



**City Commission Agenda**  
**Civic Center, 2 Park Drive South, Great Falls, MT**  
**Commission Chambers Room 206**  
**December 4, 2018**

**CALL TO ORDER 7:00 P.M.**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL/STAFF INTRODUCTIONS**

**AGENDA APPROVAL**

**CONFLICT DISCLOSURE/ EX PARTE COMMUNICATIONS**

**PETITIONS AND COMMUNICATIONS**

*(Public comment on any matter that is not on the agenda of the meeting and that is within the jurisdiction of the City Commission. Please keep your remarks to a maximum of 3 minutes. When at the podium, state your name and address for the record.)*

1. Miscellaneous reports and announcements.

**NEIGHBORHOOD COUNCILS**

2. Miscellaneous reports and announcements from Neighborhood Councils.

**BOARDS AND COMMISSIONS**

3. Miscellaneous reports and announcements from Boards and Commissions.

**CITY MANAGER**

4. Miscellaneous reports and announcements from the City Manager.

**CONSENT AGENDA**

*The Consent Agenda is made up of routine day-to-day items that require Commission action. Items may be pulled from the Consent Agenda for separate discussion/vote by any Commissioner.*

5. Minutes, November 20, 2018, Commission Meeting.
6. Total Expenditures of \$3,679,692 for the period of November 1, 2018 through November 21, 2018, to include claims over \$5,000, in the amount of \$3,429,862.
7. Contracts List.
8. Grants List.
9. Approve the Community Based Policing Agreement with the Great Falls Housing Authority and authorize the City Manager to sign the Agreement.
10. Approve final payment for the ADA Handicap Ramps 4th St NE, 6th St NE and 6th Ave S, in the amount of \$11,823.80 to David Kuglin Construction and \$119.43 to the State Miscellaneous Tax Division and authorize the City Manager to make the payments.

11. Approve Change Order No. 2 in the amount of \$366,384.00 to Sletten Construction Company for the Water Treatment Plant Improvements Phase 1 – UV and Chemical Building, Surge Tank, and Electrical Building project and authorize the City Manager to execute the necessary documents.
12. Approve the 2018 Memorandum of Agreement for the Great Falls Metropolitan Transportation Planning Process.

**Action: Approve Consent Agenda as presented or remove items for separate discussion and/or vote**

## **PUBLIC HEARINGS**

13. Resolution 10272, Approving an Industrial Development Project and Associated Infrastructure Improvements in the International Airport Tax Increment Financing Industrial District and approve an expenditure in the amount of \$107,383.22 using Airport TIF funds.

*Action: Conduct joint public hearing, adopt or deny Res. 10272 and approve or deny Development Agreement. (Craig Raymond)*

14. Request to use Downtown Urban Renewal District Tax Increment Financing (TIF) Funds to assist with the annual operating costs for the Downtown Development Partnership.

*Action: Conduct public hearing and approve or deny the request. (Presented by Craig Raymond)*

## **OLD BUSINESS**

## **NEW BUSINESS**

## **ORDINANCES/RESOLUTIONS**

## **CITY COMMISSION**

15. Miscellaneous reports and announcements from the City Commission.
16. Commission Initiatives.

## **ADJOURNMENT**

*(Please exit the chambers as quickly as possible. Chamber doors will be closed 5 minutes after adjournment of the meeting.) Commission meetings are televised on cable channel 190. If a video recording is available it will be posted on the City's website at <https://greatfallsmt.net> after the meeting. City Commission meetings are re-aired on cable channel 190 the following Wednesday morning at 10 am, and the following Tuesday evening at 7 pm.*



**Item:** Minutes, November 20, 2018, Commission Meeting.

**From:** City Clerk's Office

**Initiated By:** City Clerk's Office

**Presented By:** City Commission

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ATTACHMENTS:

- Draft November 20, 2018 City Commission Meeting Minutes

# JOURNAL OF COMMISSION PROCEEDINGS

November 20, 2018

Regular City Commission Meeting  
Commission Chambers Room 206

## CALL TO ORDER

7:00 p.m.

## PLEDGE OF ALLEGIANCE

## ROLL CALL

City Commission members present: Bob Kelly, Bill Bronson, Owen Robinson, and Tracy Houck. Commissioner Mary Sheehy Moe was excused. Also present were City Manager Greg Doyon and Deputy City Manager Chuck Anderson; City Clerk Lisa Kunz; Public Works Director Jim Rearden; Planning and Community Development Director Craig Raymond; Finance Director Melissa Kinzler; Fire Chief Steve Hester; City Attorney Sara Sexe; and, Police Captain John Schaffer.

## AGENDA APPROVAL

City Manager Greg Doyon noted that the Minutes of the November 7th Commission meeting were updated after original posting to correct clerical errors. No changes were proposed by the City Commission. The agenda was approved as submitted.

## CONFLICT DISCLOSURE/ EX PARTE COMMUNICATIONS

None.

## PROCLAMATIONS

Small Business Saturday.

## PETITIONS AND COMMUNICATIONS

### 1. Miscellaneous reports and announcements.

**John Hubbard**, 615 7th Avenue South, noted NorthWestern Energy's proposed request to the Public Service Commission to increase rates, as well as the City's public notice of standard maximum contaminant level violation for the 3rd quarter of 2018.

Public Works Director Jim Rearden responded that the third quarter HAAS level of 60.5 ug/L exceeded the standard level of 60 ug/L. Additional testing was completed in the last month and the number has come down. He also noted that the new Water Treatment Plant is expected to be on line within the next couple of months.

## NEIGHBORHOOD COUNCILS

2. **Miscellaneous reports and announcements from Neighborhood Councils.**

None.

**BOARDS AND COMMISSIONS**

3. **Miscellaneous reports and announcements from Boards and Commissions.**

As the City's representative on the Board of Health, Commissioner Robinson reported that the City-County Health Department announced that there is a current danger with romaine lettuce. He urged everyone not to consume or buy romaine lettuce, and to pass the word on.

4. **Reappointment, City-County Board of Health.**

**Commissioner Houck moved, seconded by Commissioner Robinson, that the City Commission reappoint Peter Gray to the City-County Board of Health for a three-year term commencing January 1, 2019, and ending December 31, 2021.**

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

Commissioner Robinson noted that the Board of Health voted unanimously to recommend the reappointment of Mr. Gray.

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

Motion carried 4-0

5. **Reappointment, Ethics Committee.**

**Commissioner Robinson moved, seconded by Commissioner Bronson, that the City Commission reappoint Katrina Stark for a three-year term through December 31, 2021.**

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

Mayor Kelly noted that Ms. Stark's original term was one year. He inquired if this Committee has met in the last year.

City Attorney Sara Sexe responded that the Committee has met regarding this appointment and their bylaws.

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

Motion carried 4-0

**CITY MANAGER**

6. **Miscellaneous reports and announcements from the City Manager.**

Deputy City Manager Chuck Anderson made the following reports/announcements:

- Neighborhood Council Coordinator Patty Cadwell retired on November 15th. A retirement celebration is scheduled for December 19th, from 4:00-7:00 p.m. in the Gibson Room. In the interim, he and Executive Assistant Krista Artis will be covering administrative support for the councils.
- The City worked with GFDA to submit a proposal to the Governor's Office of Economic Development to host this year's Innovative Montana Symposium. The City's sponsorship for this effort was to offer the Civic Center without room charges - a \$6,500 commitment. He was notified today that Great Falls was not selected as the host city. GFDA will use the proposal template to submit a stronger proposal next year.
- City offices are closed Thursday and Friday for the Thanksgiving holiday, with the exception of Municipal Court which is open on Friday.
- The City is transitioning to a new agenda software and is tentatively scheduled to go live January 1, 2019. AVI is still working with its engineers to come up with a viable solution for livestreaming that will meet the City's needs.
- The Parade of Lights is Friday on Central Avenue at 6 p.m., followed by the lighting of the Christmas tree.
- Kellie Pierce with the Downtown Great Falls Association led the process of tree cutting, delivery, and placement of this year's Christmas tree in front of the Civic Center. Guy Tabacco Construction and project leader Kevin Miller, AT Klemens, and NCSG Crane Service provided staff time and resources. City Forester Todd Seymanski added lights to the tree today using two new bucket trucks that were purchased this year.
- The City is currently accepting applications for the Library Director position. The Housing Authority Director position will be advertised soon.
- Municipal Court's Canned Food Day is Friday, November 30th from 7:00 a.m. to 4:30 p.m.

**CONSENT AGENDA**

7. Minutes, November 7, 2018, Commission Meeting.
8. Total Expenditures of \$2,135,452 for the period of October 13, 2018 through November 7, 2018, to include claims over \$5,000, in the amount of \$1,835,410.
9. Contracts List.
10. Approve Final Payment for the 16th Avenue South/Prospect Heights Storm Drain Improvements in the amount of \$34,472.24 to Horn Construction, LLC and \$348.20 to the State of Montana Miscellaneous Tax Division, and authorize the City Manager to execute the necessary documents and make the payments. **O.F.**  
**1666.7**

11. Approve a Lease Agreement with Option to Purchase Real Estate for Storm **OF** Water Retention and Treatment Ponds, and authorize the City Manager to **1118.4** execute the agreement.
  
12. Approve Memorandum of Understanding Addendum 1 to Labor Agreement between the City of Great Falls and the International Association of Fire Fighters, Local #8 (IAFF Local #8).

**Commissioner Houck moved, seconded by Commissioner Robinson, that the City Commission accept the Consent Agenda as presented.**

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

Commissioner Bronson referred to Item 11 and inquired if the payment amounts for the lease with option to purchase were negotiated with the land owner.

Public Works Director Jim Rearden responded that the lease numbers were based on an appraisal of the property. The City has been working on this potential lease for many years that will help the City with some run-off issues into Gibson Flats. Leasing the property is substantially less than building a facility on City property.

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

Motion carried 4-0

**PUBLIC HEARINGS**

13. **Ordinance 3189, Repealing and Replacing Title 15, Of The Official Code Of The City Of Great Falls (OCCGF), Pertaining To Buildings and Construction.**

City Attorney Sara Sexe reported that substantive changes to Title 15 include: clear penalty provisions for International Fire Code and Building Code violations, and operating construction and building maintenance businesses without appropriate licenses; and, amending the adoption process of the International Fire Code to be done administratively. The exhibits were updated to incorporate some clarifying language suggested by Commissioner Moe. Subsequent to agenda posting, edits were suggested by Commissioner Bronson that should be considered during Commission discussion, to include: correct reference to the Montana Department of Transportation, as well as deleting a reference to covenants. The City does not enforce restrictive covenants on private property.

Mayor Kelly declared the public hearing open. No one spoke in favor of or in opposition to Ordinance 3189.

Written correspondence was received from **Shyla Patera**, North Central Independent Living Services (NCILS), 1120 25th Avenue NE. On behalf of herself and NCILS, Ms. Patera suggested the Commission consider incorporating the ADA Transition Plan, accessibility, universal design, and visit ability with the City building codes, and that it not be limited to public rights of way. If adopted, newly constructed housing would be required to have a zero step entrance, wider interior hallways and doorway clearances, and a main floor full or half bathroom with adequate wheelchair turning radius. She further suggested that local businesses, Great Falls Development Authority, and building contractors be encouraged to look into tax credits or funding to enhance mobility and sensory accessibility in our community.

Mayor Kelly closed the public hearing, and asked the will of the Commission.

**Commissioner Bronson moved, seconded by Commissioner Robinson, that the City Commission adopt Ordinance 3189.**

Mayor Kelly referred to the proposed changes discussed during the staff report, and asked Commissioner Bronson if he wanted those changes incorporated with adoption of Ordinance 3189. Commissioner Bronson responded affirmatively and noted the changes for the record: reference to the Department of Highways was corrected to the Department of Transportation; and, 15.10.050(B) was updated to clarify that the City enforces Ordinances adopted by the City Commission, and does not utilize private covenants as a basis to enforce public Ordinances.

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

Motion carried 4-0

**OLD BUSINESS**

**NEW BUSINESS**

14. **Marketing Agreement with Utility Service Partners Private Label, Inc. d/b/a Service Line Warranties of America.**

City Manager Greg Doyon reported that the proposal before the Commission is a unique program. As a member of the National League of Cities and Towns, the City of Great Falls was approached by Rob Meston with the Utility Services Partners Private Label, Inc. (USP), d/b/a Service Line Warranties of America, to partner with them to provide the city's residential property owners the opportunity, but not the obligation, to purchase a service line warranty and similar products.

Mr. Rob Meston reported that a full endorsement was also received from the Montana League of Cities and Towns. Mr. Meston reviewed PowerPoint slides and reported that the optional service line warranty program includes water line and in-home plumbing and drainage coverage. The water line warranty covers the buried, outside water line that runs from the point of the utility connection to the foundation of the home. The in-home plumbing and drainage warranty covers interior water supply lines, sewer lines and all drain lines connected to the main sewer stack that are broken or leaking inside the home after the point of entry, including lines that may be embedded under the slab or basement floor.



If approved USP will mail each resident a campaign letter, which outlines the City's endorsement, followed by a reminder letter two weeks later to ensure highest response rate. All homeowners will have the option to enroll in the programs, regardless of the age of their residence. Through this agreement the City would grant USP a non-exclusive license to use the City's name and logo on letterhead, bills and marketing materials. The City would receive \$0.50 license fee per product for each month that a product is in force for each property owner, and would be paid to the City annually in January. The City could choose to waive the license fee. By doing so, USP would, in turn, lower the program cost to residents by \$0.50.

After Commission inquiries, it was clarified that: if the Commission chooses to receive the license fee, there is not currently a designated fund for the fees; the company handles all of the billing directly; premiums do not increase for repeat claims; the age of the house does not matter to participate in the program; homeowners can enroll in one or both warranty products; the company is fully licensed and insured, and is subjected to the rules and regulations of the Insurance Commissioner of Montana; the City would not be involved in program complaints; and, the decision pertaining to the license fee could be made at a later date.

White Sulphur Springs, Conrad, Libby, and Hot Springs have endorsed the program. Active talks are ongoing with Missoula, Billings, Butte and Bozeman.

**Commissioner Bronson moved, seconded by Commissioner Robinson, that the City Commission approve the Marketing Agreement with Utility Service Partners Private Label, Inc.**

Mayor Kelly asked if there were any comments from the public. No one responded.

Mayor Kelly noted that he is currently the President of the Montana League of Cities and Towns and will be excusing himself from voting on this item to avoid any perceived conflict.

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

Commissioner Bronson spoke in support of the license fee, and he suggested the fees go to a Public Works Department fund.

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

Motion carried 3-0-1 (Mayor Kelly abstaining)

## **ORDINANCES/RESOLUTIONS**

### **CITY COMMISSION**

#### **15. Miscellaneous reports and announcements from the City Commission.**

Commissioner Bronson announced that a Joint City/County Commission meeting with the legislative delegation is being scheduled for December 12, 2018, from 9:30 a.m. to 11:00 a.m., in the Gibson Room.

Commissioner Houck cautioned use of turkey fryers for Thanksgiving, noting the damage caused by misuse.

Commissioner Robinson again announced that romaine lettuce should not be consumed.

16. **Commission Initiatives.**

Mayor Kelly reported that the Future of the Falls young leaders forum that he and Commissioner Moe spearheaded is moving forward with broader participation. The recent forum was a function that was run through the office of the Mayor/Commission. Moving forward, he would like it clarified how expenses would be handled, with input from his colleagues.

Deputy City Manager Chuck Anderson clarified that the current guidance doesn't apply directly to the office of the mayor, but does apply to city sponsored events. When the request was evaluated with other precedent that had been set, it was determined that the City would be able to accommodate the request for the community to sponsor the room, but not the additional time or requirements having to do with after hour staff time and extra items needed in conjunction with booking a room.

Mayor Kelly inquired of the Commissioners if they had any problems with utilizing Commission budget funds to pay for some of these modest forum expenses.

Commissioner Robinson spoke in support of the request.

Commissioner Houck spoke in opposition to the request, noting that other partnerships in town could bring something to the table such as hosting the location. In the future, she wouldn't oppose a budget being brought back to the Commission to consider how the funds are going to be spent.

Commissioner Bronson responded that he wanted to give this request some more thought before commenting.

**ADJOURNMENT**

There being no further business to come before the Commission, **Commissioner Bronson moved, seconded by Commissioner Houck, to adjourn the regular meeting of November 20, 2018, at 7:57 p.m.**

Motion carried 4-0

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**Mayor Bob Kelly**

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**City Clerk Lisa Kunz**

**Minutes Approved:  
December 4, 2018**



**Item:** Total Expenditures of \$3,679,692 for the period of November 1, 2018 through November 21, 2018, to include claims over \$5,000, in the amount of \$3,429,862.

**From:** Fiscal Services

**Initiated By:** City Commission

**Presented By:** Melissa Kinzler, Fiscal Services Director

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ATTACHMENTS:

- ▣ 5000 Report



**ITEM:** \$5,000 Report  
 Invoices and Claims in Excess of \$5,000

**PRESENTED BY:** Finance Director

**ACTION REQUESTED:** Approval with Consent Agenda

**LISTING OF ALL ACCOUNTS PAYABLE CHECKS ISSUED AVAILABLE ONLINE AT**  
<http://greatfallsmt.net/finance/checkregister>

**TOTAL CHECKS ISSUED AND WIRE TRANSFERS MADE ARE NOTED BELOW WITH AN  
 ITEMIZED LISTING OF ALL TRANSACTIONS GREATER THAN \$5000:**

ACCOUNTS PAYABLE CHECK RUNS FROM NOVEMBER 8, 2018 - NOVEMBER 21, 2018	3,648,131.19
MUNICIPAL COURT ACCOUNT CHECK RUN FOR NOVEMBER 1, 2018 - NOVEMBER 16, 2018	31,561.00
<b>TOTAL: \$</b>	<b><u>3,679,692.19</u></b>

**GENERAL FUND**

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**OTHER ADMIN**

NELSON ARCHITECTS LLC	ANIMAL SHELTER HUG PROJECT REDESIGN FEE	10,796.40
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**FIRE**

CITY OF BOZEMAN	HMEP GRANT REIMBURSEMENT	6,846.79
CITY OF BILLINGS	HMEP GRANT REIMBURSEMENT	7,694.37
CITY OF MISSOULA	HMEP GRANT REIMBURSEMENT	8,770.22
ALTIMUS DISTRIBUTING INC	WASHER/EXTRACTOR TURNOUTS	9,700.00

**SPECIAL REVENUE FUND**

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**POLICE SPECIAL REVENUE**

INTEGRATED TECHNOLOGY AND SECURITY	INTERVIEW ROOM EQUIPMENT PD	16,104.00
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**STREET DISTRICT**

GERANIOS ENTERPRISES INC	OF 1666.8 MISC DRAINAGE IMPROVE (SPLIT AMONG FUNDS)	16,092.76
KUGLIN CONSTRUCTION	OF 1730.2 ADA HANDICAP RAMPS	12,238.63
WATER & ENVIRONMENTAL TECHNOLOGIES	OF 1476.6 VINYARD ROAD STORM WATER MANAGEMENT (SPLIT AMONG FUNDS)	7,633.27

**SPECIAL REVENUE FUND (CONTINUED)**

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**PLANNING & COMMUNITY DEVELOPMENT**

ROBERT PECCIA AND ASSOCIATES INC	GREAT FALLS LONG RANGE TRANSPORTATION PLAN UPDATE	25,606.99
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**NATURAL RESOURCES**

BILLION DODGE CHRYSLER JEEP RAM	2019 NISSAN FRONTIER-FORESTRY	25,329.00
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**ENTERPRISE FUNDS**

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**SEWER**

CENTRAL EXCAVATION	OF 1722.2 LIFT STATION #8 REMOVAL	201,212.45
PLANNED AND ENGINEERED CONSTRUCTION	OF 1674.6 SAN SEWER TRENCHLESS REHAB	522,051.75
STATE OF MONTANA	OF 1674.6 SAN SEWER TRENCHLESS REHAB 1%	5,273.25
BILLION DODGE CHRYSLER JEEP RAM	3-2019 NISSAN FRONTIERS-SEWER	75,987.00

**STORM DRAIN**

WILLIAM FERDERER	OF 1554.2 STORM DRAINAGE IMPROV MISSOURI RIVER TO 6TH ST S POND	42,061.00
CENTRAL EXCAVATION	OF 1462.5 18TH ST S STORM DRAIN IMPRV	458,371.19
GERANIOS ENTERPRISES INC	OF 1666.8 MISC DRAINAGE IMPROVE (SPLIT AMONG FUNDS)	55,068.78
WATER & ENVIRONMENTAL TECHNOLOGIES	OF 1476.6 VINYARD ROAD STORM WATER MANAGEMENT (SPLIT AMONG FUNDS)	24,449.23

**CIVIC CENTER EVENTS**

GREAT FALLS SKI PATROL	19-45 CASH OUT BANFF	5,604.96
QBZ793, INC	19-3 CASH OUT THE NUTCRACKER	34,862.79
MILLS PRODUCTIONS, LLC	19-51 CASH OUT CAPUTO	80,732.47

**INTERNAL SERVICES FUND**

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**HEALTH & BENEFITS**

MONTANA MUNICIPAL INTERLOCAL AUTHORITY	EMPLOYEE HEALTH INSURANCE PREMIUM FOR NOVEMBER 2018	785,438.40
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**FISCAL SERVICES**

ANDERSON ZURMUEHLEN AND CO PC	ANNUAL AUDIT SERVICES	10,000.00
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**INFORMATION TECHNOLOGY**

MOUNTAIN VIEW CO-OP	FUEL	41,766.19
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**CENTRAL GARAGE**

NORTHWEST FUEL SYSTEMS	OF 1455.9 PW FUEL TANK PURCHASE	95,611.14
BILLION DODGE CHRYSLER JEEP RAM	3-2019 NISSAN FRONTIERS-DETECTIVES	75,987.00

**ENGINEERING**

BILLION DODGE CHRYSLER JEEP RAM	2-2019 NISSAN FRONTIERS	50,658.00
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**TRUST AND AGENCY**

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**COURT TRUST MUNICIPAL COURT**

CITY OF GREAT FALLS FINES & FORFEITURES COLLECTIONS 26,931.50

**PAYROLL CLEARING**

STATE TREASURER	MONTANA TAXES	51,079.00
ICMA RETIREMENT TRUST	EMPLOYEE CONTRIBUTIONS	9,102.63
FIREFIGHTER RETIREMENT	FIREFIGHTER RETIREMENT EMPLOYEE & EMPLOYER CONTRIBUTIONS	55,111.42
STATEWIDE POLICE RESERVE FUND	POLICE RETIREMENT EMPLOYEE & EMPLOYER CONTRIBUTIONS	67,095.31
PUBLIC EMPLOYEE RETIREMENT	PUBLIC EMPLOYEE RETIREMENT EMPLOYEE & EMPLOYER CONTRIBUTIONS	137,472.91
POLICE SAVINGS & LOAN	EMPLOYEE CONTRIBUTIONS	12,796.00
US BANK	FEDERAL TAXES, FICA & MEDICARE	216,626.46
AFLAC	EMPLOYEE CONTRIBUTIONS	10,170.23
NATIONWIDE RETIREMENT SOLUTIONS	EMPLOYEE CONTRIBUTIONS	14,490.94
US TREASURY	FEDERAL TAXES	19,262.50

**UTILITY BILLS**

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ENERGY WEST INC	OCTOBER 2018 CHARGES	11,440.60
HIGH PLAINS LANDFILL	OCTOBER 2018 CHARGES	86,334.20

**CLAIMS OVER \$5000 TOTAL:** \$ 3,429,861.73



**Item:** Contracts List.

**From:** City Clerk's Office

**Initiated By:** Various City Departments

**Presented By:** City Commission

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ATTACHMENTS:

- ▢ Contracts List

COMMUNICATION TO THE CITY COMMISSION

DATE: December 4, 2018

**ITEM:** CONTRACTS LIST  
 Itemizing contracts not otherwise approved or ratified by City Commission Action  
 (Listed contracts are available for inspection in the City Clerk’s Office.)

**PRESENTED BY:** Darcy Dea, Deputy City Clerk

**ACTION REQUESTED:** Ratification of Contracts through the Consent Agenda

**MAYOR’S SIGNATURE:** \_\_\_\_\_

**CONTRACTS LIST**

	DEPARTMENT	OTHER PARTY (PERSON OR ENTITY)	PERIOD	AMOUNT	PURPOSE
<b>A</b>	Public Works/ Environmental	CDM Smith	12/04/2018- 06/30/2020	\$64,696	Professional Services Agreement to update the local limits, and IU Permits for the Wastewater Pretreatment Program <b>OF 1735.0</b>
<b>B</b>	Public Works/ Engineering	Falls Mechanical Services LLC.	11/26/2018- 11/20/2019	\$7,569	Ratification of Professional Services Agreement for evaluation of the sanitary sewer system for Fire Stations #1, #2, #3 & #4. Fire Station #1 also includes storm sewer investigation. <b>OF 1727.1</b>



C	Public Works/ Engineering	Babb Land Surveying Inc.	12/04/2018- 12/31/2018	\$5,290	Professional Services Agreement for Dentention Basin Lease Certificate of Survey on Loren Smith Property - T20N, R4E., P.M., Sec 16 (Gibson Flats Storm Drainage Improvements). <b>OF 1118.4</b>
D	Public Works/ Engineering	Montana Department of Transportation (MDT)	12/04/2018- 12/31/2020	The estimated cost for the adjustments is \$1,328.23. If the actual cost exceeds \$25,000, the City will be liable for 25% of the cost plus other fees.	Construction Agreement to construct and/or reconstruct a certain highway and adjacent pedestrian facilities (sidewalks) over and upon Route NH 101 (3 <sup>rd</sup> Street NW); milepost 1.083 (junction with Northwest ByPass) to milepost 2.427 (10 <sup>th</sup> Street North and Smelter Avenue). Federal Aid Project No. CMDP 101-1(15)1 UPN 9053000 <b>OF 1614.3</b> (CR112018.9A,CR 110718.7F)



**Item:** Grants List.

**From:** City Clerk's Office

**Presented By:** City Commission

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ATTACHMENTS:

- ▣ Grants List

**COMMUNICATION TO THE CITY COMMISSION**

**DATE: December 4, 2018**

**ITEM:** GRANTS LIST  
 Itemizing grants not otherwise approved or ratified by City Commission Action  
 (Listed grants are available for inspection in the City Clerk’s Office.)

**PRESENTED BY:** Darcy Dea, Deputy City Clerk

**ACTION REQUESTED:** Ratification of Grants through the Consent Agenda

**MAYOR’S SIGNATURE:** \_\_\_\_\_

**GRANTS**

	<b>DEPARTMENT</b>	<b>OTHER PARTY (PERSON OR ENTITY)</b>	<b>PERIOD</b>	<b>GRANT AMOUNT REQUESTED</b>	<b>CITY MATCH</b>	<b>PURPOSE</b>
<b>A</b>	Planning & Community Development	Department of Commerce, Community Development Division	11/16/2018	\$ 22,500	\$5,000 DDP \$5,000 GFDA	Ratification of Montana Main Street Program Grant Application to create redevelopment visions for three blocks or intersections in the core of downtown



**Item:** Great Falls Housing Authority Contract 2019

**From:** Great Falls Police Dept

**Initiated By:** Captain Jeff Newton

**Presented By:** Chief Dave Bowen

**Action Requested:** City Commission accept the terms of the agreement and authorize the City Manager to sign the agreement.

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**Suggested Motion:**

1. Commissioner moves:

“I move that the City Commission (approve/not approve ) the Community Based Policing Agreement with the Great Falls Housing Authority and authorize the City Manager to sign the Agreement.”

2. Mayor calls for a second to the motion, public comment, Commission discussion, and calls for the vote.

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**Staff Recommendation:**

Staff recommends that the City Commission accept the terms of the agreement and authorize the City Manager to sign the agreement.

**Summary:**

City Commission accept the terms of the agreement and authorize the City Manager to sign the agreement.

**Background:**

The Great Falls Police Department and the Great Falls Housing Authority have had a partnership Community Based Policing Agreement in place since the late 1980's. The Great Falls Housing Authority funds one dedicated officer for the purpose of enforcement and investigations in the Great Falls Housing Authority projects. This officer also facilitates the Housing Youth Activity Center (HYAC) at the main housing complex. This officer handles calls during their designated shift. Before or after shift calls continue to be answered by the Patrol Officers. With the Housing Authority officer on site(s), it does alleviate a substantial number of calls that patrol would have to respond to and resolve. Historically, call loads were high until the Housing Authority officer was established.

The Great Falls Housing Authority provides office space at the main complex for the officer.

**Fiscal Impact:**

The City would receive \$103,660.92 annually (\$51,830.46 for 6 mths per contract) to cover the officer's salary and benefits from the Great Falls Housing Authority. The contract shall commence January 1, 2019 and end June 30, 2019 with an automatic six month renewal based on the GFPPA negotiated contract wage with the City of Great Falls.

**Alternatives:**

Discontinue the officer's presence in the Housing Authority projects and reassign.

**Concurrences:**

The Community Based Policing Agreement has been approved by the Housing Authority Board.

ATTACHMENTS:

- Great Falls Housing Authority Contract 2019

**GREAT FALLS POLICE DEPARTMENT  
AND  
GREAT FALLS HOUSING AUTHORITY  
COMMUNITY BASED POLICING AGREEMENT**

This contract is entered into this 1<sup>st</sup> day of January, 2019, by and between the City of Great Falls, hereinafter referred to as "City," and the Great Falls Housing Authority.

In receipt of the mutual covenants and agreements herein contained, the parties agree as follows:

1. The City shall provide personnel and other resources in a Community Policing role at the Great Falls Housing Authority projects. One dedicated officer, excluding contractual time/training time off, shall be provided for the purpose of enforcement and investigations in the Great Falls Housing Authority projects. If the assigned officer or a temporary replacement is not available to the GFHA for longer than 40 hours in each six month agreement period, the GFHA payment will be waived for the period of time that an officer was not available. Payment will resume when an officer becomes available to the GFHA.
2. The Great Falls Housing Authority shall pay the City \$51,830.46 which would include the Officers salary and benefits. Payment shall be made on a monthly basis in the amount of \$8,638.41.
3. The City shall keep detailed records regarding the date and time of contacts exclusive of investigating records. The Great Falls Housing Authority may inspect these records at all reasonable times and these records shall be available for photocopying at no additional fee.
4. Indemnification – The City assumes full responsibility for the officer's performance. Subject to the limitations of Mont. Code Ann. §2-9-108, the City shall indemnify the Great Falls Housing Authority against, and hold the Housing Authority harmless from, any liability costs, damages, claims or causes of action which may arise as a result of performance by the City of its responsibilities under the terms of this agreement; provided, however, that the City, its Officers and employees shall not assume any liability for acts of the Great Falls Housing Authority, or any of its Officers or agents.
5. **This Agreement shall commence January 1, 2019 and end June 30, 2019 with an automatic six month renewal based on the GFPPA negotiated contract wage with the City of Great Falls. The GFHA agrees to pay the salary and benefits increase, if any, retroactive to July 1, 2018 based on the GFPPA negotiated contract wage.**

In Witness Whereof, the parties hereto have caused this agreement to be executed the day and year first herein above written.

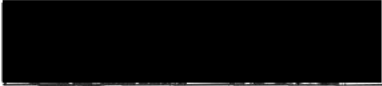
**CITY OF GREAT FALLS**

**GREAT FALLS HOUSING AUTHORITY**

\_\_\_\_\_  
Gregory T. Doyon, City Manager

  
\_\_\_\_\_  
Kevin Hager, Executive Director

ATTEST:

  
\_\_\_\_\_  
David Bowen, Chief of Police

\_\_\_\_\_  
Lisa Kunz, City Clerk

(Seal of the City)

APPROVED FOR LEGAL CONTENT:

\_\_\_\_\_  
Sara Sexe, City Attorney



**Item:** Final Payment: ADA Handicap Ramps 4th St. NE, 6th St. NE and 6th Ave. S, Office File 1730.2

**From:** Engineering Division

**Initiated By:** Public Works Department

**Presented By:** Jim Rearden, Public Works Director

**Action Requested:** Approve Final Pay request for Office File 1730.2

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**Suggested Motion:**

1. Commissioner moves:

"I move that the City Commission (approve/not approve) Final Payment for the ADA Handicap Ramps 4th St NE, 6th St NE and 6th Ave S, in the amount of \$11,823.80 to David Kuglin Construction and \$119.43 to the State Miscellaneous Tax Division and authorize the City Manager to make the payments."

2. Mayor requests a second to the motion, public comment, Commission discussion, and calls for the vote.

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**Staff Recommendation:**

Approve Final Payment Request.

**Summary:**

This project was initiated to install Americans with Disabilities Act (ADA) compliant sidewalk ramps prior to a proposed mill and overlay project and in accordance with the Public Right of Way ADA Transition Plan. As part of the project, sixty six ramps were installed. The project has completed ADA compliant routes from Smelter Avenue to Riverview Drive East on 4th Street NE and 6th Street NE. These routes provide access to Jaycee Park, Sacajawea Elementary School and Walmart. The project has also completed an ADA route along 6th Avenue South that provides access to Great Falls High School, bus routes, and the ADA routes established on 24th and 25th Streets. Additionally, the project replaced curb and gutter, storm drain inlets and installed several valley gutters.

This project is part of a process to eliminate noncompliance or "barriers to disabled travelers" in the Public Rights of Way as a result of laws established in Title II of the Americans with Disabilities Act of 1990. In the years following this legislation, the City of Great Falls has installed approximately 1,140



compliant ramps. According to this initiative, the City has conducted an inspection and inventory of existing infrastructure that has aided in determining barriers. During the process, the locations of these barriers were then shared with stakeholders and based on their feedback, the City allocated funds to remove the barriers with the highest priority. This project consisted of 66 of the total 83 ramps identified to be installed as part of the work in the right of way this construction season. For further details on the ramps installed recently, see the attached Annual Update Plan.

## **Background:**

### Citizen Participation:

The construction activity required temporary closures of 4th St. NE, 6th St. NE and 6th Ave. S. The construction also required temporary closure of the sidewalks at the intersections under construction along 4th St. NE, 6th St. NE and 6th Ave. South. Access to residences and businesses adjacent to construction zones were maintained. Great Falls Public Schools, City Park and Recreation Department and businesses located adjacent to the project locations were informed about the project.

### Workload Impacts:

Design phase engineering and plans and specifications were completed by the City Engineering staff with assistance from the City Street Division. City Engineering staff provided construction phase engineering services and project inspection.

### Purpose:

The primary objective of this project was to install sidewalk ramps to eliminate barriers identified by the Public Right of Way ADA Transition plan and in doing so comply with the Americans With Disabilities Act (ADA) of 1990. These ramps are compliant with ADA design requirements. In addition to the sidewalk ramp installations, storm inlets were adjusted and replaced and several valley gutters were installed to accommodate ADA compliance and maintain and improve existing storm drainage flow. A ramp providing a point of access to the Jaycee Park play structure(s) was also constructed. Following the ramp and valley gutter installations, the intersections adjacent to the valley gutters were reconstructed to match valley gutter flow lines. 6th Ave. South was milled and overlaid by the City Street Division. 6th St. NE and 4th St. NE are to be milled and overlaid in spring 2019.

### Project Work Scope:

The project consisted of replacing 1,858 lineal feet of curb and gutter, 3,790 square feet of four (4)-inch concrete sidewalk, 6,629 square feet of six (6)-inch concrete sidewalk, 62 truncated domes, 6 valley gutters and 8,672 square feet of sod. The project is substantially complete and logged 119 calendar days of the allotted 120. A pavement of 4th and 6th Streets NE is scheduled next spring to be completed by the City Street Department.

### Evaluation and Selection Process:

Three bids were received on April 4, 2018 with the bid prices ranging from \$346,670.00 to \$399,735.00. Kuglin Construction submitted the low bid and executed all the necessary bid documents. The City Commission awarded the contract on April 17, 2018.

### Final Payment:

The final project cost is \$313,222.88 which is \$33,447.12 less than the amount that was originally awarded and approved. The decrease in contract cost was due to better than anticipated sub grade conditions encountered on the project. Only a few yards of the material was needed as project soils revealed themselves to be better than expected.

Conclusion:

City Staff recommends making the final payment. Staff verified that Kuglin Construction has completed all work and punch list items in accordance with the plans and the contract. The two year warranty period started at the same time as substantial completion which was October 29, 2018.

**Fiscal Impact:**

City Street Repair and Maintenance Funds allocated to the project are available for final payment.

ATTACHMENTS:

- OF 1730.2 Final Pay Application
- Annual Update Plan - 2018

APPLICATION FOR PAYMENT NO. 8-Final Payment

To: City of Great Falls (OWNER)  
From: David W. Kuglin Construction (CONTRACTOR)  
Contract: ADA Handicap Ramps 4<sup>th</sup> St NE, 6<sup>th</sup> St NE and 6<sup>th</sup> Ave S  
Project: Handicap Ramps and Sidewalk  
OWNER's Contract No. OF 1730.2 ENGINEER's Project No. PW341804  
For Work accomplished through the date of: November 19, 2018


1.	Original Contract Price:	\$ <u>346,670.00</u>
2.	Net change by Change Orders and Written Amendments (+ or -):	\$ <u>0.00</u>
3.	Current Contract Price (1 plus 2):	\$ <u>346,670.00</u>
4.	Total completed and stored to date:	\$ <u>313,222.88</u>
5.	Retainage (per Agreement):	
	<u>0</u> % of Completed Work: <u>\$0.00</u>	
	<u>0</u> % of stored material: <u>\$0.00</u>	
	Total Retainage:	\$ <u>0.00</u>
6.	Total completed and stored to date less retainage (4 minus 5):	\$ <u>313,222.88</u>
7.	Less previous Applications for Payments:	\$ <u>301,279.65</u>
8.	Gross Amount Due this application: (6 minus 7):	\$ <u>11,943.23</u>
9.	Less 1% State Gross Receipts Tax:	\$ <u>119.43</u>
10.	<b>DUE THIS APPLICATION (8 MINUS 9):</b>	\$ <u>11,823.80</u>

Accompanying Documentation:  
*Pay Application Quantities Sheet*

CONTRACTOR'S Certification:


The undersigned CONTRACTOR certifies that (1) all previous progress payments received from OWNER on account of Work done under the Contract referred to above have been applied on account to discharge CONTRACTOR'S legitimate obligations incurred in connection with Work covered by prior Applications for Payment numbered 1 through 1 inclusive; (2) title of all Work, materials and equipment incorporated in said Work or otherwise listed in or covered by this Application for Payment will pass to OWNER at time of payment free and clear of all Liens, security interests and encumbrances (except such as are covered by a Bond acceptable to OWNER indemnifying OWNER against any such Lien, security interest or encumbrance); and (3) all Work covered by this Application for Payment is in accordance with the Contract Documents and not defective.

Dated 11-19-18

David W. Kuglin Construction  
CONTRACTOR  
By: 

Payment of the above AMOUNT DUE THIS APPLICATION is recommended.

Dated 11/19/18

City of Great Falls Public Works  
ENGINEER  
By: 

EJCDC No. 1910-8-E (1996 Edition)  
Prepared by the Engineers Joint Contract Documents Committee and endorsed by The Associated General Contractors of America and the Construction Specifications Institute. Modified by the City of Great Falls to add items 9 and 10.

# Annual Update Plan

## Part 1: Completed Rights-of-way Projects Containing ADA Improvements

Fiscal Year	Office File	Project Name	Neighborhood	Original Contract Price	\$ Spent @ closeout	Update forms issued (October/Nov)	Update forms returned (Dec)	Updates transmitted to MAP? (Dec)
2018	1715.1	2017 CDBG Handicap Ramps and Sidewalk	#9,8	\$56,672.00	\$57,222.88			
2018	1715.3	2017 CDBG Accesible Parks	#7,2	\$15,502.00	\$12,337.50			
2017-18	1730.1	2nd St NW ADA Handicap Ramps	#3	\$84,538.00	\$84,686.64			
2018	1730.4	Riverview Dr W & 3rd St NW Miscellaneous concrete	#3	\$22,047.50	\$17,817.51			
2018	1730.2	ADA Handicap Ramps 4th ST NE, 6th ST NE and 6th Ave South	#3,9	\$352,780.00	\$314,026.93			
2018	1730.5	ADA Alley Aprons 4th and 6th Street NE	#3	\$48,485.75	\$42,625.14			
2018	1730.6	ADA Handicap Ramps Giant Springs School Phase 1	#8	\$27,620.00	Pending			

## Part 2: Completed Facility Projects Containing ADA Improvements

OF 1737.0 Recreation Center ADA Restroom

OF 1727.1 Fire Station Sewer and Restroom Rehabilitation

Part 3: Completed Inventory Activities

Part 4: Completed Program Administration/Communications Actions



**Item:** Change Order No. 2: Water Treatment Plant Improvements Phase 1 - UV and Chemical Building, Surge Tank, and Electrical Building, O.F. 1519.6

**From:** Engineering Division

**Initiated By:** Public Works Department

**Presented By:** Jim Rearden, Public Works Director

**Action Requested:** Approve Change Order Number 2.

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**Suggested Motion:**

1. Commissioner moves:

“I move the City Commission (approve / not approve) Change Order No. 2 in the amount of \$366,384.00 to Sletten Construction Company for the Water Treatment Plant Improvements Phase 1 – UV and Chemical Building, Surge Tank, and Electrical Building project and authorize the City Manager to execute the necessary documents.”

2. Mayor requests a second to the motion, public comment, Commission discussion, and calls for the vote.

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**Staff Recommendation:**

Approve Change Order Number 2.

**Background:**

Significant Impacts

Major improvements to the Water Treatment Plant were implemented with this construction contract to replace aging electrical gear, the surge tank, improve the plant’s chemical feed systems, and install an Ultra Violet (UV) treatment unit required to comply with new Environmental Protection Agency (EPA) surface water treatment regulations. This Change Order addresses the additional and ongoing effort associated with the improvement and modernization of the 100 plus year old Water Treatment Plant. It also adds 3 days to the contract time.

Workload Impacts

Black and Veatch, along with its partner firm Thomas, Dean and Hoskins (TD&H), completed the design of upgrades required at the Water Treatment Plant to meet the EPA Long Term 2 Surface Treatment Rule requirements, and to replace aging electrical gear. City engineering and plant treatment staff are assisting

with project review and administration duties.

Purpose

This Change Order accounts for the additional funding needed to cover the labor and equipment costs associated with approximately 130 Work Change Directives relating to a multitude of issues that were discovered during the course of the construction activities on this over \$24 million dollar project.

Evaluation and Selection Process

The City received two bids that were opened on May 18, 2016. Sletten Construction Company provided the low base bid of \$24,860,109.00 and Swank Enterprises provided a base bid of \$29,680,000.00. The City awarded a construction contract to Sletten on June 7, 2016.

Conclusion

City staff recommends approving Change Order No. 2 for the Water Treatment Plant Improvements Phase 1 – UV and Chemical Building, Surge Tank, and Electrical Building, O. F. 1519.6, to Sletten Construction Company in the amount of \$366,384.00. The contract value increase associated with Change Order No. 1 and Change Order No. 2 will increase the original contract value from \$24,860,109.00 to \$25,433,930.00, a 2.3 percent total increase.

**Fiscal Impact:**

The attached document summarizes the costs associated with this Change Order. This increase to the project cost will be funded through the City's Water Treatment Fund.

**Alternatives:**

The City Commission could vote to deny this Change Order.

**Concurrences:**

Black and Veatch, the Consultant working for the City on this project, has reviewed the information and concurs with staff recommendation.

ATTACHMENTS:

- Change Order No. 2

# Change Order (Modified Form)

No.   TWO  

Date of Issuance:   November 20, 2018        Effective Date:   November 20, 2018  

Project: WTP Improvements Phase 1 UV and Chemical Building, Surge Tank, and Electrical Building (O.F. 1519.6)	Owner: City of Great Falls, MT	Owner's Contract No.: O.F. 1519.6
Contract: WTP Improvements Phase 1 UV And Chemical Building...		Date of Contract: June 7, 2016
Contractor: Sletten Construction Company		Engineer's Project No.: PW361604

**The Contract Documents are modified as follows upon execution of this Change Order:**  
 Description: Increase in Contract Price by \$366,384.00. Of which \$166,776.32 is provided for in the Work Change Directives noted on the attached sheet; \$7,184.00 is provided for bonds and insurance outside of Contingency Allowance; and \$192,423.68 is provided for to cover estimated costs associated with ongoing and upcoming Work Change Directives. Contractor shall only be paid the portion of the \$366,384.00 that is agreed upon in writing through a Work Change Directive and only after all of the existing Contingency Allowance has been spent. This Change Order does include the increase in Contract Times stated in the approved Work Change Directives.

Attachments: (List documents supporting change):

- Approved Work Change Directives

**CHANGE IN CONTRACT PRICE:**

**Original Contract Price:**

\$ 24,860,109.00

[Increase] [Decrease] from previously approved Change

Orders No.   1   to No.   1  :

\$ 207,437.00

Contract Price prior to this Change Order:

\$ 25,067,546.00

[Increase] [Decrease] of this Change Order:

\$ 366,384.00

Contract Price incorporating this Change Order:

\$ 25,433,930.00

**CHANGE IN CONTRACT TIMES:**

**Original Contract Times:**

Working days     Calendar days

Substantial completion (days or date):   730  

Ready for final payment (days or date):   790  

[Increase] [Decrease] from previously approved Change Orders

No.   1   to No.   1  :

Substantial completion (days):   19  

Ready for final payment (days):   19  

Contract Times prior to this Change Order:

Substantial completion (days or date):   749  

Ready for final payment (days or date):   809  

[Increase] [Decrease] of this Change Order:

Substantial completion (days or date):   3  

Ready for final payment (days or date):   3  

Contract Times with all approved Change Orders:

Substantial completion (days or date):   752  

Ready for final payment (days or date):   812  

RECOMMENDED:

By: \_\_\_\_\_  
Engineer (Authorized Signature)

Date:   20 November 2018  

ACCEPTED:

By: \_\_\_\_\_  
Owner (Authorized Signature)

Date: \_\_\_\_\_

ACCEPTED:

By: \_\_\_\_\_  
Contractor (Authorized Signature)

Date: \_\_\_\_\_



# Change Order

## Instructions

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### **A. GENERAL INFORMATION**

This document was developed to provide a uniform format for handling contract changes that affect Contract Price or Contract Times. Changes that have been initiated by a Work Change Directives must be incorporated into a subsequent Change Order if they affect Price or Times.

Changes that affect Contract Price or Contract Times should be promptly covered by a Change Order. The practice of accumulating Change Orders to reduce the administrative burden may lead to unnecessary disputes.

If Milestones have been listed in the Agreement, any effect of a Change Order thereon should be addressed.

For supplemental instructions and minor changes not involving a change in the Contract Price or Contract Times, a Field Order should be used.

### **B. COMPLETING THE CHANGE ORDER FORM**

Engineer normally initiates the form, including a description of the changes involved and attachments based upon documents and proposals submitted by Contractor, or requests from Owner, or both.

Once Engineer has completed and signed the form, all copies should be sent to Owner or Contractor for approval, depending on whether the Change Order is a true order to the Contractor or the formalization of a negotiated agreement for a previously performed change. After approval by one contracting party, all copies should be sent to the other party for approval. Engineer should make distribution of executed copies after approval by both parties.

If a change only applies to price or to times, cross out the part of the tabulation that does not apply.

GREAT FALLS WTP IMPROVEMENTS PHASE 1 - UV and Chemical Building (O.F. 1519.6)			
APPROVED WORK CHANGE DIRECTIVE LOG			
WCD	DESCRIPTION	ADDITIONAL	WCD
No.	WCD included in Change Order No. 2	CONTRACT DAYS	AMOUNT
1	Surge Tank Exc. And Disposal of Unsuitable Material		\$8,600
2	Inspect Flume Concrete for Crack Repair		\$1,030
3	Buried Concrete Vault & Top of Pier Forming		\$2,270
4	Eight Inch SD Line Elevation		\$3,090
5	Tank Demo & Piping Changes		(\$82,970)
6	Reimbursement for Electrical Permit		\$12,272
7	Hydrovac Excavation within NWE Substation		\$5,480
8	Remove North & South Spruce Tree Safety Hazard		\$3,290
9	Crack Repair at Existing Filter Flume		\$14,010
10	Install Temporary 24-inch FE Pipe		\$24,070
11	Overhead Door Change		\$4,500
12	Additional 64" Ductile Pipe - RFP#18		\$14,680
13	Electrical Room Addition (ERA) Footing Over-Excavation		\$8,890
14.1	Sanitary Yard Hydrant Change Outs		(\$860.00)
15	Allow Extended Duration of Major Outage for 36" FW		No Charge
16	Eliminate 24" FW West & Manual Air Release		(\$41,800.00)
17	54" Valve Push Off Utilities Bill		(\$6,379)
18	Solatube Curbs		\$5,400
20	ERA Footing Dowels		\$1,860
21	Control Cable For Irrigation & Control Wire for Sewage Ejector		\$9,150

<b>GREAT FALLS WTP IMPROVEMENTS PHASE 1 - UV and Chemical Building (O.F. 1519.6)</b>			
<b>APPROVED WORK CHANGE DIRECTIVE LOG</b>			
<b>WCD</b>	<b>DESCRIPTION</b>	<b>ADDITIONAL</b>	<b>WCD</b>
22	Downsize Electrical Temporary Power Feed 5kV		<b>(\$4,871)</b>
23.1	Modification to Electrical Room Addition Openings & Framing		<b>\$29,820</b>
24	Pump Station PRV's		<b>\$2,160</b>
25	Slab Expansion Joints (Bond Breaker) in Pump Station		<b>\$490</b>
26	Surge Tank Roof Slab Additional Rebar		<b>\$5,710</b>
27	Rigid Conduit vs. PVC Coated		<b>(\$1,240)</b>
28	Drilled Shaft Quantity Reconciliation		<b>(\$38,930.00)</b>
29	Delete Chem/UV Trench Drain		<b>(\$2,750)</b>
30	Soft Excavation Costs for Location Discrepancies		<b>\$5,440</b>
31	24" FE Realignment for Tree Conflict		<b>\$8,920.00</b>
32	Masonry Veneer Change		<b>\$2,990.00</b>
33	Surge tank Conduit Credit		<b>(\$1,400)</b>
34	Change in Scheduling Requirements		<b>No Charge</b>
35	Chem Feed/UV Waterstop & PRV's		<b>\$8,030</b>
36	20" BWS Changes		<b>(\$1,580)</b>
38	Eliminate Chem/UV Encasement Reinforcing		<b>(\$1,210)</b>
39	Flagpole Changes		<b>\$2,260</b>
40	Plumbing Permit		<b>\$941</b>
41	Eliminate Comm Vaults BWS Testing		<b>\$4,230.00</b>
42	Conductors to Transformers		<b>\$8,830</b>
43	Wall Opening		<b>(\$640.52)</b>

GREAT FALLS WTP IMPROVEMENTS PHASE 1 - UV and Chemical Building (O.F. 1519.6)			
APPROVED WORK CHANGE DIRECTIVE LOG			
WCD	DESCRIPTION	ADDITIONAL	WCD
47	MSE Network Separation		\$15,770
48	Flapper Valve from FO #20		\$1,820
49	4" Line Irrigation Tap		\$32,860.00
50	54" Restraint Ring		\$15,910
51	MSE Electrical Shop Panel from RFI #87		(\$2,572)
52	MSE Existing Panel P1 Re-Feeds from RFI #87		\$11,880
53	MSE Extension of Network Conduits from RFI #95		\$8,970
54	Chem Feed Slab Thickness		\$6,300.00
55	WCD #55 - Not Used		No Charge
56	ERA Overhead Door Openings		\$10,100
58	Concrete Brick Ledge Surge Tank		\$53,440.00
60	ERA North Sidewalk		\$1,280.00
61.1	ERA Lower Level Steel Framing & Insulation		\$6,450
62	Switchgear Batteries Change in Supplier		\$62,540.00
63	Missing Neutrals from RFP#49		\$4,730.00
64	Repair Duct Bank Damage 11/28/17		(\$914.16)
65	Surge Tank Access Ladder Changes		\$2,730.00
66	Chem UV Drilled Pier Support		(\$680.00)
68	Chem Feed Transformer Angle		\$850.00
69	Signed Roof Curbs at Arch Flash Ducts		\$3,270.00
70	Re-Route Exterior Chlorine Lines at Headhouse		\$2,270

<b>GREAT FALLS WTP IMPROVEMENTS PHASE 1 - UV and Chemical Building (O.F. 1519.6)</b>			
<b>APPROVED WORK CHANGE DIRECTIVE LOG</b>			
<b>WCD</b>	<b>DESCRIPTION</b>	<b>ADDITIONAL</b>	<b>WCD</b>
71	Additional Bollards		\$5,000
72	Flashing Masonry Wall to Deck Chem/UV		\$11,080.00
73	Empire Insulation ERA Furring		\$1,900
74	Painting of Exterior Masonry Walls		\$3,120.00
75	Install 48" BFV Operator Extensions		\$350
76	24" Temporary Siphon / N.W.E. Coordination		\$14,570
77	MSE Battery Charger Temporary Power Feed		\$8,890
78	MSE Panel PPDC-1 Changes		\$4,450.00
79	MSE Panel Change for LP-PSE1		\$1,400
80	MSE Three Position Control Stations		\$7,100.00
81	Arc Flash Duct Insulation and Curbing		\$18,770.00
82	Door Hardware Changes		\$11,990.00
83	Anderson Steel Future Opening Covers		\$4,000.00
85	American Pipe Changes from RFI 135		\$25,010.00
86	Anderson Steel Walkway Modifications		\$3,290.00
88	Expansion Joints for Buried Chlorine Lines		\$3,670.00
89	Ground Fault Indication Lights		\$4,690.00
91	Possible Hoist Beam Relocate		No Charge
92.1	Hoist Chain Modifications	1	\$7,920
93	Oversized Cable Reduction		\$3,800
95	MV & LV Switchgear & T1A Mods		\$10,370

<b>GREAT FALLS WTP IMPROVEMENTS PHASE 1 - UV and Chemical Building (O.F. 1519.6)</b>			
<b>APPROVED WORK CHANGE DIRECTIVE LOG</b>			
<b>WCD</b>	<b>DESCRIPTION</b>	<b>ADDITIONAL</b>	<b>WCD</b>
97	Brick Lintel Support		\$9,290
99	Pump House Roof Steel		\$6,030
100	WCD#100 - Not Used		No Charge
101	Brick Pilaster Additionas from RFP#89		\$1,510
102	SCADA Switch RFP#93.1		\$5,060
103	Re-Feed Existing Static Exciter from New Panel		\$2,870
104	Provide Power Cable for Fiber Optic CCTV Cameras		\$1,550
107	Remove Temporary Storm Drain Siphon		\$10,970
109	MSE Pump Control Signal Wire		\$2,010
110	MSE UVT Flow Switches Wiring		\$1,830
111	MSE Panel LP-ST NEMA Rating		\$1,620
114	Landscape Modifications		\$3,500.00
115	Site Grading Adjustments		\$14,950.00
118	Chlorine Gas Vent Conduit and Wire	2	\$2,940.00
119	Chemical Fill Door Additional Flashing		\$490.00
<b>TOTAL:</b>			
		<b>3</b>	<b>\$466,776.32</b>
	<b>Current Contingency Amount</b>		<b>\$300,000</b>
	<b>Difference</b>		<b>\$166,776.32</b>



**Item:** 2018 Memorandum of Agreement for the Great Falls Metropolitan Transportation Planning Process

**From:** Andrew Finch, Senior Planner

**Initiated By:** Montana Department of Transportation/Great Falls MPO

**Presented By:** Craig Raymond, Director, Planning & Community Development Department

**Action Requested:** Approve the 2018 Memorandum of Agreement for the Great Falls Metropolitan Transportation Planning Process

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**Suggested Motion:**

1. Commissioner moves:

"I move that the City Commission (approve/not approve) the 2018 Memorandum of Agreement for the Great Falls Metropolitan Transportation Planning Process."

2. Mayor calls for a second to the motion, public comment, Commission discussion, and calls for the vote.

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**Staff Recommendation:**

Approve the 2018 Memorandum of Agreement for the Great Falls Metropolitan Transportation Planning Process.

**Summary:**

Periodically, the State of Montana reviews the agreement among the various entities involved in the Great Falls metropolitan transportation planning process. Due to changes in process, federal guidance and participation, it is necessary to enter into an updated/modified Agreement.

**Background:**

As required by Federal law, the Great Falls Metropolitan Transportation Planning Process is established through an agreement among the various local planning and governmental entities. In the Great Falls area, this includes the City of Great Falls, Cascade County, Great Falls Planning Advisory Board, Cascade County Planning Board, Great Falls Transit District, and the State of Montana. The last agreement was signed in 2005, when the Great Falls City-County Planning Board was dissolved and the Great Falls Planning Advisory Board and Cascade County Planning Board became partners in the process.

Since that time, Federal guidance has changed regarding the required agreement elements, with the major addition being requirements relating to planning performance measures and targets for the local transportation network. Additionally, the various governmental entities have adjusted the staff positions assigned to the Technical Advisory Committee, and have also asked to have the option of appointing a member to the Policy Coordinating Committee (rather than it being the highest elected or appointed official).

To that end, a new agreement has been prepared, and each participating agency is being asked to renew its commitment to the process.

**Fiscal Impact:**

There is no direct fiscal impact related to the proposed action. However, without an agreement compliant with Federal Regulations, there is a risk of loss of funds to the Planning & Community Development Department for transportation planning.

**Alternatives:**

The Commission could elect to not sign the agreement, if there are substantial concerns with its content.

**Concurrences:**

Staff of the State of Montana and City of Great Falls Planning & Community Development Department support the execution of the agreement.

ATTACHMENTS:

- 2018 Memorandum of Agreement for the Great Falls Metropolitan Transportation Planning Process



## MEMORANDUM OF AGREEMENT

### GREAT FALLS METROPOLITAN TRANSPORTATION PLANNING PROCESS

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2018, by and between the STATE OF MONTANA, DEPARTMENT OF TRANSPORTATION, hereinafter referred to as “STATE”, the CITY OF GREAT FALLS, hereinafter referred to as “CITY”, the COUNTY OF CASCADE, hereinafter referred to as “COUNTY”, the GREAT FALLS TRANSIT DISTRICT BOARD, hereinafter referred to as “TRANSIT BOARD”, the GREAT FALLS PLANNING ADVISORY BOARD, hereinafter referred to as “CITY PLANNING BOARD”, and the CASCADE COUNTY PLANNING BOARD, hereinafter referred to as “COUNTY PLANNING BOARD”.

WITNESSETH THAT:

WHEREAS, Title 23, Chapter 1, Section 134 of the United States Code, Title 23 Section 150, and Title 49, Chapter 53, Section 5303 of the United States Code require that a Metropolitan Planning Organization (MPO) be designated for each urbanized area with a population of more than 50,000 and, as a condition for the receipt of Federal highway and transit funds, that the metropolitan area have a continuing, cooperative, and comprehensive performance-based multimodal transportation planning process that provides for consideration and implementation of projects, strategies, and services that consider all transportation modes and supports community development and sound goals that lead to the development and operation of an integrated, intermodal transportation system that facilitates the efficient, economic movement of people and goods; and,

WHEREAS, the parties to this Agreement desire to continue to cooperate in the transportation planning process now in progress and further desire to ensure that transportation planning is an integral part of continuing, cooperative and comprehensive planning; and,

WHEREAS, the parties to this Agreement desire to take a performance-driven, outcome-based approach to planning and programming linking investment decision making to the achievement of performance targets; and,

WHEREAS, the CITY PLANNING BOARD was designated in the December 6, 2005 agreement titled, “Cooperative Agreement – Great Falls Metropolitan Transportation Planning Process,” as the Metropolitan Planning Organization (MPO) by the Governor of the State of Montana and affected local units of government representing at least 75 percent of the population in the entire metropolitan area, including the largest incorporated city; and,

WHEREAS the STATE, CITY, COUNTY and TRANSIT BOARD recognize the CITY PLANNING BOARD as the officially designated MPO for the Great Falls urbanized area; and,

WHEREAS, the Policy Coordinating Committee (PCC) has been established as the official governing body of the Great Falls Metropolitan Transportation Planning Process, thus having final local approval of all Federal Surface Transportation Program-Urban Funded transportation projects in the Great Falls Metropolitan Planning Area, approval of the Metropolitan Transportation Plan, the Transportation Improvement Program, and the Unified Planning Work Program; and,

WHEREAS, the TRANSIT BOARD operates a transit system and maintains responsibility for providing district residents with safe and reliable transit service, as well as implementing improvements to meet changing travel needs; and,

WHEREAS, Title 23, U.S.C., Section 104 (f) and Title 49 U.S.C., Section 5303 provide planning funds (PL and Section 5303) for the purpose of carrying out metropolitan transportation planning requirements of Section 134 of the Title 23; and,

WHEREAS, the STATE and designated MPO shall execute or cause to be executed separate agreements for the distribution of PL and Section 5303 funds; and,

WHEREAS, the STATE and designated MPO shall execute or cause to be executed separate agreements for the roles and responsibilities for air quality conformity and developing and sharing performance data, setting performance targets, reporting targets, and tracking progress towards meeting targets.

NOW, THEREFORE, BE IT RESOLVED that the parties hereto do mutually agree to:

1. Cooperatively carry out transportation planning and programming in the Great Falls Metropolitan Planning Area through the following established forum and process:

- A. The Policy Coordinating Committee (PCC) shall manage the executive business of the Great Falls Metropolitan Transportation Planning Process and develop and keep current transportation planning in the Great Falls Metropolitan Planning Area. The PCC shall consist of the following officials:

**Voting Members:**

Mayor or Commission Designee by and from the membership of the City of Great Falls City Commission

Chairman or Commission Designee by and from the membership of the Board of Cascade County Commissioners

Chairman or Board Designee by and from the membership of the Great Falls Transit District Board

Chairman or Board Designee by and from the membership of the Great Falls Planning Advisory Board

President or Board Designee by and from the membership of the Cascade County Planning Board

District Administrator – Montana Department of Transportation

**Non-Voting Members:**

Division Administrator – Federal Highway Administration

- B. The Transportation Technical Advisory Committee (TAC) shall provide technical advice to the PCC and technical direction to and coordination of the metropolitan transportation planning staff concerning transportation planning. The TAC shall, at a minimum, consist of the following members or alternate designee:

**Voting Members**

Manager – Great Falls Transit District

Director of Public Works – City of Great Falls

City Engineer – City of Great Falls

Transportation Engineer – City of Great Falls

Street Division Supervisor – City of Great Falls

Traffic Division Supervisor – City of Great Falls

Planning & Community Development Director – City of Great Falls

Senior Transportation Planner – City of Great Falls

County Sanitarian – City-County Health Department

Planning Division Administrator– Cascade County

Road & Bridge Division Superintendent – Cascade County  
Deputy Public Works Director - Cascade County  
Public Works Director - Cascade County  
District Construction Operations Engineer – Montana Department of Transportation  
District Projects Engineer – Montana Department of Transportation  
Statewide & Urban Planning Supervisor – Montana Department of Transportation  
Deputy Base Civil Engineer – Malmstrom Air Force Base  
Manager – Great Falls International Airport

**Non-Voting Members**

Planning & Program Development Engineer - Federal Highway Administration – Montana Division

- C. A Citizens Advisory Committee may be established, at the discretion of the PCC, to act as a sounding board for proposals advanced by the TAC and PCC. Appointment to the committee shall be by the PCC.
- D. Public Involvement. Procedures for obtaining public involvement will be adopted by the PCC. These procedures will describe methods to obtain additional local input in the planning process.
- E. Transportation Planning Area. At a minimum, continuing, cooperative and comprehensive transportation planning will be conducted in that portion of the Great Falls area that is expected to become urbanized during any forecast period. Said area shall be referenced as the “Great Falls Transportation Planning Area.” Any transportation planning that may be conducted outside the transportation planning area will be determined by the TAC and approved by the PCC.
- F. Scope of Services. The transportation planning process shall be:
- 1) Cooperative, in that, the STATE, COUNTY, CITY, TRANSIT BOARD and PLANNING BOARDS shall cooperatively accomplish the transportation planning process in response to the needs and changes occurring in the planning area.  
  
The STATE, MPO and TRANSIT BOARD shall coordinate their respective targets for performance measurement to ensure consistency, to the maximum extent practicable. This includes, but is not limited to, identifying how performance-based planning provisions will be cooperatively implemented.
  - 2) Comprehensive, in that, all elements affecting metropolitan area development and transportation shall be considered. These elements and requirements are described in various documents published by the U. S. Department of Transportation.
  - 3) Continuing, in that, the planning process is intended to continue indefinitely and shall be maintained as long as this Agreement is in force.

The operational scope of the transportation planning process will generally involve conducting the following general activities:

- (a) Establish a coordinated process for the collection and sharing of performance data, the selection of performance targets, reporting targets, and tracking progress towards meeting targets for the metropolitan area.

- (b) Collect, maintain, analyze and disseminate basic planning information and engineering data.
- (c) Serve the public and private sectors, by providing current information concerning plans, programs, projects, recommendations and implementation schedules.
- (d) Prepare, update and revise long and short-range transportation plans to consider all transportation modes in the transportation planning area; develop transportation improvement programs for project implementation; prepare, update and revise a public involvement plan; and, conduct air quality conformity determinations, to the extent required, for new or revised transportation plans and improvement programs.
- (e) Prepare and distribute studies, reports, maps, plans, etc., for documentation and information purposes; participate in meetings, seminars, etc., at all levels of government; coordinate planning and plan implementation activities; and, conduct public information and involvement programs.
- (f) Research, investigate and develop estimating, forecasting and related planning procedures.

G. Work Program – An annual unified planning work program shall be prepared yearly by the MPO, which outlines the urban transportation and transportation related planning activities to be conducted within the planning area, regardless of funding sources. The unified planning work program shall include:

- 1) A brief discussion of program objectives and accomplishments, including performance targets, during the previous year; and
- 2) A description of major activities to be performed during the next year, the agency or entity to perform the work, the resulting products and a summary of the estimated total amounts and sources of federal and non-federal funds to be used to accomplish the major work activities during the next year.

2. Mechanisms governing this Agreement are as follows:

- A. Changes in Agreement – Any alteration, extension or supplement to the terms of this Agreement, as detailed herein, shall be agreed to, in writing, by the signatory parties.
- B. Bylaws – Both the PCC and the TAC shall adopt and comply with bylaws as are justified and warranted to enact the purposes of this Agreement.
- C. Term of Agreement – This Agreement shall be for a perpetual term unless changed as provided for in paragraph 2.A. above or terminated in the manner described as follows: Any party may terminate its interests and obligations under this Agreement by giving at least ninety (90) days’ notice, in writing, to the other parties.
- D. Previous Agreements – This Agreement supersedes previous Agreements between the STATE, CITY, COUNTY, PLANNING BOARDS and TRANSIT BOARD executed on June 24, 1964, October 12, 1971, December 19, 1972, June 27, 1978, July 1, 1981, March 9, 1983, April 17, 1997, and December 6, 2005.

IN WITNESS WHEREOF, the parties hereto have affixed their hands and seals the day and year first above written.

APPROVED FOR CITY OF GREAT FALLS

ATTEST:

By \_\_\_\_\_  
City Manager, City of Great Falls

By \_\_\_\_\_  
City Clerk

APPROVED FOR COUNTY OF CASCADE

ATTEST:

By \_\_\_\_\_  
Chairman, Board of County Commissioners

By \_\_\_\_\_  
County Clerk & Recorder

APPROVED FOR GREAT FALLS TRANSIT BOARD

ATTEST:

By \_\_\_\_\_  
Chairman, Great Falls Transit District Board

By \_\_\_\_\_  
Manager, Great Falls Transit District

APPROVED FOR THE STATE

By \_\_\_\_\_  
Director, Montana Department of Transportation

By \_\_\_\_\_  
Legal Counsel, Montana Dept. of Transportation

APPROVED FOR GREAT FALLS PLANNING ADVISORY BOARD

ATTEST:

By \_\_\_\_\_  
Chairman, Great Falls Planning Advisory Board

By \_\_\_\_\_  
Secretary, Great Falls Planning Advisory Board

APPROVED FOR CASCADE COUNTY PLANNING BOARD

ATTEST:

By \_\_\_\_\_  
President, Cascade County Planning Board

By \_\_\_\_\_  
Secretary, Cascade County Planning Board



**Item:** Resolution 10272- A Resolution Approving Request to Expend Great Falls International Airport Tax Increment Industrial District Funds

**From:** Craig Raymond, Director, Planning and Community Development

**Initiated By:** Great Falls International Airport Authority (GFIA)

**Presented By:** Craig Raymond, Director, Planning and Community Development

**Action Requested:** Approve Resolution 10272 approving the expenditure of \$107,383.14 of Great Falls International Airport Tax Increment Industrial District (GFIATIFID) funds to reimburse the GFIA for expenses related to the extension of public infrastructure to the Southwest General Aviation Complex and to approve the associated Development Agreement.

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**Public Hearing:**

1. Mayor conducts the public hearing, calling three times each for proponents and opponents.
2. Mayor closes the public hearing and asks the will of the Commission.

**Suggested Motion:**

1. Commissioner moves:

"I move that the City Commission (adopt/deny) Resolution 10272, approving the Industrial Development Project and the expenditure of \$107,383.14 in Great Falls International Airport Tax Increment Industrial District funds to reimburse the Great Falls International Airport for expenses incurred related to the extension of public infrastructure to the Southwest General Aviation Complex."

2. Mayor calls for a second to the motion, Commission discussion, and calls for the vote.

and:

If Motion 1 is made and adopted, then;

3. Commissioner Moves:

"I move that the City Commission approve the Development Agreement and authorize the City Manager to execute the agreement."

4. Mayor requests a second to the motion, Commission discussion, and calls for the vote.

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**Staff Recommendation:**

Staff recommends approval of the Great Falls Airport Authority TIF funding request. On October 9, 2018, the Planning Advisory Board recommended the City Commission approve the TIF request.

**Background:**

Tax increment financing (TIF) is a mechanism that allows communities to use new tax dollars resulting from increasing taxable value for reinvestment within the geographic area in which they are derived for a period of 15 years, or up to 40 years if the incremental taxes were pledged to the repayment of a bond. The City of Great Falls currently has five TIF districts.

The Great Falls International Airport Tax Increment Financing Industrial District Plan (GFIATIFID) was adopted by the Great Falls City Commission on November 5, 2008. The boundaries were amended on September 1, 2009. The GFIATIFID encompasses property surrounding the airport as depicted in Exhibit B attached to this agenda report.

The southwest General Aviation Complex saw its first development in 1995 when the existing Front Range Aviation facility was built. The Federal Aviation Administration (FAA) has long required GFIA to adopt a Master Plan in order to receive federal funds for airport improvements. Over the years, the Master Plan has evolved as needs and opportunities presented themselves. Beginning in 2010, GFIA saw an opportunity to expand into what was previously thought to be undevelopable land due to topography and utility constraints. In the 2014 Master Plan update, GFIA officially included new areas and potential hanger layout options to maximize potential future development. Since that time the GFIA has been constructing supporting infrastructure in the area including the Snow Removal Facility. The proposed improvements specifically serving the Southwest General Aviation Complex are located within the boundary of the TIF District.

**Analysis:**

***TIF Application***

The applicant, Great Falls International Airport Authority, has submitted a TIF application to be reimbursed \$107,383.14 for improvements related to utility expansion to the Southwest General Aviation Complex. As described in the application, the aviation complex is intended to accommodate several dozen private hangers. The first hanger being developed under this project is a 120 foot by 120 foot hanger for Front Range Aviation which is an existing aviation company. The second is a 200 foot by 200 foot hanger which will accommodate a new-to-Great Falls business currently located in California which specializes in aircraft sales and leasing. In total, the proposed development potential of the Southwest General Aviation Complex may result in approximately 10 new full-time positions within a 20 year period. It will also provide support for existing aviation businesses which currently account for approximately 155 full time jobs.

The development plan calls for water, sewer and electrical utility expansions to serve the complex. The water expansion is particularly critical for fire suppression systems which are required by building and fire codes for structures of this type and size. This project also marks the first time that full utility service will be available for not only the new hangers but existing private hangers as well.

## **Review Criteria:**

### ***Preliminary Findings***

City staff and legal counsel from Dorsey & Whitney, LLP reviewed the GFIA TIF Application. After thorough review and evaluation of the Project and infrastructure improvements City staff has determined:

- No persons will be displaced from their housing by the Project or the infrastructure improvements.
- The Project and the infrastructure improvements substantially satisfy the review criteria of the funding application process and meet the purpose and goals of State Law, the District and Plan.
- The infrastructure improvements conforms to the comprehensive plan (or parts thereof) for the City as a whole.
- The infrastructure improvements constitute public improvements in accordance with State Law.
- A sound and adequate financial program exists for the financing of the infrastructure improvements.

### ***Montana Code Annotated (MCA) TIF Regulations***

The creation and administration of TIF Districts are governed by State Law. According to Montana Code Annotated (7-15-4288) tax increment can only be used for the following purposes: The tax increments may be used by the local government to pay the following costs of or incurred in connection with an urban renewal area or targeted economic development district as identified in the urban renewal plan or targeted economic development district comprehensive development plan:

1. land acquisition;
2. demolition and removal of structures;
3. relocation of occupants;
4. the acquisition, construction, and improvement of public improvements or infrastructure, including streets, roads, curbs, gutters, sidewalks, pedestrian malls, alleys, parking lots and off-street parking facilities, sewers, sewer lines, sewage treatment facilities, storm sewers, waterlines, waterways, water treatment facilities, natural gas lines, electrical lines, telecommunications lines, rail lines, rail spurs, bridges, publicly owned buildings, and any public improvements authorized by Title 7, chapter 12, parts 41 through 45; Title 7, chapter 13, parts 42 and 43; and Title 7, chapter 14, part 47, and items of personal property to be used in connection with improvements for which the foregoing costs may be incurred;
5. costs incurred in connection with the redevelopment activities allowed under 7-15-4233;
6. acquisition of infrastructure-deficient areas or portions of areas;
7. administrative costs associated with the management of the urban renewal area or targeted economic development district;
8. assemblage of land for development or redevelopment by private enterprise or public agencies, including sale, initial leasing, or retention by the local government itself at its fair value;
9. the compilation and analysis of pertinent information required to adequately determine the needs of the urban renewal area or targeted economic development district;
10. the connection of the urban renewal area or targeted economic development district to existing infrastructure outside the area or district;
11. the provision of direct assistance to secondary value-adding industries to assist in meeting their infrastructure and land needs within the area or district; and
12. the acquisition, construction, or improvement of facilities or equipment for reducing, preventing, abating, or eliminating pollution.

### ***City of Great Falls TIF Review Criteria***



In order to approve TIF funding requests, they must be determined to meet the criteria recommended in the Plan, as well as be determined eligible for TIF participation in accordance with the MCA guidelines presented previously. To aid in this determination, the City of Great Falls' Tax Increment Application Process established twelve specific criteria to assess the merits of the project in relation to the Plan. GFIA has submitted supporting information to the criteria. Staff analysis will be noted in ***bold italics***.

Those criteria are:

- **Public Infrastructure Improvements** - Public infrastructure improvements have the benefit of improving and impacting an entire district. Each district may have its own Capital Improvement Plan, which may include things such as roadway improvements, storm drains, sewer and waterlines, railroads, etc.

GFIA Response: The hangars being developed now will be the first private hangars at GTF to provide full utility access. All major utilities need to be expanded within the Southwest General Aviation Complex to make these buildings possible. The two large projects proposed for 2018 both require a fire suppression system which requires major expansions of both electrical and water infrastructure. The Airport Authority plans to undertake the expansion of both mainline electrical and water infrastructure to enable these projects. The Airport Authority also plans to develop a low pressure sewer system to serve this area that will connect to gravity main near the Frontage Road. The attached Exhibit shows the planned infrastructure improvements. In addition, none of the existing hangars in the South General Aviation area have access to water or sewer infrastructure. Several local construction companies, Front Range Aviation and Loenbro all have aviation related buildings in this area of the airfield that will be served by this infrastructure. Several individual hangar owners have also expressed interest in connecting to these utilities. As the infrastructure begins in the spring of 2018 and the private hangar development starts summer of 2018, it will start impacting the surrounding district in terms of improvement in roadways, storm drains, sewer and water lines, etc. It will attract other developments over the 20-year development plan for the 20 acre property. Please refer to Exhibit B – Great Falls International Airport Tax Increment Financing Industrial District Plan. The Airport Authority is also constructing new public taxiway infrastructure exclusively for this 20-acre development. The Airport Authority is investing nearly \$1 million in new taxiways between work completed in 2017 and work to be completed in 2018.

***Staff Analysis: Staff concurs and finds that the proposed improvements will serve and have an area-wide benefit within the district.***

- **Economic Stimulus** - The amount of economic activity to be generated within the district through the development is assessed, as well as the leverage ratio of public to private investment. In general, the maximum limit of any one development is 10% of the construction/rehabilitation costs, exclusive of acquisition costs. Projects clearly demonstrating extraordinary benefit to Districts or the community may, at the discretion of the City Commission, receive additional TIF assistance for eligible items. All applications should contain credible, measurable information substantiating the project's economic stimulus in the District and the community.

GFIA Response: The Airport Authority estimates that \$7 million in new private investment will be made in the South General Aviation area in 2018 alone. The Front Range Hangar along with the 200 x 200 hangar are both soliciting bids currently and a third 50 foot x 50 foot hangar is being framed out. The Airport Authority has also submitted a proposal to base eight US Forest Service C-130 firefighting tankers at GTF. This project would require an additional 40,000 square foot hangar. Several local

developers have expressed interest in developing this facility. The Airport Authority estimates this development could add an additional \$4 million in private investment. The Airport Authority will also invest \$1 million to expand our snow removal equipment building this summer. As the Exhibit shows, the proposed development area will eventually accommodate roughly two dozen hangars. Each hangar will generate a minimum of \$500,000 in private investment. We estimate the total private development in the South General Aviation Area would exceed \$22 million.

***Staff Analysis: Staff finds that the criteria is met based on the total amount of private as well as other funding sources in comparison to the amount of TIF support requested.***

- Tax Generation - The increase in taxable value due to the new district development, including construction/rehabilitation, as estimated by the County Assessor's office to determine tax increment generation.

GFIA Response: The total development cost of \$22,000,000 is expected to increase the current tax generation level. The County Assessor's office will definitely have the advantage of determining an equitable tax increment generation to the City and County.

***Staff Analysis: While the GFIA is a property tax exempt entity, it is anticipated that the proposed development will generate additional tax revenue through the taxation of privately owned buildings and improvements.***

- Employment Generation - Total employment generated by the district development as assessed in terms of new permanent and part-time jobs, and construction jobs.

GFIA Response: The addition of the new business in the 200 ft x 200 ft hangar will relocate five jobs to Great Falls. Development of private aviation hangars also supports the growth and expansion of existing businesses at GTF including Avmax (130 employees), Holman Aviation (23 employees), Front Range Aviation (2 employees). We anticipate the 2018 hangar projects will result in the addition of three new full-time employees as a result of more aviation activity. The full build-out of the 20-acres is likely to create roughly 10 new positions over the next 20 years. Construction activity during the 2018 with the three planned hangars, snow removal equipment building expansion, taxi lane expansion and utility expansions is likely to exceed 100 temporary positions.

***Staff Analysis: Staff finds that the project will generate positive employment gains.***

- Elimination of Blight (applies to Urban Renewal Districts) - The development's direct and indirect impact on the physical and fiscal deterioration within the appropriate district and the community, as identified in the appropriate district plan. *N/A*
- Special or Unique Opportunities - The extent to which the district's development represents a unique opportunity, meets a special need, or addresses specific district or community goals. The restoration of a historic property or the provision of an unmet community need is an example of special and unique opportunities.

GFIA Response: Development of this infrastructure allows GTF to pursue large aviation projects like the aforementioned US Forest Service opportunities or the next Avmax. The historic north end of the airfield is fully developed with no vacant space. Smaller commercial aviation aircraft are giving way to mid-sized aircraft and the southern portion of the airfield provides space to accommodate large aircraft

projects like the 200 ft x 200 ft hangar which can serve 737-sized aircraft. Delivering large-scale infrastructure to the south end of the field enables future large hangar development. Locating these projects in Great Falls create vocational and training opportunities in two industries with nationwide shortages; aircraft mechanics and commercial pilots. Further, our sunny climate, full-time US Customs presence and advanced landing system on the runway make us a surprisingly good candidate for aviation related development. Extending infrastructure to this area of GTF is vital to the future growth of corporate and private aviation in Great Falls.

***Staff Analysis: Staff concurs***

- Impact Assessment - The extent of both positive and negative environmental impacts, appropriateness of the development's project design, and impact on existing businesses or residents.

GFIA Response: Not applicable. Refer to Criteria 3

***Staff Analysis: Staff disagrees with the GFIA evaluation of environmental impact. Staff's own findings indicate that the proposed development will not have a negative environmental impact. Compliance with adopted City Municipal Codes as well as adopted Building and Fire codes mitigate negative impacts and risks to the occupants of the buildings as well as the neighboring properties.***

- Financial Assistance - Other forms of financing available to the Applicant. Lender participation, industrial development revenue bonds, and state and federal grant monies, for example, are examined to assess the need for TIF assistance.

GFIA Response: The Airport Authority will be investing approximately \$2 million in public infrastructure for utilities, public roadway expansions and public taxilane expansions in the Southwest General Aviation Complex. The Airport Authority is investing these funds to foster economic development and aviation activity and does not expect to fully recover this investment. The Airport Authority is requesting \$107,383.14 from the Airport TIF fund.

***Staff Analysis: Staff finds that other financing means have been significantly leveraged towards the completion of this project.***

- Development Feasibility - A determination of feasibility is made based on the strength of the Applicant's demonstration of market demand for the development in the district as contained primarily on the pro forma and financing commitments.

GFIA Response: One small hangar is currently under construction in the Southwest General Aviation Area. The Front Range Hangar has already extended their waterline and electric service. They have signed a lease and are highly likely to break ground in 2018. The 200 x 200 hangar has also executed a lease and is soliciting bids for their facility. They are likely to proceed.

***Staff Analysis: Staff finds that the development is feasible and is responsive to existing market demand. In fact, as of this date, the Eagle Aviation Hanger has received building permits and construction activity is underway.***

- Developer Ability to Perform - An assessment of the Applicant's capability to undertake the

relative complexities of the development based on past performance on similar projects.

GFIA Response: The Airport completes several million dollars of development each year and has recently completed projects of similar scale and complexity. The Airport Authority has already identified sufficient funding to complete the infrastructure improvements and has employed professional engineering consultants to design the improvements and oversee construction.

***Staff Analysis: Staff finds that the applicant has proven through previous projects the ability to complete the project.***

- Timely Completion - The feasibility of completing the development according to the Applicant's development schedule.

GFIA Response: Assuming that timely permits can be obtained, the Airport Authority will complete all infrastructure improvements in 2018. Design drawings are currently underway and bids will be completed by May.

***Staff Analysis: Staff finds that the applicant has proven through previous projects the ability to complete the project on time.***

- Payment of Taxes - All property taxes, special improvement district assessments and other assessments on the project property must be paid to date.

GFIA Response: The Airport Authority is in negotiation with the City of Great Falls regarding Street Assessments. The Airport Authority has requested that the City extend the Street Assessment Agreement under similar terms to those that have been in place since the Airport Authority became the official airport operator in 2001.

***Staff Analysis: GFIA has most recently asserted that it is not able to or liable to pay for City Street Assessments due to FAA regulations. City Staff disagrees with this assertion and final disposition of this subject is pending.***

#### **Fiscal Impact:**

There would be no significant negative fiscal impacts that would result from funding this application. The applicant is requesting to be reimbursed for \$107,383.14. Due to the nature of the request, long term bonding considerations or requirements are not needed for this specific request. Although GFIA is essentially a tax exempt entity, any privately owned improvements or buildings will be taxed. It is difficult to calculate what the total positive fiscal impact will be due to the tax exempt status as well as the somewhat speculative nature of the development.

#### **Alternatives:**

The City Commission could vote to not approve the TIF expenditure or if desired, the Commission may approve a lesser amount.

#### **Concurrences:**

Representatives from the City's Legal Department as well as the City's outside Legal Counsel have determined the request to be eligible under the Montana statute for TIF funding.

ATTACHMENTS:

- ▣ Resolution 10272
- ▣ Resolution 10272 - Exhibit A - Development Agreement
- ▣ Resolution 10272 - Exhibit B - GFIA TIF Plan
- ▣ GFIA TIF Application

RESOLUTION 10272

A RESOLUTION TO APPROVE AN INDUSTRIAL DEVELOPMENT PROJECT AND ASSOCIATED INFRASTRUCTURE IMPROVEMENTS IN THE GREAT FALLS INTERNATIONAL AIRPORT TAX INCREMENT FINANCING INDUSTRIAL DISTRICT

\* \* \* \* \*

WHEREAS, the Great Falls International Airport Authority is interested in fostering the development of secondary, value-adding industries in the City of Great Falls as part of its overall mission to promote aviation related economic development, to improve area employment opportunities and to expand the tax base; and,

WHEREAS, the City of Great Falls through the adoption of Ordinance 3022 on November 5, 2008 enacted and approved the Great Falls International Airport Tax Increment Financing Industrial District, and an associated District Plan and District Boundary which was amended by Ordinance 3043 which was adopted on September 1, 2009; and,

WHEREAS, the City of Great Falls is interested in using Tax Increment Financing as a tool to foster economic and community development.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, STATE OF MONTANA AS FOLLOWS:

Section 1. Approval. The City Commission hereby approves the expenditure of the requested Tax Increment Financing Industrial District funds as requested by the Great Falls International Airport Authority in the amount of \$107,383.22.

Section 2. Findings. Based on representations made to the City Commission to date and taking into consideration all comments received, including those made at a properly noticed public hearing duly held on December 4, 2018, the City Commission does hereby make the following findings, determinations and declarations regarding the Great Falls International Airport Tax Increment Financing Industrial District, which is hereinafter referred to as the District:

- (a) no persons will be displaced from their housing by the Project or the Infrastructure Improvements;
- (b) the Project and the Infrastructure Improvements substantially satisfy the review criteria of the funding application process and meet the purpose and goals of the Act, the District and Plan;
- (c) the Plan, to include the Project and the Infrastructure Improvements, conforms to the comprehensive plan or parts thereof for the City as a whole;

(d) the Infrastructure Improvements constitute public improvements in accordance with the Act;

(e) the Plan, to include the Project and the Infrastructure Improvements, will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the rehabilitation or redevelopment of the District by private enterprise; and

(f) a sound and adequate financial program exists for the financing of the Infrastructure Improvements, as more particularly described in Section 4 hereof.

Section 3. Development Agreement. An agreement between the City of Great Falls and the Great Falls International Airport Authority is attached hereto as Exhibit "A".

Section 4. District Plan. A plan describing existing infrastructure, existing infrastructure deficiencies, and industrial development activities to be undertaken within the District is attached as Exhibit "B".

Section 5. Effective Date. This Resolution shall be in full force and effect upon passage and adoption by the City Commission.

Section 6. Conflict with Other Ordinances and Resolutions. All parts of ordinances and resolutions in conflict herewith are hereby repealed.

PASSED BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA, this 4<sup>th</sup> day of December, 2018.

\_\_\_\_\_  
Bob Kelly, Mayor

ATTEST:

(SEAL OF CITY)

\_\_\_\_\_  
Darcy Dea, Deputy City Clerk

APPROVED FOR LEGAL CONTENT:

\_\_\_\_\_  
Sara R. Sexe, City Attorney

**Exhibit A**

**DEVELOPMENT AGREEMENT**

THIS DEVELOPMENT AGREEMENT is dated as of [\_\_\_\_\_], 2018, among the CITY OF GREAT FALLS, a municipal corporation of the State of Montana (the “**City**”) and GREAT FALLS INTERNATIONAL AIRPORT AUTHORITY, a regional airport authority created by the City and Cascade County, Montana (the “**Authority**”) for the operation of the Great Falls International Airport (the “**Airport**”).

WITNESSETH:

WHEREAS, under the provisions of the Montana Code Annotated, Title 7, Chapter 15, Parts 42 and 43, as amended (the “**Act**”), an industrial district may be established so that a municipality may undertake industrial infrastructure projects therein, provide for the segregation and collection of tax increment with respect to taxes collected in such district, and apply all or a portion of the tax increment derived from such district to the payment of costs of such industrial infrastructure projects; and

WHEREAS, the City Commission, pursuant to Ordinance No. 3022, duly adopted on November 5, 2008, and revised by Ordinance No. 3043, duly adopted on September 1, 2009 (as such may be further amended or supplemented in accordance with the Act, the “**Ordinance**”), created an industrial district known as the Central Montana Agriculture and Technology Park Tax Increment Financing Industrial District (the “**District**”) and adopted the Central Montana Agricultural and Technology Park Expanded Tax Increment Financing Industrial District Plan (the “**Plan**”) containing a tax increment financing provision; and

WHEREAS, as set forth in the Plan, the purpose of the District is to encourage the attraction, growth and retention of secondary, value-adding industries and the City has identified numerous infrastructure improvements necessary in order to further the objectives of the City and the Authority with respect to the development of the District and supporting infrastructure for public use, directly and indirectly benefitting the Authority and its customers; and

WHEREAS, the Authority proposes to undertake the construction of multiple aircraft hangar development sites in the District, known as the Southwest General Aviation Complex (the “**Project**”), as further described in an Application for City of Great Falls Tax Increment Financing (TIF) Application for Funds dated May 14, 2018 (the “**Application**”); and

WHEREAS, the purpose of the Project is to develop the 30-acre Southwest General Aviation Development Complex with private aviation related facilities. Included in this area and served by the Project infrastructure is Front Range Aviation which is a FAA-certified Aircraft Maintenance and Repair Operation (“**MRO**”). The Project will serve a planned 14,000 square foot expansion of Front Range Aviation. The Project infrastructure will also support development of a new 40,000 square foot hangar that will be the largest private hangar in Montana. This hangar is being developed by Eagle Jet Solutions, an aircraft sales and management company, which will create additional business for existing MRO operators, the



Avmax paint facility and other Secondary Industries already located at GTF. Further, the Project will serve a master planned area that contains two additional large hangar sites which have already been marketed to Secondary Industry companies, multiple small hangar sites and a warbird restoration operation that has been in discussions with GTF to relocate to Great Falls, all in furtherance of the objectives set forth in the Plan; and

WHEREAS, in connection with the Project, the Authority has requested tax increment financing assistance with respect to certain infrastructure improvements associated with the Project, consisting of public road and public utility improvements, including natural gas, water main, sewer main, electrical and fiber optic improvements, all as further described in the Application (the “**Infrastructure Improvements**”); and

WHEREAS, the City has determined that the Project is an industrial development project authorized under the Plan for the purpose of attracting secondary, value adding industries, that the Infrastructure Improvements are authorized by the Plan and that it is appropriate to reimburse the Authority for a portion of the costs of the Infrastructure Improvements with tax increment (as defined in the Act) of the District, subject to the terms and conditions set forth in this Agreement.

NOW THEREFORE, the City and the Authority, each in consideration of the representations, covenants and agreements of the other, as set forth herein, mutually represent, covenant and agree as follows:

Section 1. Authority Representations. The Authority hereby represents as follows:

- (a) The representations and warranties of the Authority in the Application are true and correct as of the date hereof, including with respect to the total investment to be made by the Authority with respect to the Project and the Infrastructure Improvements.
- (b) The Authority has good and marketable title to the land upon which the Project shall be developed (the “**Project Site**”).
- (c) The Authority has the financial capability or commitments to complete the Project and the Infrastructure Improvements.

Section 2. Authority’s Undertakings.

2.1 Construction and Maintenance of Project. The Authority hereby agrees and commits to the City that it will diligently undertake the Project in accordance with the site plan submitted to the City and all applicable federal, state and local laws, rules, regulations, ordinances and plans relating to or governing the development or use of the Project. The Authority and the private business locating in the Southwest General Aviation Development Complex agree to pay all costs of the Project. The Airport Authority is serving as the site developer and is constructing the utilities infrastructure of the Project including the water line that is the subject of this application. Private businesses and individuals will construct and maintain aviation-related facilities within the Southwest General Aviation Complex. For

example, the Project includes expansion of Front Range Aviation, an existing MRO and Secondary Industry use. In addition, the Project will serve several other regional industrial operations that require corporate aviation assets to do business including Loenbro and Torgenson's. The Airport also has two other MRO's, Avmax and Holman Aviation which are utilized by the aircraft in the Southwest General Aviation Complex.

In addition to existing tenants, the Southwest General Aviation complex contains two additional large hangar sites, numerous small hangar pads and a pad for a warbird restoration operation that is currently in discussions with the Airport Authority. Completion of the Project infrastructure including the waterline contained in this application is the subject of this application and will assist the Authority in recruiting Secondary Industries to the District by creating building ready pads for development.

The creation of two large hangar pads with close proximity to the runway, which will be created by the Project, represents a unique opportunity within Montana to pursue large aviation opportunities. The large hangar that is being built and the two remaining development pads can accommodate planes as large as the 737 or the C-130. Even within the broader Northwest, it is rare to find development pads that can accommodate such large aircraft despite the fact that this size of aircraft is one of the most frequently used in commercial aviation. In the past year, the Airport Authority has pursued several Secondary Industry opportunities related to these large hangar pads.

Further, attraction of additional based aircraft to the Airport supports the operation of the existing Secondary Industries that operate at the Airport such as our three existing MRO's. Thus attracting secondary value adding industries and providing infrastructure for public use, directly and indirectly benefitting the Airport Authority and its customers. "**Secondary Industries**" means those industries that use mechanical or chemical processes to transform materials or substances into new products in the manner defined as manufacturing in the North American Industry Classification System Manual.

2.2. Construction of the Infrastructure Improvements. The Authority will install, construct or otherwise provide the Infrastructure Improvements in accordance with all local, state and federal laws, rules and regulations. The Authority acknowledges and agrees that the City is not responsible for installing, constructing or otherwise providing the Infrastructure Improvements. The Authority agrees to pay all costs of the Infrastructure Improvements as the improvements directly and indirectly benefit to the Authority, the public and its customers. The Authority understands that the City is obligated to follow certain laws with respect to the expenditure of public funds, which includes tax increment of the District. The Authority agrees that in the awarding of contracts or subcontracts for the Infrastructure Improvements that (i) it will and it will cause its contractor to competitively bid the contracts and subcontracts for each of those components; (ii) its contractor and subcontractors will pay the Prevailing Wage Rates on such contracts or subcontracts related to the Infrastructure Improvements; (iii) its contractor and subcontractors will give preference to the employment of bona fide residents of the State of Montana (the "**State**"), as required by Montana Code Annotated Section 18-2-403 and as such term is defined by Montana Code Annotated Section 18-2-401(1) and the Administrative Rules of the State, including but not limited to A.R.M. 24.17.147, obliging its contractor and

subcontractors to hire 50% bona fide Montana residents with respect to the installation and construction of the Infrastructure Improvements; and (iv) when making assignments of work, its contractor and subcontractors will use workers both skilled in their trade and specialized in their field of work for all work to which they are assigned. The Authority will provide to the City all documentation requested to verify the compliance of the Authority, its contractor and subcontractors with the foregoing requirements. Failure of the contractor and subcontractors to pay the Prevailing Wage Rates on the Infrastructure Improvements shall be considered a breach of this Agreement and the City shall be entitled to exercise any and all measures to assure compliance and retroactive compensation plus interest to employees not paid in accordance with this Agreement, and recovery of any penalty or fine assessed by the State attributed to any failure to pay the Prevailing Wage Rates. Additionally, the Authority acknowledges that a violation of these requirements shall result the City not being able to pay or reimburse the Authority for costs of the Infrastructure Improvements. “Montana Prevailing Wage Rate for public works projects are published from time to time by and available from the Montana Department of Labor and Industry, Research and Analysis Bureau, P.O. Box 1728, Helena, Montana 59624, telephone number (800) 541-3904; applicable Federal Prevailing Wage Rates for public works projects are published from time to time by and available from <https://www.dol.gov/whd/govcontracts/PrevailingWageResources.htm>.”

2.3. Utilities. The Authority shall not interfere with, or construct any improvements over, any public street or utility easement without the prior written approval of the City. All connections to public utility lines and facilities shall be subject to approval of the City and any private utility company involved. The Authority at its own expense shall replace any public facilities or utilities damaged during the Project or the Infrastructure Improvements by the Authority, its agents or by others acting on behalf of or under the direction or control of the Authority.

2.4. Easements. To the extent that the Infrastructure Improvements are to be located on the Authority property, the Authority will grant to the City from time to time such easements, rights-of-way and similar licenses the City may reasonably request.

2.5. Permits; Environmental Laws. The Authority will obtain or cause to be obtained, in a timely manner, all required permits, licenses and approvals, and will meet all requirements of all local, state and federal laws, rules and regulations which must be obtained or met in connection with the acquisition and construction of the Project and the Infrastructure Improvements. Without limiting the foregoing, the Authority will request and obtain, or caused to be requested and obtained, from the City or other appropriate governmental authority, all necessary variances, conditional use permits and zoning changes with respect to the Project and the Infrastructure Improvements. The Authority will comply in all material respects with all Environmental Laws and Regulations (as hereinafter defined) applicable to the construction, acquisition and operation of the Project and the Infrastructure Improvements, will obtain any and all necessary environmental reviews, licenses or clearances under, and will comply in all material respects with, Environmental Laws and Regulations. “**Environmental Laws and Regulations**” means and includes the Federal Comprehensive Environmental Compensation Response and Liability Act (“CERCLA” or the “Federal Superfund Act”) as amended by the Superfund Amendments and Reauthorization Act of 1986 (“SARA”), 42 U.S.C. §§ 9601 et seq.;

the Federal Resource Conservation and Recovery Act of 1876 (“RCRA”), 42 U.S.C. §§ 6901 et seq.; the Clean Water Act, 33 U.S.C. § 1321 et seq.; and the Clean Air Act, 42 U.S.C. §§ 7401 et seq., all as the same may be from time to time amended, and any other federal, state, county, municipal, local or other statute, code, law, ordinance, regulation, requirement or rule which may relate to or deal with human health or the environment including without limitation all regulations promulgated by a regulatory body pursuant to any such statute, code, law or ordinance.

2.6. Nondiscrimination. The Authority agrees that all hiring by the Authority and its contractor and subcontractors and persons performing this Agreement will be on the basis of merit and qualification and will not discriminate on the basis of race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, national origin, or other class protected by state and/or federal law.

2.7. Worker’s Compensation Insurance. The Authority shall provide in its construction contracts with its contractor and subcontractors that such contractor and subcontractors are to be covered by a Worker’s Compensation insurance program with the State, a private insurance carrier, or an approved self-insurance plan in accordance with State law.

Section 3. Reimbursement.

3.1 Reimbursement Obligation. Subject to the provisions of this Section 3, the City will reimburse the Authority for costs of the Infrastructure Improvements in an amount equal to the 100% of the actual cost of the Infrastructure Improvements; provided that such reimbursement amount shall not exceed \$107,383.22 in the aggregate. The obligation of the City to reimburse the Authority for costs of the Infrastructure Improvements will not arise until (i) the completion of the Project, including delivery by the City Public Works Department of a letter stating that the Project has been completed and (ii) the completion and acceptance by the City of the Infrastructure Improvements and the approval by the City of the costs thereof pursuant to Section 3.2 hereof. The City’s obligation to reimburse the Authority for costs of the Infrastructure Improvements will be payable solely from tax increment of the District. Notwithstanding anything herein to the contrary, if the conditions to reimbursement set forth in this Section 3.1 are not satisfied by December 31, 2019, the City shall have no obligation to reimburse the Authority for costs of the Infrastructure Improvements.

3.2. Reimbursement Limitations and Conditions. Reimbursement for costs of the Infrastructure Improvements will be based on actual paid invoices for incurred costs provided by the Authority. The City may reject any invoice amounts to the extent not related to Infrastructure Improvements. Notwithstanding Section 3.1, the parties agree that the City will not be required to reimburse the Authority for the Infrastructure Improvements unless:

(a) all of the representations of the Authority as set forth in Section 1 hereof are true and correct;

(b) the Authority is not in breach of any covenant or undertaking as set forth in Section 2 hereof as of the time of such reimbursement; and

(c) a certificate signed by the Authority in substantially the form attached as Exhibit A hereto shall accompany any requests for reimbursement by the City.

Section 4. Release and Indemnification.

(a) The Authority releases the City, and the City Commission members, officers, agents, servants and employees thereof (the “**Indemnified Parties**”) from, and covenants and agrees that the Indemnified Parties shall not be liable for and agrees to indemnify and hold harmless the Indemnified Parties against, any loss or damage to property or any injury to or death of any person arising out of or resulting from the construction, installation, operation, ownership or maintenance of the Project Site, the Project or the Infrastructure Improvements by the Authority or its officers, agents, contractors, consultants or employees or any other person or which is proximately caused by any act or omission of the Authority or its officers, agents, contractors, consultants or employees or any other person; provided that the indemnity shall not apply if and to the extent such loss or damage is caused by the gross negligence or willful misconduct of the City, its agents or employees.

(b) The Authority agrees to protect, indemnify and defend the Indemnified Parties and further agrees to hold the Indemnified Parties harmless from and against, any loss, damage, cost (including reasonable attorneys’ fees), claim, demand, suit, action or other proceeding whatsoever initiated by any Person whatsoever and arising or purportedly arising out of (i) violation by the Authority or its officers, agents, contractors, consultants or employees or any other person of any agreement or condition of this Agreement, (ii) the acquisition, construction, installation, ownership, maintenance and operation by the Authority or its officers, agents, contractors, consultants or employees or any other person of the Project Site, the Project or the Infrastructure Improvements or (iii) from the presence on any portion of the Project Site, of any dangerous, toxic or hazardous pollutants, contaminants, chemicals, waste, materials or substances, as defined in or governed by the provisions of any federal, state or local law, statute, code, ordinance, regulation, requirement or rule relating thereto, and also including urea formaldehyde, polychlorinated biphenyls, asbestos, asbestos containing materials, nuclear fuel or waste, radioactive materials, explosives, carcinogens and petroleum products, or any other waste, material, substance, pollutant or contaminant which would subject the owner of the Project Site to any damages, penalties, liabilities or expense of clean up under any applicable Environmental Laws and Regulations.

Section 5. (c) The Indemnified Parties shall not be liable for any damage or injury to the persons or property of the Authority or its officers, agents, contractors, consultants or employees or any other person; provided that such damage or injury is not caused by the gross negligence or willful misconduct of the City, its agents or employees.

5.1. **Limitation on City Liability.** No agreements or provisions contained in this Agreement nor any agreement, covenant or undertaking by the City contained in this Agreement or any other document executed by the City in connection with the Infrastructure Improvements will give rise to any pecuniary liability of the City or a charge against its general credit or taxing powers, or will obligate the City financially in any way except with respect to tax increment of the District. No failure of the City to comply with any term, condition, covenant or agreement

herein will subject the City to liability for any claim for damages, costs or other financial or pecuniary charge except to the extent that the same can be paid or recovered from tax increment of the District; and no execution on any claim, demand, cause of action or judgment will be levied upon or collected from the general credit, general funds or taxing powers of the City (except as such constitute tax increment of the District). Nothing herein will preclude a proper party in interest from seeking and obtaining specific performance against the City for any failure to comply with any term, condition, covenant or agreement herein; provided that no costs, expenses or other monetary relief will be recoverable from the City except as may be payable from tax increment of the District.

5.2. Notices. All notices, certificates or other communications required to be given to the City or the Authority hereunder shall be sufficiently given and shall be deemed given when delivered or deposited in the United States mail in certified form with postage fully prepaid and addressed as follows:

If to the City: City of Great Falls  
P.O. Box 5021  
Great Falls, Montana 59403  
Attn: Finance Director

If to the Authority: Great Falls International Airport Authority  
Airport Director  
2800 Terminal Drive  
Great Falls, Montana 59404

The City and the Authority, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications should be sent.

5.3. Assignment. This Agreement is unique between the City and the Authority and no party may assign any rights or privileges or delegate any duties or obligations under this Agreement without first obtaining the written consent of the other parties.

5.4. Binding Effect. The right and obligations set forth in this Agreement shall inure to the benefit of and shall be binding upon the City and the Authority and their respective successors and assigns.

5.5. Severability. If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

5.6. Amendments, Changes and Modifications. This Agreement may be amended or any of its terms modified only by written amendment authorized and executed by the City and the Authority.

5.7. Governing Law. This agreement and the legal relations between the parties hereto will be governed by and construed in accordance with the laws of the State of Montana, without giving effect to any choice of law statutes, rules, or principles.

5.8. Execution Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

5.9. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope of intent of any provisions or Sections of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the \_\_\_\_ day of \_\_\_\_\_, 2018.

CITY OF GREAT FALLS, MONTANA

[SEAL]

By \_\_\_\_\_  
Gregory T. Doyon, City Manager

Attest:

SEAL

\_\_\_\_\_  
Lisa Kunz, City Clerk

APPROVED FOR LEGAL CONTENT:

\_\_\_\_\_  
Sara R. Sexe, City Attorney

Great Falls International Airport Authority

\_\_\_\_\_  
Name:  
Title:

STATE OF MONTANA     )  
                                      : ss.  
County of Cascade     )



This instrument was acknowledged before me on \_\_\_\_\_, 20\_\_ by  
\_\_\_\_\_ of Great Falls International Airport Authority, on behalf of said  
Authority.

(Notarial Seal)

\_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Notary Public for the State of Montana  
Residing at \_\_\_\_\_, Montana  
My Commission Expires: \_\_\_\_\_

EXHIBIT A

AUTHORITY REQUISITION FORM

TO: City of Great Falls, Montana (the "City")
FROM: Great Falls International Airport Authority (the "Authority")
SUBJECT: Reimbursements for Infrastructure Improvements

This represents Authority Requisition No. \_\_\_\_ in the total amount of \$\_\_\_\_\_ for payment of the Infrastructure Improvements.

The undersigned, as Authorized Authority Representative, intends that this certificate will satisfy the requirements of Section 3 of the Development Agreement, dated as of [\_\_\_\_], 2018 among the City and the Authority, and does hereby certify on behalf of the Authority that:

- (a) the expenditures for which reimbursement is requested are listed in summary form in the attached schedule;
(b) the amounts requested have been paid by the Authority for property or to contractors, subcontractors, materialmen, engineers, architects or other persons who will perform or have performed necessary or appropriate services or will supply or have supplied necessary or appropriate materials for the acquisition, construction, renovation, equipping and installation of the Infrastructure Improvements, as the case may be, and that, to the best of my knowledge, the fair value of such property, services, or materials is not exceeded by the amounts requested to be paid;
(c) the cost of work to be reimbursed has been competitively bid and the contractor or subcontractor has paid the Montana prevailing wage for such work;
(d) no part of the several amounts requested to be reimbursed, as stated in such certificate, has been or is the basis for the reimbursement of any money in any previous or pending request; and
(e) the reimbursement of the amounts requested will not result in a breach of any of the covenants of the Authority contained in the Agreement.

Dated: \_\_\_\_\_, 20\_\_

Great Falls International Airport Authority

By: \_\_\_\_\_
Authorized Authority Representative

Schedule to Authority Requisition No. \_\_\_\_\_

Payee

Purpose

Amount

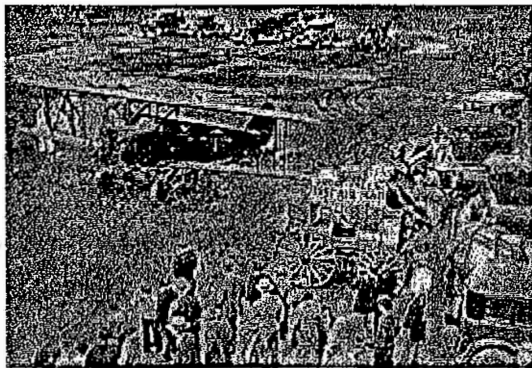
Exhibit "B"  
Great Falls International Airport  
Tax Increment Financing Industrial District Plan

**1. INTRODUCTION**

The Great Falls International Airport (GFIA) Authority is interested in fostering the development of secondary, value adding industries in the City of Great Falls as part of its overall mission to promote aviation related economic development, to improve area employment opportunities and to expand the tax base. This effort will be facilitated through the creation of a Tax Increment Financing Industrial District or TIFID, which will encompass the entire Airport property.

History of the Great Falls International Airport

The GFIA was developed in response to an initiative of the U.S. Department of Commerce in 1928. The City acquired 640 acres of land and construction was started on Runway 16/34, which was completed in June 1929. By 1939 the airport facilities included four runways, a large hangar, and an administration building.



*Early Air Mail Plane*

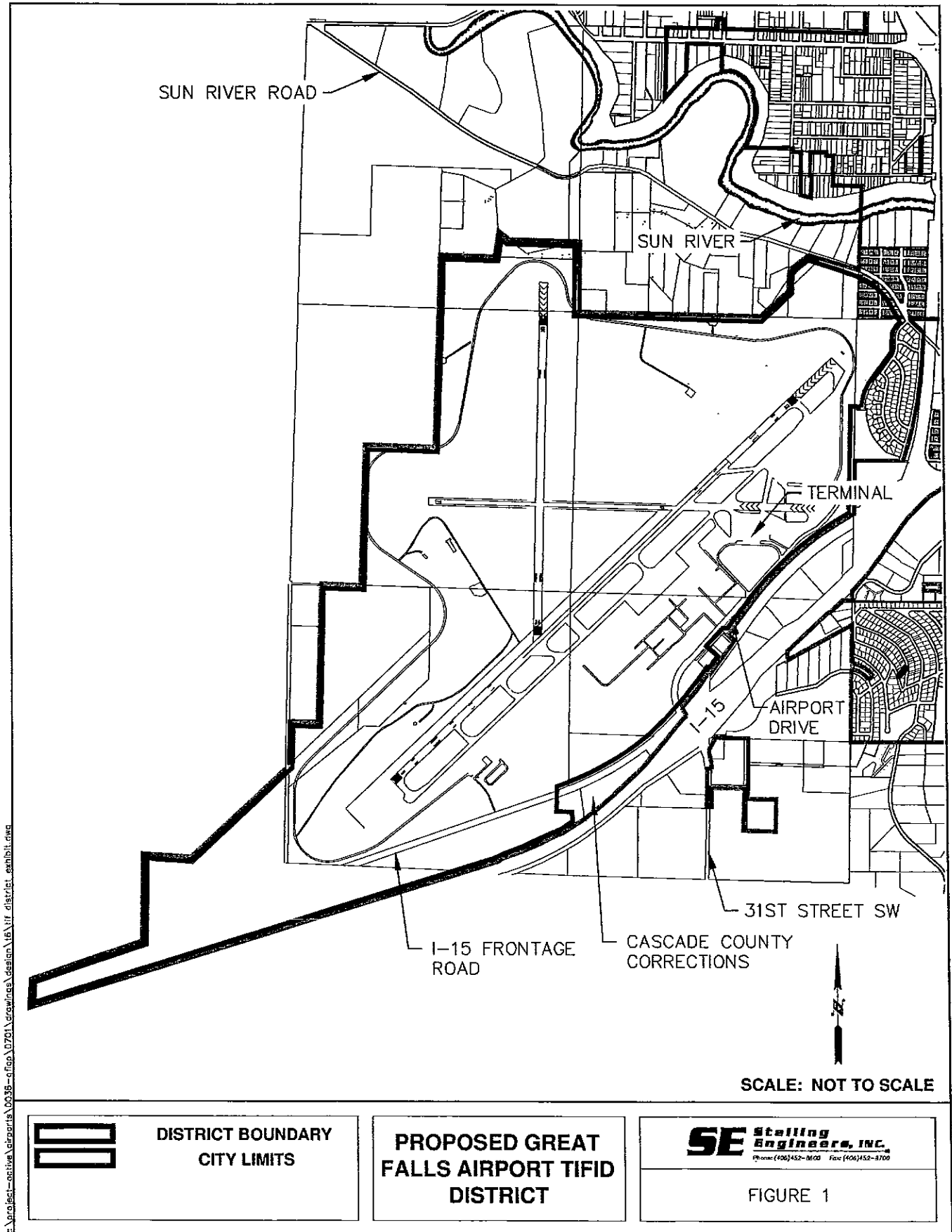
In 1939, the Great Falls Airport Commission appealed to Harry H. Woodring, Secretary of War, to locate an Air Corps squadron at Great Falls. In 1941, the Civil Aeronautics Authority provided money for the further development of the Great Falls Municipal Airport, which was known then as Gore Field.

During World War II, the airport was leased by the U.S. War Department and used as a base for the 7th Ferrying Command. During the war years, more than 7,500 bombers and fighter aircraft passed through Great Falls on their way to the war fronts in Europe and the Pacific. While using the airport as an airbase, the U.S. Army acquired an additional 740 acres of land and built many buildings and other facilities.



*First Terminal*

In June 1948, the U.S. War Department deeded the airport back to the City of Great Falls with the stipulation that the facility could revert to military control in the event of a



### 3. EXISTING INFRASTRUCTURE ANALYSIS

The existing infrastructure at the GFIA includes a combination of public and private utility services built in response to growth and needs at the Airport. These are summarized in Figures 2-5.

Figure 2 shows current City water and sanitary sewer utilities. The Airport's location and elevation, well above all treatment facilities, dictates the location of lift stations and the distances required to service mains. Key water connections exist at three separate locations into the GFIA. All sanitary sewer lines are channeled into the single sewer main connection, just north of the Airport Interchange on Interstate 15.

Figures 3A and 3B show both the public roads and the City storm drain facilities. The Airport generally drains toward the north, and provides on-site storm water detention which is a permitted-industrial release site, through the Montana Department of Environmental Quality (DEQ). Storm water is discharged at the north end of the Airport into the Sun River. The single connection to the road network is at I-15 Interchange # 277 with Airport Drive.

As the sole access road into the GFIA, Airport Drive also provides traffic distribution for the majority of airside and all landside facilities. Airport Drive is primarily a two-lane, urban street with some supplemental turning lanes. Design and operating speeds are less than 35 miles per hour (mph). Airport Drive serves as the sole emergency access to and from the Airport and currently serves all vehicle types, with a mix ranging from large semi-trailers to passenger cars. The I-15 Frontage Road also provides access to the undeveloped, southern portion of the Airport lands, on a two-lane rural roadway. In an agreement with the City of Great Falls, the GFIA provides street maintenance on Airport Drive and other, public streets that serve the terminal and freight areas.

The Airport Perimeter Road circumnavigates the fenced (secured, airside of the Airport). Due to aviation security requirements, this roadway is considered a private roadway and has no public access. It is primarily a narrow, two-lane, paved surface with no signing, striping or shoulders.

Natural gas service lines provided by Energy West are shown in Figure 4. This current system extends along Airport Road from the Terminal/MANG areas to the north Airport boundary, terminating at the FedEx facility.

Figure 5 shows Northwestern Energy's electric lines and available communication service. Although numerous electric lines are shown along the runways, these service

lines are not considered for extension to future development. Local and long-distance telephone connections are currently available at the Terminal and developed areas. Both fiber optic and cable connections exist on the east (non-airport) side of I-15 with some fiber lines extending to specific buildings (MANG, Federal Aviation Administration, etc) within the GFIA.

#### **4. INFRASTRUCTURE DEFICIENCIES FOR TARGETED SECONDARY, VALUE-ADDING INDUSTRIES**

The development of secondary, value-adding industries in the TIFID will require adequate infrastructure -- roads, sewer, water, electricity and communications. A review of the existing infrastructure and the infrastructure needed for the development of secondary, value-adding industries within the TIFID reveals the following deficiencies, which are presented by sub area within the proposed TIFID.

Figure 6 shows three geographic areas within the TIFID that currently provide similar infrastructure services. These areas were established to summarize the infrastructure deficiencies for the development of secondary, value adding industries within the TIFID.





### Deficiencies by Area

The Northeastern Area (from the I-15 interchange, north to the FedEx complex) of the TIFID is well served by all infrastructure, except roads and communication infrastructure. The road infrastructure is limited by the lack of dual access and the capacity limits of a single, two-lane, low-speed road for all Airport access.

- Cable and fiber-optic service do not exist as services have not been extended across the Interstate to serve any of the Airport or TIFID areas at the time of this evaluation.

The Southern Area (generally south of Airport Drive and directly along the I-15 Frontage Road) has service connections at the east edge, but few extensions along the Frontage Road corridor.

- Electricity, telephone, water and sanitary sewer services are available at the east edge but would require main (or transmission line) extensions along the Frontage Road corridor.
- Gas and storm sewer would need to be connected to existing distribution systems. Gas would likely connect to existing systems in the Northeastern Area via an extension along the Frontage Road corridor. Storm systems could connect into either the Northeastern or Northwestern Areas, depending upon design needs.
- The road infrastructure provides reasonable access through this area but does not have intersection improvements (turn lanes, driveway approaches, traffic signals, lighting or roundabouts). Because the Frontage Road is under the Montana Department of Transportation (MDT) jurisdiction, additional access changes will be required to meet MDT access and design standards. The road infrastructure is also limited as Airport Drive provides the only emergency access (the Frontage Road does extend further south, but requires additional travel time that eliminates its feasibility as an emergency response route).
- Cable and fiber-optic service do not exist as services have not been extended across the Interstate to serve any of the Airport or TIFID areas at the time of this evaluation.

The Northwestern Area (all areas west of the main runway) essentially has no infrastructure suitable for industrial development. New connections to all infrastructure would be required for industry, including major extensions for:

- Water mains and service (including possible upgrading of Gore Hill systems for fire demand, which could include pump station, storage and distribution)
- Sanitary mains and distribution (including the possible addition of a lift station)
- Storm Drain Systems
- Roadway Systems (access to development and improvements to Frontage Road and/or Airport Drive)

- Gas (main and distribution lines)
- Electrical Service (transmission and distribution lines)
- Telephone Service
- Cable and fiber-optic service do not exist as services have not been extended across the interstate to serve any of the airport or TIFID areas at the time of this writing.

## 5. INDUSTRIAL DEVELOPMENT ACTIVITIES TO BE UNDERTAKEN

Once the TIFID is established, the Great Falls International Airport Authority, in concert with the City of Great Falls, will work to foster industrial economic development within the District. This program will be multifaceted and will include market analysis, capital improvement planning, industry recruitment, and project financing and implementation.

### Identification of secondary, value-adding industries

The Authority has identified industries that could be targeted for development within the proposed TIFID. This list of industries is based on the following analysis, as provided by the Authority:

*...industry groups, or clusters, have been identified as target industries for on-airport development. These industry clusters have a propensity to locate business activities on airports or immediately adjacent to airports, depending on airport land availability. Industry clusters were identified based on airport development trends throughout North America. It should be noted that these industry clusters are not specifically related to airport and aircraft services or visitor industry services. Rather, these industry clusters locate on an airport to take advantage of access to airside facilities such as air cargo facilities, aircraft aprons, taxiways and runways. By locating on the airport, these industries reduce, if not eliminate, time in trucking cross-city or –region, as well as being well positioned to receive air cargo and personnel.*

The list of potential industries is presented in Table 1, as follows.

**Table 1. Potential Industries for Attraction**

<b>NAICS Code</b>	<b>Industry</b>
334511	Search, Detection, Navigation, Guidance, Aeronautical, & Nautical System & Instrument Manufacturing
336411	Aircraft Manufacturing and Refurbishing
336412	Aircraft Engine and Engine Parts Manufacturing
336413	Other Aircraft Parts and Auxiliary Equipment Manufacturing
336414	Guided Missile and Space Vehicle Manufacturing
336415	Guided Missile and Space Vehicle Propulsion Unit and Propulsion Unit Parts Manufacturing
336419	Other Guided Missile and Space Vehicle Parts and Auxiliary Equipment Manufacturing
334111	Electronic Computer Manufacturing
334112	Computer Storage Device Manufacturing
334113	Computer Terminal Manufacturing
334119	Other Computer Peripheral Equipment Manufacturing
334210	Telephone Apparatus Manufacturing
334220	Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing
334290	Other Communications Equipment Manufacturing
334310	Audio and Video Equipment Manufacturing
334412	Bare Printed Circuit Board Manufacturing
334413	Semiconductor and Related Device Manufacturing
334414	Electronic Capacitor Manufacturing
334418	Printed Circuit Assembly (Electronic Assembly) Manufacturing
334419	Other Electronic Component Manufacturing
333295	Semiconductor Machinery Manufacturing

Further research and analysis will be required to determine which of these industries can be actively recruited based on market conditions and Great Falls' unique position in the market place. Issues such as energy costs related to operations and transportation, distance from markets and overall industry trends, as well as infrastructure requirements will help determine industries to be targeted.

Capital Improvements Planning and Implementation

The Great Falls International Airport Authority will undertake the necessary planning required to identify more particularly the infrastructure required to support the development of targeted secondary, value-adding industries. This planning effort will address necessary capital improvements and the associated costs. Infrastructure design

and development could include roads and other transportation infrastructure, pedestrian ways, sewage pre-treatment, sewer lines, water mains, utilities, street lighting and buildings.

### TIFID Program Design

Once targeted industries and required capital improvements have been more clearly identified, the next step will be to develop the mechanisms to implement the overall TIFID program. Given that private industrial development will generate the property taxes necessary to finance a portion of the infrastructure development, recruitment and infrastructure development must occur hand in hand. It is likely that construction of public infrastructure will be financed through the sale of Tax Increment Bonds in combination with other state and federal funding programs. Tax increment financing mechanisms can include:

- Tax Increment Bonds – Tax increment revenues would be pledged to pay bond principal and interest annually. The size and term of the bond would depend on tax increment revenues available from private sector taxpayers within the TIFID. While Montana law provides that tax increment districts may only be authorized for 15 years, the time period may be extended to coincide with the term of a tax increment bond, but no longer than an additional 25 years. In most cases, it will be necessary for the private taxpayer(s) to enter into an agreement with the City of Great Falls to assure, for the term of the bond, the annual payment of all property taxes due or an equivalent amount if the taxpayer no longer holds property in the district. The amount of tax increment realized each year must be enough to cover all bond payments due, as well as an adequate reserve.
- Annual Tax Increment Appropriations – The City of Great Falls may finance smaller public infrastructure improvements from its annual tax increment receipts by appropriation. Funds available each year would be determined by the size of the annual increment and any prior commitments (such as bond debt service requirements and administrative costs).
- Conventional Financing – The City of Great Falls may borrow funds from commercial lending institutions in order to finance public infrastructure improvements. Principal and interest on the loan will be paid by annual tax increment revenues. A conventional loan agreement will not, however, extend the authorized 15 year time period for a TIFID.

Per 7-15-4291 MCA, the City of Great Falls may enter into agreements with the other affected taxing bodies to remit to such taxing bodies any portion of the annual tax increment not currently required for the payment of the costs listed in 7-15-4288 MCA or pledged to the payment of the principal of premiums, if any, and interest on bonds.

### Industry Recruitment

Once the District is established, local staff and resources and/or consultant services could be used to assist in the development of business plans, market studies and general research to recruit secondary, value-adding industries to the TIFID. Once the District starts generating revenue, TIFID funds may be directed to these activities as well.

### Partnership Development

The TIFID program will rely on cooperative efforts among the City of Great Falls, the Airport Authority and other development organizations to achieve its goal of fostering industrial development. In many cases, these cooperative partners will work jointly on market analyses, business recruitment and capital improvements planning. Also, as noted above, it will be necessary to work with other local, state and federal entities in providing additional financing and matching funds to build industrial infrastructure in the TIFID. Potential partnerships can be forged using a variety of programs and funding mechanisms. A sampling of these includes:

#### **Programs**

- The Treasure State Endowment Program (Montana)
- Community Development Block Grant (U.S. Department of Urban Development)
- The Montana InterCap Program
- Economic Development Administration (U.S. Department of Commerce)
- *Water, Wastewater and Solid Waste Action Coordinating Team* (a group of professionals from state, federal, and non-profit organizations that finance, regulate, or provide technical assistance for community water and wastewater systems)
- Community Transportation Enhancement Program – Under 23 USC 133 (d) (2) (Federal Code), 10 percent of the Surface Transportation Program monies are awarded to each state for transportation enhancements.

#### **Funding Mechanisms**

- Local mill levies for transportation infrastructure (7-14-4101 MCA)
- Transportation Improvement Authority (7-14-1001, MCA)
- Special Improvement Districts (7-12-4101 MCA)
- Debt Financing – Cities can make use of various kinds of debt financing to fund industrial development projects. These include general obligation bonds, special improvement district bonds and revenue bonds as well as Tax Increment Financing Bonds.
- State Fuel Tax (15-70-101MCA)

**CITY OF GREAT FALLS**



**TAX INCREMENT FINANCING  
(TIF)**

**APPLICATION FOR FUNDS**

**CITY OF GREAT FALLS  
TAX INCREMENT FINANCING (TIF)  
APPLICATION FOR FUNDS**

Project Name: Southwest General Aviation Complex  
Date Submitted: May 14, 2018  
Name of TIF District: Great Falls International Airport Tax Increment Industrial District

**APPLICANT INFORMATION**

Name: Great Falls International Airport Authority  
Address: 2800 Terminal Drive, Great Falls, MT 59404  
Telephone: 406-727-3404

**DEVELOPMENT INFORMATION**

1. Building Address: 4201 Ulm N Frontage Rd Great Falls, Mt 59404
2. Legal Description: Parcel Number S16, T 20N R03E parcel 1 of COS # 5051  
02-3015-16-1-01-01-0000
3. Ownership: Airport -Owned  
Address: 4201 Ulm N Frontage Rd. Great Falls, MT 59404
4. If property is not owned by the Applicant, list leasehold interest: *(Attach evidentiary materials)*.  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_
5. Existing/Proposed Businesses: Aircraft Sales  
Business Description: An existing aircraft sales company is planning to construct a new 200 foot by 200 foot hangar to relocate their company to Great Falls
6. Employment: Existing FTE Jobs: 0  
New Permanent FTE Jobs created by project: 10 Construction FTE jobs: 0
7. Architectural/Engineering Firm: JACOBS CH2M  
Address: 9189 s Jamaica Street Englewood CO 80112  
Representative: Christopher Dodge

**CITY OF GREAT FALLS  
TAX INCREMENT FINANCING (TIF)  
APPLICATION FOR FUNDS**

8. Please provide a description of the Total Project Development.

TOTAL PROJECT DEVELOPMENT DESCRIPTION

The Airport Authority Master Plan Update identified 20-acres in the southwest corner for private hangar development. This area should accommodate several dozen hangars, which should be sufficient to satisfy hangar demand for the next 20 years. The first hangar to be constructed in the Southwest General Aviation Complex is a proposed 200 foot by 200 foot hangar to be developed by a private aircraft sales business that plans to relocate to Great Falls in 2018. This hangar will be one of the largest on the airfield. Future hangars will be built by individual aircraft owners as demand arises. These hangars will be the first private hangars at GTF to provide full utility access.

9. Please provide rehabilitation/construction plans (attach schematics, site and landscaping plans).  
See Attached.

10. What is the development schedule or estimated completion date for the Total Project Development?  
The Total Project Development is best defined as the entire development, not just the TIF improvements (please include project phasing if appropriate).

Infrastructure will begin in the spring of 2018

Private Hangar Development will start in the summer of 2018

(Full development in 20 years for the entire 20 acres)

11. Do you plan on asking for any other tax abatements, grants, tax credits or other forms of relief? If so, No. The airport has exhausted all the program grants from the FAA for the period covered.
12. Please describe your funding needs and the anticipated timing schedule for your identified Eligible TIF Activities (example: *I will be fronting the costs of all identified TIF improvements and would like to be reimbursed incrementally as TIF funds become available; I am interested in utilizing bond financing to complete the identified project improvements and would like to be reimbursed with TIF funds as they become available, I need TIF funds immediately to complete the identified TIF improvements, etc.*)

Waterline Utility Extension – Phase 1

The Airport is looking to construct waterline utility extensions on the western limits of the airfield as part of future General Aviation (GA) development. Waterline utility improvements include the extensions of 12" and 16" PVC waterlines west of the Front Range Access Road. These two lines will eventually be connected to form a "looped" waterline system for hangar fire suppression and tenant use. Both lines will be City of Great Falls watermains, and as such, designed to local code requirements. The cost for the first phase of waterline extension work is about \$204,783.22. This value is based on construction bid results.

The Airport will be fronting the costs pertaining to waterline extensions using airport funds. The airport is applying for reimbursements with TIF funds as they become available. For this application, the airport is applying for \$ 107,383.14.

13. Please indicate the amount of Public Infrastructure Need and the amount of Public Infrastructure being requested to be financed by the TIF District.

The airport is requesting to be reimbursed in the amount of \$ 107,383.14, the available TIF fund for the airport as of April 16, 2018.



**TOTAL PROJECT DEVELOPMENT COSTS**

*The total project development cost is the cost to develop the entire project/site, and should include the cost of the TIF improvements.*

**Land and Site Preparation Improvements** (Itemized)

1. <u>Value of Land</u>	\$ _____	
2. <u>Northwestern</u>	\$ _____	18,683.00
3. <u>Taxiways</u>	\$ _____	2,000,000.00
4. <u>Water/Sewer Extension I</u>	\$ _____	204,783.22
5. <u>Water/Sewer Extension II</u>	\$ _____	342,568.87
<b>Subtotal</b>		<b>\$ <u>2,566,035.09</u></b>

**Construction/Rehabilitation Costs** (Use general construction trade divisions)  
(Total value of improvements)

1. <u>Hangar # 1</u>	\$ _____	4,000,000.00
2. <u>Hangars #2 -8</u>	\$ _____	4,000,000.00
3. <u>Future Hangars &amp; Phases</u>	\$ _____	8,000,000.00
4. <u>Museum</u>	\$ _____	4,000,000.00
5. _____	\$ _____	
6. _____	\$ _____	
7. _____	\$ _____	
<b>Subtotal</b>		<b>\$ <u>20,000,000.00</u></b>

**Equipment Costs** N/A  
(Total value of equipment)

1. _____	\$ _____	
2. _____	\$ _____	
3. _____	\$ _____	
4. _____	\$ _____	
5. _____	\$ _____	
<b>Subtotal</b>		<b>\$ _____</b>

**Total Project Development Costs** **\$ 22,566,035.09**

**ELIGIBLE TIF ACTIVITIES**

**Land Acquisition**

	Total	Amount Requested from TIF	Timing for Funds
1.	_____	_____	_____

**Demolition & Removal of Structures**

1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
<b>Subtotal</b>	_____	_____	_____

**Relocation of Occupants**

1.	_____	_____	_____
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**Public Improvements**

*(acquisitions, construction and improvement of infrastructure which includes streets, roads, curbs, gutters, sidewalks, pedestrian malls, alleys, parking lots and off-street parking facilities, sewers, sewer lines, storm sewers, etc.)*

1.	Electric	\$ 18,683.00
2.	Waterline-Extension I	\$ 204,783.22
3.	Waterline-Extension II	\$ 342,568.09

**Total** **\$ 566,034.31**

**Fees (associated with eligible activities)**

*(A&E design/supervision, permits & other fees)*

1.	Jacobs Ch2m (A & E)	<b><u>\$ 52,950.00</u></b>
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**CERTIFICATION**

I (we), John Faulkner (please print),  
certify that the statements and estimates within this Application as well as any and all documentation  
submitted as attachments to this Application or under separate cover are true and correct to the best of  
my (our) knowledge and belief.

Signature 

Title Airport Director

Address 2800 Terminal Drive, Great Falls, Mt 59404

Date 5/14/18

Signature \_\_\_\_\_

Title \_\_\_\_\_

Address \_\_\_\_\_

Date \_\_\_\_\_



# Balance Sheet

Through 04/16/18  
Detail Listing  
Include Rollup Account/Rollup to Object

Account	Account Description	Current YTD Balance	Prior Year Total Actual	Net Change	Change %
<b>Assets</b>					
10100	CASH	107,732.34	79,722.79	28,009.55	35.13%
10100.9900	CASH EQUITY	\$107,732.34	\$79,722.79	\$28,009.55	35.13%
11300	TAXES RECEIVABLE	3,964.48	7,897.90	(3,933.42)	(49.80%)
13230	DUE FROM COUNTY GOVERNMENT	.00	7.82	(7.82)	(100.00%)
	<b>ASSETS TOTALS</b>	<b>\$111,696.82</b>	<b>\$87,628.51</b>	<b>\$24,068.31</b>	<b>27.47%</b>
<b>Liabilities and Fund Equity</b>					
22510	TAXES DEFERRED REVENUES	3,964.48	127.03	3,837.45	3,020.90%
	<b>LIABILITIES TOTALS</b>	<b>3,964.48</b>	<b>127.03</b>	<b>3,837.45</b>	<b>3,020.90%</b>
27200	FUND EQUITY	87,501.48	87,501.48	.00	0.00%
	<b>FUND EQUITY TOTALS PRIOR TO CURRENT YEAR CHANGES</b>	<b>\$87,501.48</b>	<b>\$87,501.48</b>	<b>\$0.00</b>	<b>0.00%</b>
	Prior Year Fund Equity Adjustment	.00			
	Fund Revenues	(21,976.66)			
	Fund Expenses	1,745.80			
	<b>FUND EQUITY TOTALS</b>	<b>\$107,732.34</b>	<b>\$87,501.48</b>	<b>\$20,230.86</b>	<b>23.12%</b>
	<b>LIABILITIES AND FUND EQUITY TOTALS</b>	<b>\$111,696.82</b>	<b>\$87,628.51</b>	<b>\$24,068.31</b>	<b>27.47%</b>
	FUN	\$0.00	\$0.00	\$0.00	+++
	2316 - AIRPORT TID TOTAL	\$0.00	\$0.00	\$0.00	+++
	Special Revenue Funds Total	\$0.00	\$0.00	\$0.00	+++
	Governmental Funds Total	\$0.00	\$0.00	\$0.00	+++
	Non-Proprietary Funds Total	\$0.00	\$0.00	\$0.00	+++

107,732.34 CB 4/16/18

- 349.20 expense to pay yet

107,383.14



# Income Statement

through 04/16/18  
 Detail Listing  
 Include Rollup Account/ Rollup to Object

Account	Account Description	Annual Budget Amount	MTD Actual Amount	YTD Actual Amount	Budget Less YTD Actual	% Budget	Fiscal Year Total Actual
31106	31106 - SPECIAL DISTRICTS	22,163.00	.00	21,144.74	1,018.26	95	39,888.65
31200	REAL TAX INCREMENTS	.00	.00	17.92	(17.92)	+++	33.61
33524	DELINQUENT TAX PENALTY & INTEREST	.00	.00	11.42	(11.42)	+++	22.81
37110	PERS PROP REIMBURSEMENT	.00	148.10	902.58	(802.58)	+++	551.69
	REGULAR INTEREST						
	104 - SPECIAL DISTRICTS	\$22,163.00	\$148.10	\$21,976.66	\$186.34	99%	\$30,496.79
	NON-DEPARTMENTAL TID	\$22,163.00	\$148.10	\$21,976.66	\$186.34	99%	\$30,496.79
	REVENUE TOTALS	\$22,163.00	\$148.10	\$21,976.66	\$186.34	99%	\$30,496.79
	EXPENSE						
48612	48612 - NON-DEPARTMENTAL	1,662.00	138.50	1,385.00	277.00	83	1,576.03
48582	104 - SPECIAL DISTRICTS	433.00	36.08	360.80	72.20	83	361.00
	TID ADMINISTRATION SUPPORT	\$2,095.00	\$174.58	\$1,745.80	\$349.20	83%	\$1,957.03
	FISCAL SERVICES	\$2,095.00	\$174.58	\$1,745.80	\$349.20	83%	\$1,957.03
	EXPENSE TOTALS	\$2,095.00	\$174.58	\$1,745.80	\$349.20	83%	\$1,957.03
	2316 - AIRPORT TID						
	REVENUE TOTALS	22,163.00	148.10	21,976.66	186.34	99%	30,496.79
	EXPENSE TOTALS	2,095.00	174.58	1,745.80	349.20	83%	1,957.03
	NET REVENUE	\$20,068.00	(\$26.48)	\$20,230.86	\$162.86	101%	\$28,539.76
	Special Revenue Fund- 2316						
	REVENUE TOTALS	22,163.00	148.10	21,976.66	186.34	99%	30,496.79
	EXPENSE TOTALS	2,095.00	174.58	1,745.80	349.20	83%	1,957.03



# Income Statement

Through 04/16/18  
Detail Listing  
Include Rollup Account/Rollup to Object

Account	Account Description	Annual Budget Amount	NTD Actual Amount	YTD Actual Amount	Budget Less YTD Actual	% of Budget	Prior Year Total Actual
Special Revenue - Parks, Mt. Cox		\$20,068.00	(\$26.48)	\$20,230.86	\$162.86	101%	\$28,539.76
Expenses of Parks							
REVENUE TOTALS		22,163.00	146.10	21,976.66	186.34	99%	30,496.79
EXPENSE TOTALS		2,095.00	174.58	1,745.80	349.20	83%	1,957.03
		\$20,068.00	(\$26.48)	\$20,230.86	\$162.86	101%	\$28,539.76
REVENUE TOTALS		22,163.00	146.10	21,976.66	186.34	99%	30,496.79
EXPENSE TOTALS		2,095.00	174.58	1,745.80	349.20	83%	1,957.03
		\$20,068.00	(\$26.48)	\$20,230.86	\$162.86	101%	\$28,539.76

**Maria Kerley**

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**From:** Dodge, Christopher/DEN <Christopher.Dodge@jacobs.com>  
**Sent:** Monday, May 14, 2018 11:58 AM  
**To:** Maria Kerley  
**Cc:** John Faulkner; Picard, Chad/DEN  
**Subject:** GTF Waterline Costs

Maria,

The following are in response to the inquires for the TIFF application:

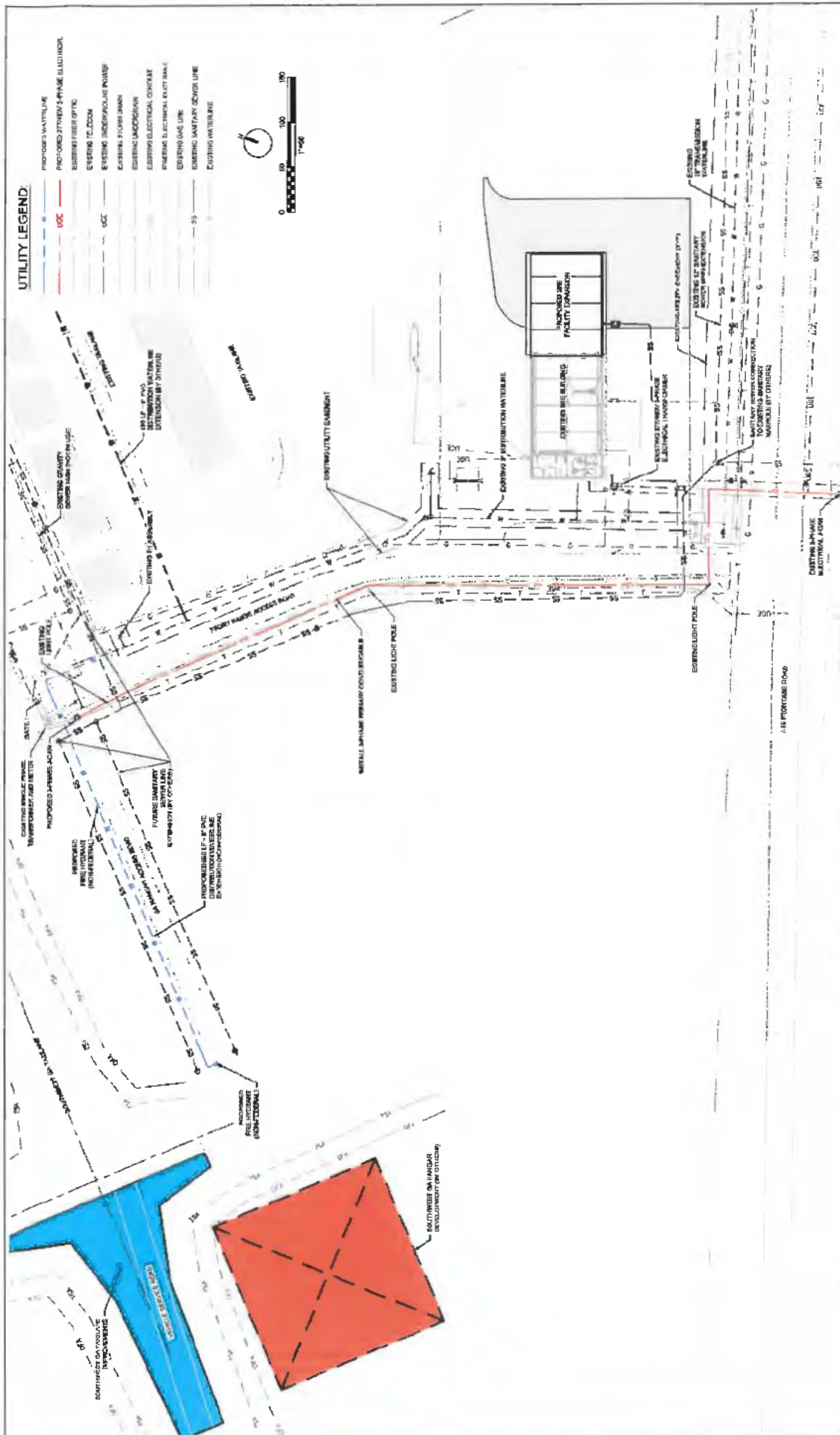
***Public Improvements***

Waterline: Sch 4: \$204,783.22 (Detailed Construction Bid Price)  
Sch 5: \$342,568.87 (Detailed Construction Bid Price)  
**Total: \$547,352.09**

***Fees***

Jacobs ch2m (A&E): Sch 4 Waterline: \$39,750 (NCI Engineering Design Cost included with Jacobs TO20 Proposal Fee)  
Sch 5 Waterline: \$13,200 (NCI Engineering Design Cost included with Jacobs TO21 Proposal Fee)  
**Total: \$52,950**

Chris



**UTILITY LEGEND:**

- PROPOSED WATERLINE
- PROPOSED 33KV 3-PHASE ELECTRICAL
- EXISTING FIBER OPTIC
- EXISTING TELECOM
- EXISTING UNDERGROUND PUMP
- EXISTING 12" SANITARY
- EXISTING UNDERGROUND
- EXISTING ELECTRICAL CONDUIT
- EXISTING ELECTRICAL EXIST BANK
- EXISTING GAS LINE
- EXISTING SANITARY 20" DIA. LINE
- EXISTING WATERLINE



**GREAT FALLS INTERNATIONAL AIRPORT  
GREAT FALLS, MONTANA**

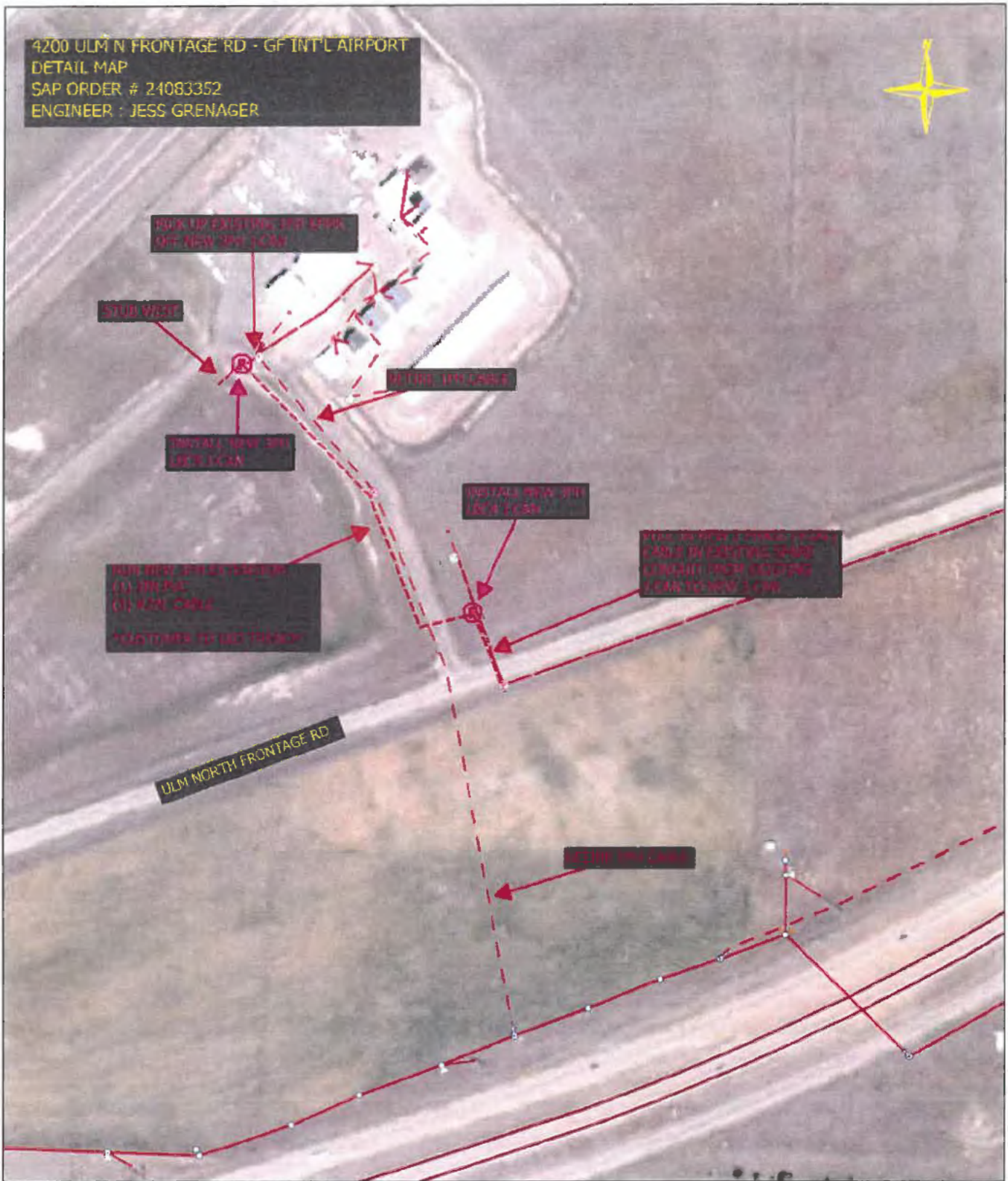


**EXHIBIT: SOUTHWEST GA UTILITY EXTENSIONS**

DATE: 04/12/2016 12:57 PM







Time: 1/17/2018 10:56:42 AM  
 Session: C:\Maps\NWE-ALL Field.gts

Scale: 1 IN = 300 FT

**NorthWestern Energy Map Extract**

*This information is proprietary and confidential data of NorthWestern Energy  
 Center: (1504976.0, 1178771.5) Zoom: 322.4*



April 11, 2018

Ms. Maria Kerley  
 Great Falls International Airport Authority  
 2800 Terminal Drive  
 Great Falls, MT 59404  
 Phone: (406) 727-3404

RE: AIP 3-30-0036-065-2018: SRE Facility Expansion (Phase 2)  
 Great Falls International Airport, Great Falls, Montana  
 Waterline Extension Cost Estimate

Dear Ms. Kerley,

As requested, please find attached and presented below the Engineer's estimate of probable construction cost for the 12" and 16" PVC waterline extensions included with the proposed Snow Removal Equipment (SRE) Facility Expansion project.

The attached exhibit shows the ultimate development for the Southwest GA area of the airfield, including this initial waterline utility installation which is intended to be constructed during the 2018 summer construction season.

SCHEDULE V - SOUTHWEST GA UTILITY IMPROVEMENTS (FEDERAL)						
BID ITEM	SPEC.	DESCRIPTION	UNIT	QUANTITY	UNIT COST	EXTENDED COST
1	Section 105-02.1	Mobilization	LS	1	\$ 32,000.00	\$ 32,000.00
2	Section 105-02.2	Traffic Control	LS	1	\$ 5,000.00	\$ 5,000.00
3	P-101-5.1	Remove Asphalt Pavement (Full-Depth)	SY	97	\$ 7.50	\$ 727.50
4	P-150-5.1	Chain-Link Fence Removal and Replacement	EA	2	\$ 1,000.00	\$ 2,000.00
5	P-150-5.2	Remove Storm Pipe	LF	52	\$ 18.00	\$ 936.00
6	P-156-5.1	Erosion, Siltation, and Dust Control	LS	1	\$ 2,200.00	\$ 2,200.00
7	D-701-5.1	18-Inch Reinforced Concrete Pipe (Class III)	LF	52	\$ 135.00	\$ 7,020.00
8	D-701-5.2	18-Inch Reinforced Concrete Pipe (Class III) FES	EA	2	\$ 750.00	\$ 1,500.00
9	T-901-5.1	Seeding	AC	1	\$ 1,600.00	\$ 1,600.00
10	T-905-5.1	Topsotting	CY	131	\$ 18.00	\$ 2,358.00
11	02660-4.2	12" PVC Waterline	LF	629	\$ 105.00	\$ 66,045.00
12	02660-4.3	16" PVC Transmission Waterline	LF	630	\$ 120.00	\$ 75,600.00
13	02660-4.4	8" PVC Waterline for Hydrants	LF	36	\$ 65.00	\$ 2,340.00
14	02660-4.6	12" Gate Valve	EA	2	\$ 3,500.00	\$ 7,000.00
15	02660-4.7	16" Butterfly Valve	EA	2	\$ 6,000.00	\$ 12,000.00
16	02660-4.9	12" Temp Plug	EA	2	\$ 1,500.00	\$ 3,000.00
17	02660-4.10	16" Temp Plug	EA	2	\$ 2,000.00	\$ 4,000.00
18	02660-4.11	Connect to Existing Watermain	EA	2	\$ 8,000.00	\$ 16,000.00
19	02660-4.13	Fire Hydrant Assembly (Includes Valves)	EA	2	\$ 7,500.00	\$ 15,000.00
SUBTOTAL = \$						236,326.50

Please feel free to contact us at any time concerning this request, or for any other information you require.

Sincerely,



Chris Dodge  
 Design Manager  
 Jacobs/Ch2m



**Item:** Request to use Downtown Urban Renewal District Tax Increment Financing (TIF) Funds to assist with the annual operating costs for the Downtown Development Partnership

**From:** Brad Eatherly Planner I, Planning and Community Development

**Initiated By:** Downtown Development Partnership

**Presented By:** Craig Raymond, Director, Planning and Community Development

**Action Requested:** Approve the use of \$5,000 in Downtown Urban Renewal District Tax Increment Financing Funds to assist with annual operating costs for the Downtown Development Partnership

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**Public Hearing:**

1. Mayor conducts public hearing, calling three times each for proponents and opponents.
2. Mayor closes public hearing and asks the will of the Commission.

**Suggested Motion:**

1. Commissioner moves:

“I move that the City Commission (approve/deny) the expenditure of \$5,000 in Downtown Urban Renewal District Tax Increment Financing funds to assist with the operating costs for the Downtown Development Partnership.”

2. Mayor calls for a second to the motion, Commission discussion, and calls for the vote.
- 
- 

**Staff Recommendation:**

Staff has determined that the application is eligible and appropriate, and there is adequate funding in the TIF to fund the application for operating cost assistance from the Downtown Development Partnership.

**Summary:**

The Downtown Urban Renewal and Tax Increment Financing (TIF) District generally encompasses the Great Falls central business district and periphery properties, which are depicted in Attachment A.

The City has a formal “Tax Increment Application Process” for considering funding requests from private and public sector entities for the use of TIF funds. For the Downtown Urban Renewal TIF

District, the Downtown Development Partnership (DDP) has been designated as the advisory body that considers proposals and makes recommendations to the City Commission. For final action, the City Commission considers the DDP recommendation and approves or rejects the funding request, along with any special terms of approval. In this particular instance, the DDP is not the recommending party but rather the applicant for TIF funds.

**Background:**

**Project Description:** The application seeks \$5,000 to assist with the annual operating costs of the DDP. A previous application for the same annual funding amount and purpose was approved by the City Commission on December 19, 2017 by a 3-2 vote. The negative votes against the request were based on concerns about whether the request was an appropriate expenditure of TIF funds.

The DDP serves as the coordinating body for downtown revitalization and includes members from the Great Falls Development Authority, the Business Improvement District, the Downtown Great Falls Association, the City of Great Falls, Great Falls Public Schools, and the Chamber of Commerce. The application for funds would allow the DDP to have more financial flexibility in its operations. The \$5,000 will better assist the Partnership promote the development objectives that are outlined in the Downtown TIF.

**Montana TIF Regulations:** Creation and administration of Tax Increment Financing (TIF) Districts is governed by the Montana State Urban Renewal statutes (Title 7, Chapter 15, Parts 42 and 43, MCA). The applicant, DDP has requested TIF funds under the following provisions:

*7-15-4288. Costs that may be paid by tax increment financing. The tax increments may be used by the local government to pay the following costs of or incurred in connection with an urban renewal area or targeted economic development district as identified in the urban renewal plan or targeted economic development district comprehensive development plan: (7) administrative costs associated with the management of the urban renewal area or targeted economic development district;*

In 2012, in conformance with State regulations, the City adopted a Downtown Urban Renewal Plan that provides guidance for identifying projects that are worthy candidates for the expenditure of TIF funds.

**Downtown Urban Renewal Plan and Requested TIF Participation:** In order for the municipality to approve TIF funding requests, such requests must be in compliance with the Urban Renewal Plan, as well as be eligible for TIF participation in accordance with the MCA criteria presented in the previous section. To aid in this determination, the Tax Increment Application Process establishes eleven specific criteria to assess the merits of a project in relation to the Downtown Urban Renewal Plan.

The criteria are:

1. Public Infrastructure Improvements - Public infrastructure improvements have the benefit of improving and impacting an entire district. Each district may have its own Capital Improvement Plan, which may include elements such as roadway improvements, storm drains, sewer and waterlines, railroads, etc.

2. Economic Stimulus - The amount of economic activity to be generated within the district through the development is assessed, as well as the leverage ratio of public to private investment. In general, the

maximum limit of any one development is 10% of the construction/rehabilitation costs, exclusive of acquisition costs. Projects clearly demonstrating extraordinary benefit to Districts or the community may, at the discretion of the City Commission, receive additional TIF assistance for eligible items. All applications should contain credible, measurable information substantiating the project's economic stimulus in the District and the community.

3. Tax Generation - The increase in taxable value due to the new district development, including construction/rehabilitation, as estimated by the County Assessor's office to determine tax increment generation.

4. Employment Generation - Total employment generated by the district development as assessed in terms of new permanent and part-time jobs, and construction jobs.

5. Elimination of Blight (applies to Urban Renewal Districts) - The development's direct and indirect impact on the physical and fiscal deterioration within the appropriate district and the community, as identified in the appropriate district plan.

6. Special or Unique Opportunities - The extent to which the district's development represents a unique opportunity, meets a special need, or addresses specific district or community goals. The restoration of a historic property or the provision of an unmet community need are examples of special and unique opportunities.

7. Impact Assessment - The extent of both positive and negative environmental impacts, appropriateness of the development's project design, and impact on existing businesses or residents.

8. Financial Assistance - Other forms of financing available to the Applicant. Lender participation, industrial development revenue bonds, and state and federal grant monies, for example, are examined to assess the need for TIF assistance.

9. Development Feasibility - A determination of feasibility is made based on the strength of the Applicant's demonstration of market demand for the development in the district as contained primarily on the pro forma and financing commitments.

10. Developer Ability to Perform - An assessment of the Applicant's capability to undertake the relative complexities of the development based on past performance on similar projects.

11. Timely Completion - The feasibility of completing the development according to the Applicant's development schedule.

12. Payment of Taxes - All property taxes, special improvement district assessments and other assessments on the project property must be paid to date.

**Determination of Appropriateness:** The proposed request from DDP was discussed with legal counsel and found to be eligible for TIF funding according to Montana Code Annotated (MCA) guidance. Specifically, staff has evaluated the DDP's request and notes consistency with the following criteria:

Special or Unique Opportunities - The TIF funding would help with the operating costs of the DDP, which would then open up the opportunity to use the funds brought in from membership dues for projects

to benefit the downtown. The DDP used much of the \$5000.00 awarded by the City Commission for FY2018 for such costs, allowing the Partnership to have more freedom to spend money derived from membership dues towards projects such as the pedlet program and the traffic signal art project.

Financial Assistance - The DDP generally runs on the funding brought in by membership. Since this is their main source of income, the TIF funding would aid in the operating costs which in turn would free up the membership funds for downtown projects. The DDP has provided City staff with an accounting for how 2018 TIF awarded funds have been spent so far. The DDP spent \$1,328.00 for insurance coverage for the Partnership. It also spent \$2,609.83 to send an officer to the National Main Street Conference to learn firsthand about tools and successful efforts from hundreds of downtown revitalization colleagues and experts. Lastly, the DDP used \$350.00 for dues for membership in the National Main Street Program. Those funds are expected to be reimbursed by the Montana Department of Commerce. The DDP notes that by receiving these funds, it has strengthened its capacity by helping grow its net assets from \$4,768.37 at the beginning of Fiscal Year 2018 to \$20,546.03 at the end of Fiscal Year 2018. This was also bolstered by generating income from the Montana Main Street Conference that was held in Great Falls. Such increased funding has increased the Partnership's flexibility to support more projects that help implement the City's Downtown Master Plan. Examples of such projects include the Business Improvement District's traffic signal art project, and a \$2,000.00 grant match for the Montana Department of Commerce's \$8,000 Downtown Pedlet Program grant.

**Fiscal Impact:**

There would be no significant negative fiscal impacts to the Downtown TIF fund that would result from funding this application. The positive impacts would include aiding an agency that was formed to help bring development to the downtown. Any increase in development downtown will increase the tax base which will ultimately increase the fund balance of the TIF.

The Downtown TIF Fund currently has a balance of \$472,583.96. The funds for the 2019 fiscal year have not been received as of this date. Also, \$25,000 that has been approved for Wayfinding funds has not been spent as of this date. This information has been provided by the City Fiscal Services Department. There is adequate funding in the TIF to fulfill the request.

As noted above, the TIF has sufficient funding for a \$5,000 allocation to this request. If additional requests for annual operating funds are made in the future, the City Commission should request the applicant to directly link operating funds to increased development of the Urban Renewal District.

**Alternatives:**

The City Commission could vote to not approve the TIF expenditures or approve a lesser amount.

**Concurrences:**

Representatives from the City's Legal Department as well as the City's outside Legal Counsel have determined the request to be eligible for TIF funding.

ATTACHMENTS:

- ▢ DDP TIF Application
- ▢ DDP TIF Contribution Agreement
- ▢ Spending Report FY 2018
- ▢ Attachment "A" - Downtown TIF Map

**CITY OF GREAT FALLS  
TAX INCREMENT FINANCING (TIF)  
APPLICATION FOR FUNDS  
FY 2019**



Project Name: Downtown Development Partnership cost of operations

Date submitted: August 6, 2018

Name of TIF District: Downtown Great Falls

**APPLICATION INFORMATION**

Name: Downtown Development Partnership

Address: 318 Central Ave, Great Falls MT 59401

Telephone: (406) 727-5430

**DEVELOPMENT INFORMATION**

1. Building Address: Not applicable

2. Legal Description: Not applicable

3. Ownership: Not applicable

Address: Not applicable

4. If property is not owned by the Applicant, list leasehold interest: *(Attach evidentiary materials)*.

Name: Not applicable

Address: Not applicable

5. Existing/Proposed Businesses: Downtown Development Partnership

Business Description: Partnership, including the City of Great Falls, of local organizations and individuals interested in downtown development

6. Employment: Existing FTE Jobs: None directly by Partnership

New Permanent FTE Jobs created by project: None      Construction FTE jobs: None

7. Architectural/Engineering Firm: Not applicable

Address: Not applicable

Representative: Not applicable



8. Please provide a description of the Total Project Development (attach a narrative explanation) .

The application seeks \$5000 toward the payment of annual operating costs of the Downtown Development Partnership, including the cost of liability and board insurance. The project will positively impact the TIF by increasing construction development and job development in the TIF district. The Downtown Development Partnership serves as the coordinating body for downtown development, including employment and physical construction. DDP members include the Great Falls Development Authority, the Business Improvement District , the Downtown Great Falls Association, the City of Great Falls, School District 1, and the Chamber of Commerce. Each of these organizations play a role in the development of downtown. Together, they form the DDP, where the whole is greater than the sum of its parts, meaning that their combined influence and planning capacity is better than would be expected from the individual parts, because the way they combine adds a different quality. Using TIF funds to support the organization allows the DDP to continue to operate and frees the membership funds to be used for non-TIF purposes, such as matching funds.

9. Please provide rehabilitation/construction plans (attach schematics, site and landscaping plans).  
Not applicable

10. What is the development schedule or estimate completion date for the Total Project Development? The Total Project Development is best defined as the entire development, not just the TIF improvement (please include project phasing if appropriate).  
Funds will be expended as the expenses occur.

11. Do you plan on asking for any other tax abatement, grants, tax credits or other forms of relief? If so, what type?  
No, not for this project

12. Please describe your funding needs and the anticipated timing schedule for your indentified Eligible TIF Activities.  
The Downtown Development Partnership requests \$5,000 for the purpose paying for operating costs of the Downtown Development Partnership. The expenses will be paid by the Partnership, then reimbursed by the TIF funds. The current TIF fund balance is adequate to cover this cost.

13. Please indicate the amount of Public Infrastructure Need and the amount of Public Infrastructure being request to be financed by the TIF District.  
Not applicable

**TOTAL PROJECT DEVELOPMENT COSTS**

*The total project development cost is the cost to develop the entire project/site, and should include the cost of the TIF improvements.*

<b>Land and Site Preparation Improvements</b>	\$ 0
<b>Construction/Rehabilitation Costs</b>	\$ 0
<b>Equipment Costs</b>	\$ 0
<b>Total Project Development Costs</b>	\$ 0

**Land Acquisition**

Total	Amount requested from TIF	Timing for Funds
\$0	\$0	Not applicable

**Demolition and Removal of Structure**

Total	Amount requested from TIF	Timing for Funds
\$0	\$0	Not applicable

**Relocation of Occupants**

Total	Amount requested from TIF	Timing for Funds
\$0	\$0	Not applicable

**Public Improvements**

Total	Amount requested from TIF	Timing for Funds
\$0	\$0	Not applicable

**Fees (associated with eligible activities)**

Total	Amount requested from TIF	Timing for Funds
\$5,000	\$5,000	As expenses occur

**CERTIFICATION**

I (we), Sherrie Arey and Kellie Pierce, certify that the statements and estimates within this Application as well as any and all documentation submitted as attachments to this Application or under separate cover are true and correct to the best of my (our) knowledge.

Signature  \_\_\_\_\_

Title Vice-President, Downtown Development Partnership Board of Directors

Address 318 Central Ave, Great Falls MT 59401

Date 8/6/18 \_\_\_\_\_

Signature  \_\_\_\_\_

Title Treasurer, Downtown Development Partnership Board of Directors

Address 318 Central Ave, Great Falls MT 59401

Date August 6, 2018

## TAX INCREMENT CONTRIBUTION AGREEMENT

THIS TAX INCREMENT CONTRIBUTION AGREEMENT dated \_\_\_\_\_, 2018 (hereinafter known as the “**Agreement**”), between the CITY OF GREAT FALLS, a municipal corporation of the State of Montana (the “**City**”), and the GREAT FALLS DOWNTOWN DEVELOPMENT PARTNERSHIP, a Montana non-profit corporation (the “**Partnership**”).

### WITNESSETH:

WHEREAS, under the provisions of the Montana Code Annotated, Title 7, Chapter 15, Parts 42 and 43, as amended (the “**Act**”), an urban renewal district may be established so that a municipality may undertake urban renewal projects therein, provide for the segregation and collection of tax increment with respect to taxes collected in such district, and apply all or a portion of the tax increment derived from such district to the payment of costs of such urban renewal projects; and

WHEREAS, the City Commission, pursuant to Resolution No. 9961, duly adopted on March 6, 2012, created an urban renewal area as the Downtown Urban Renewal District (the “**District**”) and pursuant to Ordinance No. 3088, duly adopted on May 15, 2012 after a duly called and noticed public hearing thereon adopted the Downtown Urban Renewal Plan (the “**Plan**”) containing a tax increment financing provision; and

WHEREAS, the Partnership is a non-profit corporation created for the purpose of revitalizing Downtown Great Falls, with the specific mission to promote, stimulate and effect community and economic development; forge alliances that recruit new businesses and development; provide access to financing to support development; support the implementation of the City’s Downtown Master Plan; and cooperate with other organizations to support Downtown development in Great Falls and throughout the State of Montana.

WHEREAS, the Partnership has requested that the City contribute funds toward the annual operating costs of the Partnership (the “**Contribution**”); and

WHEREAS, the Partnership submitted an application with respect to the Contribution; and

WHEREAS, the City has determined that it is appropriate to make the Contribution from tax increment generated from the District, subject to the terms and conditions set forth in this Agreement; and

NOW THEREFORE, the City and the Partnership, each in consideration of the representations, covenants and agreements of the other, as set forth herein, mutually represent, covenant and agree as follows:

Section 1. Definitions; Rules of Interpretation; Exhibits.

1.1. Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context clearly requires otherwise, the following terms have the meanings assigned to them, respectively:

“**Act**” has the meaning given to it in the recitals.

“**Agreement**” means this Tax Increment Contribution Agreement, including any amendment hereof or supplement hereto entered into in accordance with the provisions hereof.

“**City**” means the City of Great Falls, Montana, or any successors to its functions under this Agreement.

“**Commission**” means the City Commission or any successor governing body of the City, however denominated by statute.

“**Contribution**” has the meaning given to it in the recitals.

“**Department of Revenue**” means the State of Montana Department of Revenue.

“**District**” has the meaning given to it in the recitals.

“**Fiscal Year**” means the period commencing on the first day of July of any year and ending on the last day of June of the next calendar year, or any other twelve-month period authorized by law and specified by the Commission as the City’s fiscal year.

“**Incremental Taxable Value**” means the amount, if any, by which the Actual Taxable Value, as of the date of reference, exceeds the Base Taxable Value.

“**Indemnified Parties**” has the meaning given to it in Section 7 hereof.

“**Ordinance**” means Ordinance No. 3088 adopted on May 15, 2012 (as it may be amended and supplemented from time to time).

“**Partnership**” has the meaning given to it in the preamble.

“**Plan**” has the meaning given to it in the recitals.

“**State**” means the State of Montana.

“**Tax Increment**” means the amount received by the City pursuant to the Act from the extension of levies of Taxes against the Incremental Taxable Value of the Taxable Property and will include all payments in lieu of Taxes or beneficial use taxes attributable to the Incremental Taxable Value.

“**Taxable Property**” means all real and personal property located in the District and subject to Taxes.

“**Taxes**” means all taxes levied on an ad valorem basis by any Taxing Jurisdiction against the Taxable Property and includes all payments in lieu of taxes or beneficial use taxes received by the City with respect to the Incremental Taxable Value of the Taxable Property.

“**Taxing Jurisdiction**” means the State, the City, any school district, local government, municipal corporation, political subdivision or other government entity that levies, during any Fiscal Year during which the tax increment provision of the District is effective under the Act, ad valorem taxes against real or personal property in the District.

1.2. Rules of Interpretation.

(a) The words “herein,” “hereof” and words of similar import, without reference to any particular section or subdivision, refer to this Agreement as a whole rather than to any particular section or subdivision hereof.

(b) References herein to any particular section or subdivision hereof are to the section or subdivision of this Agreement as originally executed unless otherwise indicated.

(c) “Or” is not exclusive but is intended to contemplate or encompass one, more or all of the alternatives conjoined.

Section 2. Representations.

2.1. City Representations. The City hereby represents as follows:

(a) Pursuant to the Act, and after public hearing duly called and held, the City by the Ordinance has duly created the District.

(b) The City is authorized by law to enter into this Agreement and to carry out its obligations hereunder.

(c) Pursuant to the Act and the Ordinance, the City approved this use of Tax Increment to pay the Contribution, subject to the terms and conditions set forth in this Agreement.

(d) The State Department of Revenue has advised the City that as of January 1, 2012 the Base Taxable Value of the District was \$3,643,698.

2.2. Partnership Representations. The Partnership hereby represents as follows:

(a) The Partnership is a Montana non-profit corporation, duly formed, validly existing and in good standing under the laws of the State and is duly qualified to do business in the State. The Partnership has the power to enter into this Agreement and by all necessary corporate action has duly authorized the execution and delivery of this Agreement.

(b) The representations and warranties of the Partnership in its Application for City of Great Falls Tax Increment Financing (TIF) funds dated August 6, 2018 are true and correct as of the date hereof.

(d) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prohibited or limited by, conflicts with or results in a breach of the terms, conditions or provisions of the certificate of formation or operating agreement of the Partnership or any evidence of indebtedness, agreement or instrument of whatever nature to which the Partnership is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(e) There is no action, suit, investigation or proceeding now pending or, to the knowledge of the Partnership, threatened against or affecting the Partnership or its business, operations, properties or condition (financial or otherwise) before or by any governmental department, commission, board, authority or agency, or any court, arbitrator, mediator or grand jury, that could, individually or in the aggregate, materially and adversely affect the ability of the Partnership to enter into this Agreement.

### Section 3. Partnership's Undertakings.

3.1. Use of Contribution Funds. The Partnership hereby agrees and commits to the City that it will apply the Contribution funds toward the operating costs of the Partnership in accordance with the mission of the Partnership. Such funds will not be used for costs of liability and board insurance.

3.2. Nondiscrimination. The Partnership agrees that all hiring by the Partnership and its contractors and persons performing this Agreement will be on the basis of merit and qualification and will not discriminate on the basis of race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, national origin, or other class protected by State and/or federal law.

### Section 4. Release, Indemnification and Insurance.

4.1. Release and Indemnification. The Partnership releases the City and all Commission members, officers, agents, servants and employees thereof (the "**Indemnified Parties**") from, and covenants and agrees to indemnify, defend and hold harmless the Indemnified Parties against, any loss, damage, cost (including reasonable attorneys' fees), claim, demand, suit, action or other proceeding whatsoever (i) arising or purportedly arising out of, or resulting or purportedly resulting from, the operations of the Partnership or the use of the Contribution in connection therewith.

5.2 Insurance. Partnership shall purchase and maintain insurance coverage as set forth below. The insurance policy must name the City, (including its elected or appointed officers, officials, employees, or volunteers), as an additional insured and be written on a "primary—noncontributory basis, and on an occurrence, not a claims made basis." Partnership will provide the City with applicable additional insured endorsement documentation substantially similar or identical to the example set forth below. Each coverage shall be obtained from an insurance

company that is duly licensed and authorized to transact insurance business and write insurance within the State of Montana, with a minimum of “A.M. Best Rating” of A-, VI, as will protect the Partnership, the City and its officers, employees, agents, and representatives from claims for bodily injury and/or property damage which may arise from operations of the Partnership. All insurance documentation shall be in a form acceptable to the City.

Insurance Coverage at least in the following amounts is required:

- |    |   |   |
|----|---|---|
| 1. | Commercial General Liability<br>(bodily injury and property damage) | \$1,000,000 per occurrence<br>\$2,000,000 aggregate |
| 2. | Products and Completed Operations                                   | \$2,000,000   |
| 3. | Automobile Liability  | \$1,000,000 combined single<br>limit                |
| 4. | Workers’ Compensation   | Not less than statutory limits                      |
| 5. | Employers’ Liability  | \$1,000,000   |

The Partnership may provide applicable excess or umbrella coverage to supplement the Partnership’s existing insurance coverage, if the Partnership’s existing policy limits do not satisfy the coverage requirements as set forth above.

Additional Insured Endorsement Example:





## Section 5. General Provisions.

5.1. Conflicts of Interest; City's Representatives Not Individually Liable. No member, officer, agent, servant or employee of the City shall have any personal interest, direct or indirect, in this Agreement or the Contribution, nor shall any such member, officer or employee participate in any decision relating to this Agreement that affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is, directly or indirectly, interested. No member, officer or employee of the City shall be personally liable to Partnership in the event of any default under or breach of this Agreement by the City, or for any amount that may become due to Partnership for any obligation issued under or arising from the terms of this Agreement.

5.2. Rights Cumulative. The rights and remedies of the parties hereto, whether provided by law or by this Agreement, shall be cumulative, and the exercise by any party hereto of any one or more of such remedies shall not preclude the exercise by such party, at the same or different times, of any other remedy for the same default or breach or of any of its remedies for any other default or breach of the party subject to the limitation of remedies provided herein. No waiver made by such party with respect to the performance or the manner or time thereof, of any obligation under this Agreement, shall be considered a waiver with respect to the particular obligation of the other party or a condition to its own obligation beyond those expressly waived in writing and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver of any obligations of the other party. Delay by a party hereto instituting or prosecuting any cause of action or claim hereunder shall not be deemed a waiver of any rights hereunder.

5.3. Injunction; Specific Performance. The parties hereto agree that, in the event of a breach of this Agreement by any party or its successors or assigns, the non-breaching party would suffer irreparable harm. Therefore, in the event any party or its successors or assigns fails to comply with the provisions of this Agreement, the parties expressly agree that the non-breaching party may pursue any remedy at law or in equity, including without limitation, the remedies of injunction and specific performance.

5.4. Limitation on City Liability. No agreements or provisions contained in this Agreement will give rise to any pecuniary liability of the City or a charge against its general credit or taxing powers, or will obligate the City financially in any way except with respect to the Tax Increment. No failure of the City to comply with any term, condition, covenant or agreement herein will subject the City to liability for any claim for damages, costs or other financial or pecuniary charge except to the extent that the same can be paid or recovered from the Tax Increment; and no execution on any claim, demand, cause of action or judgment will be levied upon or collected from the general credit, general funds or taxing powers of the City (except as such constitute Tax Increment). Nothing herein will preclude a proper party in interest from seeking and obtaining specific performance against the City for any failure to comply with any term, condition, covenant or agreement herein; provided that no costs, expenses or other monetary relief will be recoverable from the City except as may be payable from the Tax Increment.

5.5. Notices. All notices, certificates or other communications required to be given to the City or the Partnership hereunder will be sufficiently given and will be deemed given when delivered or deposited in the United States mail in certified form with postage fully prepaid and addressed as follows:

If to the City: City of Great Falls  
P.O. Box 5021  
Great Falls, Montana 59403  
Attn: Fiscal Services Director

If to the Partnership: Downtown Development Partnership  
100 1st Avenue N  
Great Falls, Montana 59401

The City and the Partnership, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications should be sent.

5.6. Assignment. This Agreement is unique between the City and the Partnership and no party may assign any rights or privileges or delegate any duties or obligations under this Agreement without first obtaining the written consent of the other parties hereto.

5.7. Binding Effect. The right and obligations set forth in this Agreement will inure to the benefit of and will be binding upon the City and the Partnership and their respective successors and assigns.

5.8. Prior Agreements. This Agreement supersedes, merges and voids any and all prior discussions, negotiations, agreements and undertakings between the parties hereto with respect to the subject matter of this Agreement. The parties waive and release each other from any claims, actions, or causes of action that relate in any manner to any prior discussions, negotiations, agreements and undertakings between the parties with respect to the subject matter of this Agreement.

5.9. Severability. If any provision of this Agreement will be held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof.

5.10. Amendments, Changes and Modifications. This Agreement may be amended or any of its terms modified only by written amendment authorized and executed by the City and the Partnership.

5.11. Governing Law. This agreement and the legal relations between the parties hereto will be governed by and construed in accordance with the laws of the State of Montana, without giving effect to any choice of law statutes, rules, or principles.

5.12. Execution Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which will be an original and all of which will constitute one and the same instrument.

5.13. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope of intent of any provisions or Sections of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the \_\_\_\_ day of \_\_\_\_\_, 2018.

CITY OF GREAT FALLS, MONTANA

By \_\_\_\_\_  
City Manager

Attest:

[CITY SEAL]

\_\_\_\_\_  
City Clerk

APPROVED FOR LEGAL CONTENT:

\_\_\_\_\_  
Sara Sexe, City Attorney



## **Downtown Development Partnership of Great Falls**

### ***TIF Fund Report to City of Great Falls for FY 2018***

11/5/18

In December, 2017 the City Commission approved \$10,000 in downtown tax increment funds by the Downtown Development Partnership of Great Falls (DDP) for the FY2018 fiscal year (July 1, 2017 – June 30, 2018). The funds were received by the DDP in February, 2018. This marked the City's first funding of the Downtown Development Partnership.

#### Expenditures

The DDP expended \$9,087.83 of the funds during FY 2018. We achieved several cost savings, and partners covered some costs that had been budgeted for. The remaining funds were carried over into FY 2019.

We expended \$4,800.00 to a web site consultant to help enhance the Downtown Great Falls web site. These improvements have significantly improved downtown promotional efforts. They have also strengthened our vision of having one downtown web site, instead of competing sites.

We expended \$1,328.00 on insurance coverage for the DDP, saving over \$400 from previous years.

We expended \$2,609.83 to send one of our officers to participate in the National Main Street Conference. This enabled us to learn firsthand about tools and successful efforts from hundreds of downtown revitalization colleagues and experts.

We expended \$350.00 for dues for membership in the National Main Street Program, which we expect to be reimbursed by the Montana Department of Commerce.

#### Impact

The TIF funds had a major impact on the DDP's successes in FY 2018 and helped the Partnership to substantially strengthen its capacity for future years. Since its creation, the DDP has had very little funds to work with. We started FY 2018 with net assets of \$4,768.37. We ended FY 2018 with net assets of \$20,546.03. Part of this financial success was due to the TIF funds. We also benefited by hosting a very successful statewide Montana Main Street Conference that generated net income of \$11,561.49.

Our strengthened capacity has allowed us to finally begin to support more projects that help implement the City's Downtown Master Plan and drive private investment that will add taxable value to the downtown TIF district. Our membership revenue which in previous years was spent mostly on just maintaining our organization, was freed up to allow us to start being more aggressive in spearheading efforts to implement the Downtown Master Plan. In FY 2018, we invested \$1,896.00 in expanding the BID's successful traffic signal art project to boxes outside the BID district but that are at key intersections in the downtown TIF district. We have continued this effort, having invested another \$1,607.50 in FY 2019 on more traffic boxes.

We also were able to invest \$2,000.00 so far in FY 2019 in the downtown pedlet project, helping to match an \$8,000 grant from the Montana Department of Commerce to leverage private investment in more outside downtown dining.

Our strengthened capacity helped the DDP to secure, for the first time, the highest possible designation by the Montana Main Street Program, becoming one of the few communities in the state to achieve this.

# Great Falls Downtown Urban Renewal Area

 Tax Increment District

