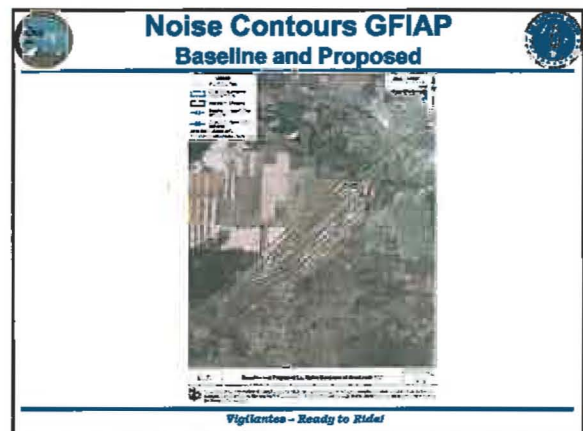
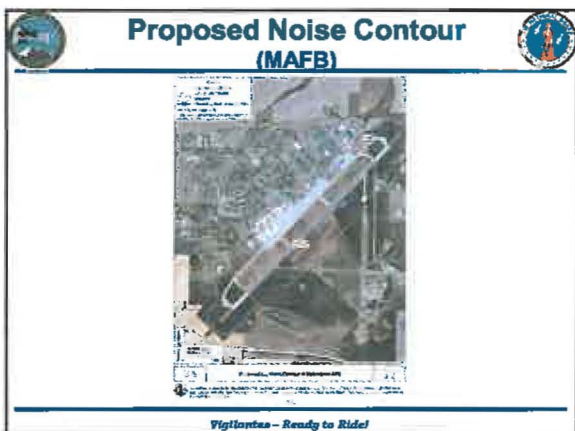
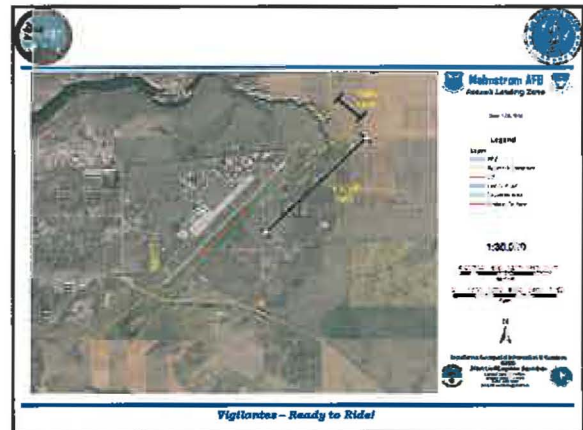
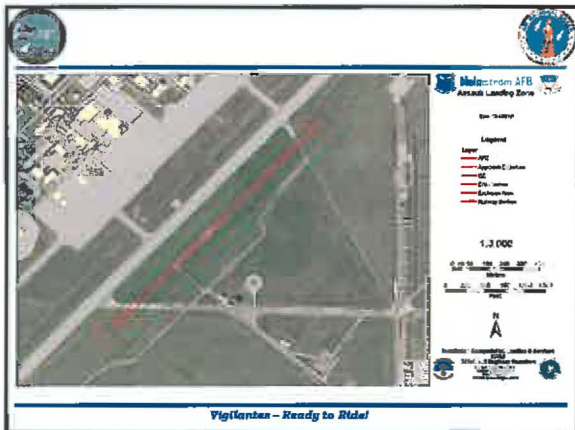
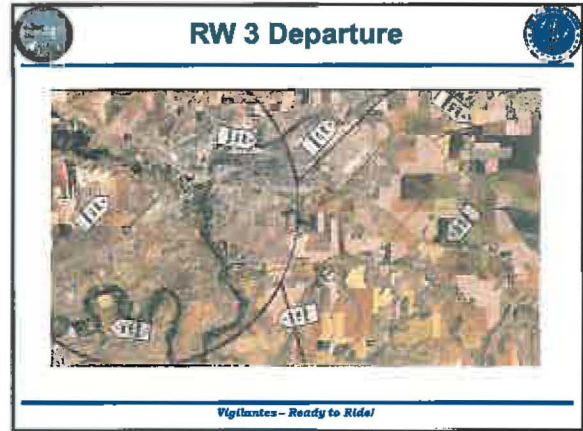
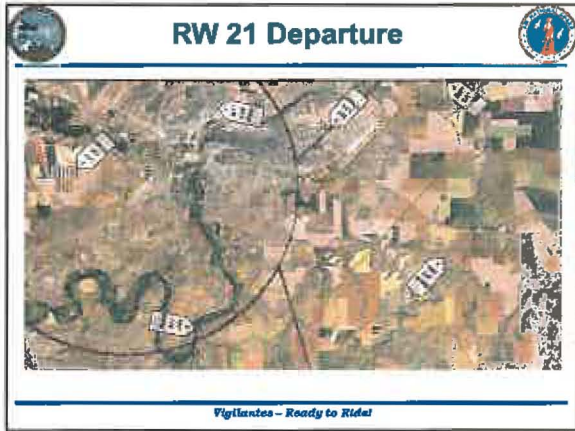


Vigilantes - Ready to Ride!

Traffic Pattern HDG 211° Up



Vigilantes - Ready to Ride!





Results and Analysis



- No scenario generated a noise contour above 41dB DNL anywhere
- AFCEC supports a FONSI for this proposal

City of Great Falls 2017 Utility Rate Analysis

Presented at the March 21, 2017
City Commission Work Session

CITY OF GREAT FALLS UTILITIES

- ❑ Provides water, sewer and storm drain services to:
 - ❑ Approximately 18,700 Residential Properties
 - ❑ Approximately 2,300 Commercial Properties (64,000+ users)

This includes operations, maintenance, replacement, upgrade of 690+ miles of utility pipes, treatment plants and appurtenances.

Proposed Rate Adoption Process

- ❑ Proposed Rates are being presented at tonight's March 21, 2017 City Commission Work Session
- ❑ March 21, 2017 - City Commission sets the Public Hearing Date
- ❑ Public Notices will be published three times
- ❑ Individual Customer Notices will be mailed
- ❑ Public Hearing to be held at the May 2, 2017 City Commission Meeting
- ❑ New Rates to take effect at least 10 days after City Commission adoption. Proposed for June 1, 2017.

WATER UTILITY



www.greatfalls.org



1108 BEECH DR



1108 BEECH DR

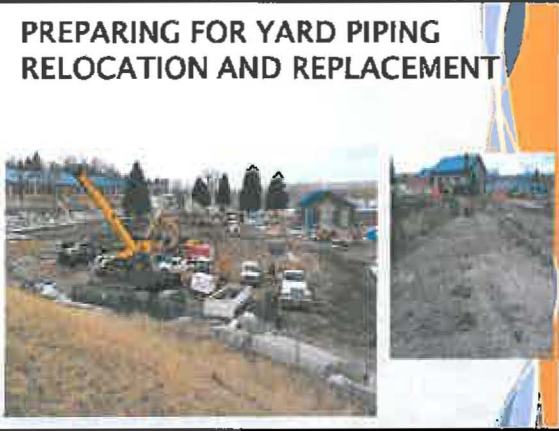
PROJECT SITE



FORMING SURGE TANK WALLS



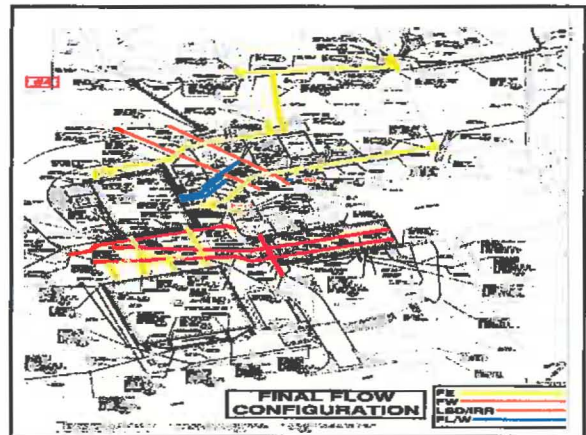
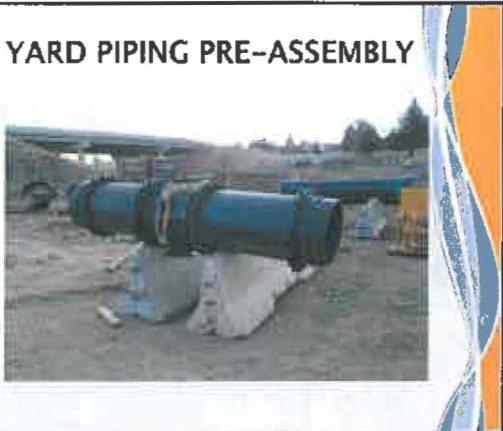
PREPARING FOR YARD PIPING RELOCATION AND REPLACEMENT

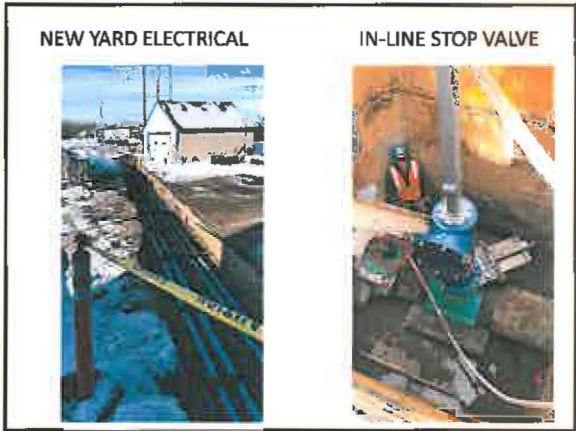


42" VALVE INSTALL



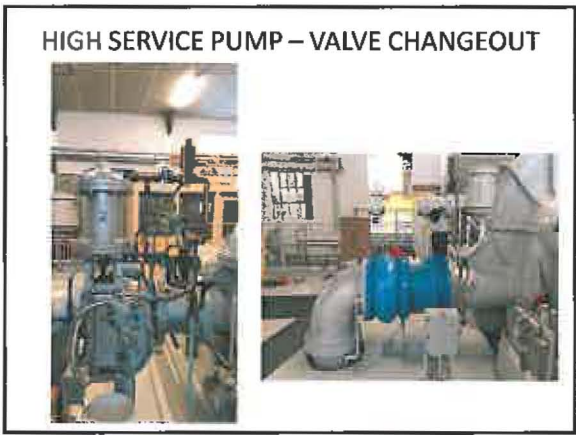
24" YARD PIPING PRE-ASSEMBLY





Project Schedule

| Milestone | Date |
|----------------------------------|------------------------|
| Engineering Notice to Proceed | August 2012 |
| Preliminary Engineering Report | February 2015 |
| 100% Drawings and Specifications | January 2016 |
| Phase 1 Construction Bid Opening | 2nd Quarter 2016 (May) |
| Phase 1 Construction Complete | 3rd Quarter 2018 |
| Future Projects | As detailed in CIP |



- ### 5 Year Completed Projects
- Annual Water Main Replacements
 - Ella Avenue Water Storage Tank Rehab
 - Skyline Tank Water Storage Tank Rehab
 - Lower Southside Water Main Replacements/Upsizing
 - Broadwater 30" Water Main Replacement
 - 33rd Street Surge Tank
 - Hill 57/Gore Hill Pump Station Upgrades
 - WTP Filter Building Ceiling Replacement
 - Water Treatment Plant Upgrades (In Progress)

- ### FUTURE PRIORITY CAPITAL NEEDS
- Water Main Replacements**
 - 40 Blocks Annually
 - Transmission Mains/River Crossings**
 - New South Missouri River crossing
 - New North Missouri River Crossing
 - Further Lower Southside/Northside Main Upsizing
 - New Sun River Crossing
 - Water Storage Tanks**
 - Gore Hill Tank Replacement
 - New East Booster District Tank/Pump Station
 - Water Plant Upgrades**
 - Pump Electrical Switchgear upgrades
 - Filter Upgrades
 - Sludge Processing Facility
 - Low/High Service Pump/Motor Replacement
 - Electrical Substation Replacement
 - New Administration/ Machine Shop



EXISTING CORE HILL WATER TOWER



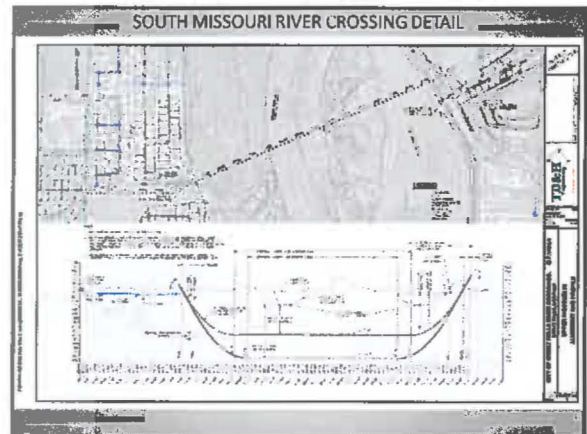
PARCEL PROPOSED
FOR PURCHASE BY
THE CITY

Public Hearing -
April 4, 2017

PHOTO IS LOOKING SOUTH FROM THE INTERSTATE



PHOTO IS LOOKING EAST NEXT TO THE CRYSTAL
INN



City of Great Falls, Montana
 Water Fund
 Cash Flow Analysis as of 2/18/17 - 5 Year Projection (10% revenue increases and 5% expense increases)

| Account | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|-------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Operating Cash Revenues | \$ 1,058,438 | \$ 1,163,671 | \$ 1,280,039 | \$ 1,409,042 | \$ 1,551,995 | \$ 1,710,794 | \$ 1,887,853 | \$ 2,086,688 | \$ 2,299,523 |
| Operating Cash Expenses | \$ 1,058,438 | \$ 1,163,671 | \$ 1,280,039 | \$ 1,409,042 | \$ 1,551,995 | \$ 1,710,794 | \$ 1,887,853 | \$ 2,086,688 | \$ 2,299,523 |
| Net Cash Flow | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

City of Great Falls, Montana
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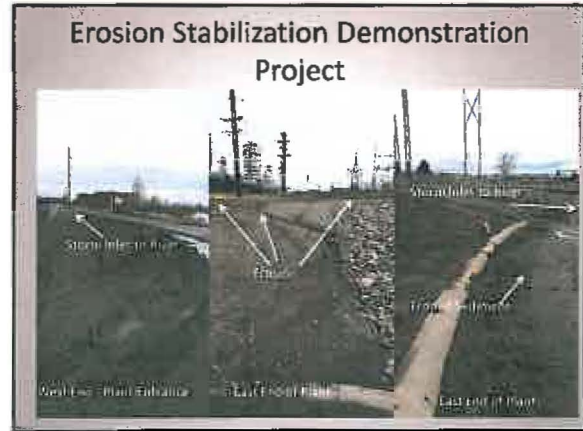




**SANITARY SEWER COLLECTION
REHAB AND REPLACEMENT**

| YEAR | COST | FOOTAGE | MILES | EMER. REPAIRS |
|------|-------------|---------|-------|---------------|
| 2008 | \$ 394,849 | 5,528 | 0.76 | \$ 0 |
| 2009 | \$ 133,494 | 4,000 | 1.05 | \$ 119,722 |
| 2010 | \$ 536,736 | 6,420 | 1.22 | \$ 26,610 |
| 2011 | \$1,218,161 | 11,475 | 2.17 | \$ 55,745 |
| 2012 | \$1,225,120 | 14,760 | 2.80 | \$ 46,330 |
| 2013 | \$ 380,000 | 13,400 | 2.54 | \$ 47,215 |
| 2014 | \$ 373,617 | 13,882 | 2.65 | \$ 13,025 |
| 2015 | \$ 448,384 | 11,574 | 2.19 | \$ 154,000 |
| 2016 | \$ 580,775 | 15,699 | 2.97 | \$ 290,380 |





- ### 5 Year Completed Projects
- Annual Trenchless Sewer Main Rehabilitations
 - WWTP Permit Required Upgrades (Ammonia Removal, Aeration Upgrades, UV Disinfection)
 - WWTP Heating Line Replacements
 - North Great Falls Lift Station, Force & Gravity Mains (West Ridge & Thaniel Additions)
 - WWTP Dissolve Air Flotation Thickener (DAFT) Rehab
 - Lift Stations 2, 20 & 24 Rehabilitation
 - Southeast Great Falls Lift Station & Main Extensions (Wal-Mart)
 - CMATP Sewer Main extensions

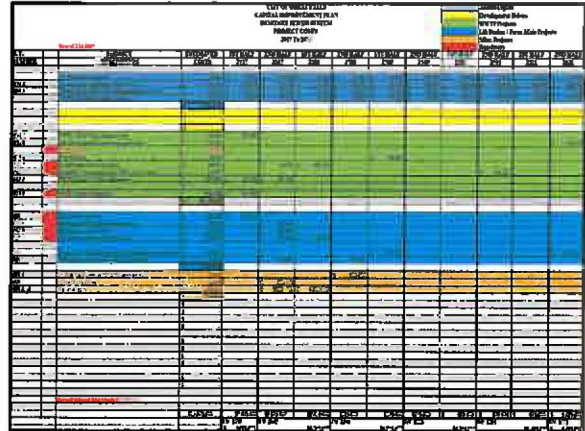
- ### FUTURE CAPITAL NEEDS
- ❑ **Upsizing/Capacity**
 - Riverview Area
 - ❑ **Sewer Main Lining**
 - 40 blocks per year
 - ❑ **WWTP/Lift Station Capital Needs**
 - Westside Pump Station Bar Screen Replacement
 - Septage Receiving Station
 - Grease Screening Facility/POG Receiving Station
 - Lift Stations 30, 29, 16, 9, 8 Upgrades
 - Lift Station #1 (6th Street) Rehab and Force Main
 - Future Permit Related Upgrades (Nutrients)
 - ❑ **Large Diameter Gravity Mains**
 - Refurbish 24" & 30" N.E. Interceptor

Possible Waste Water Treatment Process Upgrades

**** Timing of upgrade to Membrane Bioreactor process dependent on:

1. Outcome of nutrient water quality standards currently being developed, and
2. How DEQ interprets nutrient variance requirements

| Unit Process | Year Expected | Capital Cost Estimate |
|---|-----------------------------|-----------------------|
| Missouri River Sampling and Modeling | 2018-2021 | \$250,000 |
| Upgrade Bioreactors to A2O Process | 2022 | \$1,500,000 |
| Add Sidestream Treatment or Chemical Dosing | 2022 | \$5,000,000 |
| Build 4 th Bioreactor | 2027 | \$10,000,000 |
| Improve Clarifiers | 2027 or Possible Future | \$2,000,000 |
| Upgrade to MBR | 2022 or Possible Future**** | \$33,000,000 |



**City of Great Falls, Montana
Bower Fund**

Cash Flow Analysis as of 2/18/2017 - 5 Year Projection (3% revenue increases and 0% expense increases)

| | Actual 2016 | Actual 2016 | Projected 2017 | Projected 2018 | Projected 2019 | Projected 2020 | Projected 2021 | Projected 2022 |
|---|---------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | | | (0% increase) | (0% increase) | (0% increase) | (0% increase) | (0% increase) | (0% increase) |
| Beginning Unrestricted Cash Balance | \$ 4,122,783 | \$ 6,581,812 | \$ 6,436,795 | \$ 3,687,824 | \$ 480,211 | \$ 627,785 | \$ 1,374,413 | \$ 2,811,870 |
| Revenues | | | | | | | | |
| Fees from other city's | \$ 8,044,800 | \$ 8,114,179 | \$ 8,282,645 | \$ 8,458,456 | \$ 8,642,302 | \$ 8,833,519 | \$ 9,032,447 | \$ 9,239,440 |
| City strength charge | \$ 794,885 | \$ 779,085 | \$ 737,000 | \$ 693,328 | \$ 650,030 | \$ 607,161 | \$ 564,780 | \$ 522,880 |
| Storm water meter charge | \$ 154,271 | \$ 154,788 | \$ 142,000 | \$ 148,522 | \$ 155,810 | \$ 163,410 | \$ 171,300 | \$ 179,500 |
| Miscellaneous revenue | \$ 49,514 | \$ 60,981 | \$ 67,889 | \$ 75,590 | \$ 83,746 | \$ 92,486 | \$ 101,827 | \$ 111,808 |
| Miscellaneous income | \$ 48,414 | \$ 42,812 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Depreciation recaptured | \$ - | \$ 782,405 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Some proceeds from borrowing sources | \$ 4,824,817 | \$ 297,817 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Revenue | \$ 18,571,704 | \$ 18,389,068 | \$ 18,727,329 | \$ 18,335,796 | \$ 11,988,248 | \$ 12,668,546 | \$ 13,177,619 | \$ 13,773,288 |
| Expenses | | | | | | | | |
| Depreciation and maintenance expense | \$ 8,314,245 | \$ 8,332,269 | \$ 8,350,428 | \$ 8,368,707 | \$ 8,387,102 | \$ 8,405,619 | \$ 8,424,267 | \$ 8,443,046 |
| City Staff Retirement Allowance | \$ 348,000 | \$ 348,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Depreciation on Property | \$ 146,188 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| City Service | \$ 182,840 | \$ 182,780 | \$ 182,680 | \$ 182,580 | \$ 182,480 | \$ 182,380 | \$ 182,280 | \$ 182,180 |
| Interest on Debt | \$ 261,111 | \$ 261,111 | \$ 261,111 | \$ 261,111 | \$ 261,111 | \$ 261,111 | \$ 261,111 | \$ 261,111 |
| City of Great Falls - SFP | \$ 23,812 | \$ 23,812 | \$ 23,812 | \$ 23,812 | \$ 23,812 | \$ 23,812 | \$ 23,812 | \$ 23,812 |
| City of Great Falls - SFP | \$ 374,282 | \$ 374,282 | \$ 374,282 | \$ 374,282 | \$ 374,282 | \$ 374,282 | \$ 374,282 | \$ 374,282 |
| City of Great Falls - SFP | \$ 846,718 | \$ 846,718 | \$ 846,718 | \$ 846,718 | \$ 846,718 | \$ 846,718 | \$ 846,718 | \$ 846,718 |
| Capital Improvements - Debt Funded | \$ 4,124,814 | \$ 4,124,814 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capital Improvements - Unrestricted Cash | \$ 15,756,859 | \$ 15,756,859 | \$ 15,756,859 | \$ 15,756,859 | \$ 15,756,859 | \$ 15,756,859 | \$ 15,756,859 | \$ 15,756,859 |
| Total Expense | \$ 18,571,704 | \$ 18,389,068 | \$ 18,727,329 | \$ 18,335,796 | \$ 11,988,248 | \$ 12,668,546 | \$ 13,177,619 | \$ 13,773,288 |
| Ending Unrestricted Cash Balance | \$ 6,581,812 | \$ 6,436,795 | \$ 3,687,824 | \$ 480,211 | \$ 627,785 | \$ 1,374,413 | \$ 2,811,870 | \$ 4,122,783 |

Debt paid off in 2018-2022.
Debt paid off in 2018-2022.