

Regular City Commission Meeting

Mayor Winters presiding

CALL TO ORDER: 7:00 PM

PLEDGE OF ALLEGIANCE

MOMENT OF SILENCE

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

PROCLAMATIONS: Mayor Winters read a proclamation for National Kids to Parks Day.

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

NEIGHBORHOOD COUNCILS

1. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

There were no miscellaneous reports and announcements from representatives of neighborhood councils.

CONSENT AGENDA

2. Minutes, May 7, 2013, Commission meeting.
3. Total expenditures of \$1,812,844 for the period of April 25 through May 15, 2013, to include claims over \$5,000, in the amount of \$1,551,053.
4. Contracts list.
5. Set public hearing for June 4, 2013, on Resolution 10019, Budget Amendment Resolution for Fiscal Year 2013 budget.
6. Set public hearing for June 18, 2013, on Resolution 10009, Remodeling, Reconstruction or Expansion of Buildings or Structures Tax Benefit for 413, 413½, and 415 Central Avenue.
7. Set public hearing for June 18, 2013, on Resolution 10018, New or Expanding Industry Tax Benefit for 1408 52nd Street North.

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

With regard to Item 5, City Manager Greg Doyon added that the implications regarding the ECP/Southern settlement and how this action and subsequent financial actions will impact the City will be discussed at the public hearing. Manager Doyon explained that the Commission had directed him to review existing City funds to make the two settlement payments totaling \$3.25

million dollars. Manager Doyon identified eight funds from which to transfer monies from for the first settlement payment totaling \$2.5 million dollars, as well as what the immediate and long term impacts will be to those funds. The second installment payment of \$750,000 due in December will have a greater impact on City departments. Manager Doyon commented that he will be monitoring the deficit in the general fund, as the undesignated fund balance will be down to about one month's worth of operating. The departments that are supported in part by the general fund will see a noticeable reduction in general fund subsidies in next year's budget. Those departments will need to utilize current fund balances to offset the reduction in subsidy, and look at fees and operating expenses. Moving forward, the Commission will be asked to approve some write-offs; there will be ongoing legal reviews with prior customers; and, the creating documents will be revisited for repeal to bring ECP to a final conclusion.

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

Ron Gessaman, 1006 36th Avenue NE, read what he thought to be an error in Item 2, page 79 of the May 7th Commission meeting minutes. Commissioner Bronson responded the minutes accurately reflect that some people expressed concerns but no one spoke in opposition to that item.

Mr. Gessaman read a portion of a 2012 Moody's Investors Service announcement regarding the general obligation rating of the City of Great Falls. He also expressed opposition to the tax benefits in Items 6 and 7.

Paavo Hall, 2910 5B Street NE, commented if citizens are now going to be deprived of services due to the Southern settlement the *Tribune* should run photos of commissioners and public officials that got the City into the energy business. He also suggested that those commissioners and public officials contribute to a recovery fund.

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

Motion carried 5-0.

BOARDS & COMMISSIONS

8. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

There were no miscellaneous reports and announcements from representatives of boards and commissions.

PUBLIC HEARINGS

OLD BUSINESS

NEW BUSINESS

9. EMPLOYEE HEALTH CARE BENEFITS.

Human Resources Manager Linda Williams reported that this item is a recommendation to move the City's employee health care benefit plan from being a fully self-insured plan, with Blue Cross Blue Shield of Montana as the third-party claims administrator, to becoming a member of the

Montana Municipal Interlocal Authority (MMIA) effective July 1, 2013.

The City has been self-insured with Blue Cross Blue Shield of Montana (BCBSMT) as the third party claims administrator since 1991. The current contract with BCBSMT expires June 30, 2013. The City hired consultant, Mary Kay Puckett, with Mountain West Benefits to assist in the RFP and evaluation process. Based on the analysis of the proposals the recommendation is to move to MMIA. The City currently has its workers compensation, property and liability coverage through MMIA. MMIA started offering health care coverage to its members in 2004. MMIA's Employee Benefits Program is a self-funded risk retention pool of about 4,000 employees and their dependents in 76 cities and towns in Montana. The size of the pool offers greater stability in both risks and rates. MMIA is governed by a Board of Directors consisting of municipal employees and elected officials.

Medical benefits will remain the same; vision and dental benefits are both enhanced. MMIA offers additional benefits of a nurse line and a robust wellness program with incentives. The amount current employees contribute through payroll deduction will not increase this year. Allegiance, a Missoula based company, is MMIA's third party claims administrator. Allegiance's member provider network is comparable to the network of BCBSMT member providers.

Commissioner Jones moved, seconded by Commissioner Burow, that the City Commission authorize the City Manager to enter into and execute an agreement with MMIA for employee health care benefits.

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

Commissioner Jones inquired about the wellness incentive. Ms. Williams explained that MMIA offers on-line education sessions and health assessments, a more comprehensive biometric screening, and physician follow-up. Employees have the potential of getting up to \$150 in Visa gift cards for participating in the health assessments, biometric screenings, and completing physician follow-ups. MMIA also provides a free 24-hour nurse line.

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

Hearing none, Mayor Winters called for the vote.

Motion carried 5-0.

10. GRANT AWARD AGREEMENT WITH THE MONTANA DEPARTMENT OF MILITARY AFFAIRS FOR THE DISASTER AND EMERGENCY SERVICES GRANT TITLED FFY10 HS GREAT FALLS POLICE DEPT-911 CENTER UPGRADE.

Police Captain Tim Shanks reported that a much needed upgrade for the 911 dispatch center was needed to improve performance and interoperability amongst participating agencies. A federal grant provided by the Department of Homeland Security and administered by the Montana Disaster and Emergency Services was applied for and awarded. This grant provides funds that do not require any matching dollars from the City of Great Falls. Acceptance of this grant will allow the dispatch center to purchase the much needed equipment upgrades and utilize them in the 911 center.

Commissioner Jones moved, seconded by Commissioner Bronson, that the City Commission accept the Department of Homeland Security Grant in the amount of \$870,456 and authorize the City Manager to execute the agreement.

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

Ron Gessaman, 1006 36th Avenue NE, inquired if the upgrade to the 911 center will change the City's fire classification rating and was informed the grant is for equipment upgrades, not increased staffing.

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

Motion carried 5-0.

11. BID AWARD, CALUMET MONTANA REFINING COMPANY OF GREAT FALLS IN THE AMOUNT OF \$133,750 TO SUPPLY EMULSIFIED ASPHALT.

Public Works Director Jim Rearden reported that this annual purchase of emulsified asphalt will provide chip seal oil for approximately 90 blocks of preventative street maintenance this summer. Calumet's bid provides oil at the 2012 price.

Commissioner Jones moved, seconded by Commissioner Burow, that the City Commission approve the bid award to supply emulsified asphalt to Calumet Montana Refining Company of Great Falls for \$133,750.

Mayor Winters asked if there was any discussion amongst the Commissioners or comments from the public.

Hearing none, Mayor Winters called for the vote.

Motion carried 5-0.

12. BID AWARD, GREAT FALLS SAND AND GRAVEL, INC. IN THE AMOUNT OF \$676,200 TO SUPPLY ASPHALTIC CONCRETE MATERIAL.

Public Works Director Jim Rearden reported that this annual purchase of asphaltic concrete material will provide for about 60 blocks of overlays and patching in the City this season. The low bid was 5.37% lower than the same material last year resulting in about \$38,000 savings this year.

Commissioner Kelly moved, seconded by Commissioners Bronson and Jones, that the City Commission approve the annual contract bid award to supply asphaltic concrete material to Great Falls Sand and Gravel, Inc. for \$676,200.

Mayor Winters asked if there was any discussion amongst the Commissioners or comments from the public.

Hearing none, Mayor Winters called for the vote.

Motion carried 5-0.

ORDINANCES/RESOLUTIONS

PETITIONS AND COMMUNICATIONS

13. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

- A. Alma Winberry**, 423 15th Street South, discussed prior public hearings regarding complete streets and chickens. She feels held hostage to this government, and suggested the Commission get in touch with the needs of the people. Mayor Winters and Commissioners Jones, Burow and Kelly responded to comments made by Ms. Winberry.
- B. John Hubbard**, 615 7th Avenue South, commented that the last politicians that made bad decisions should be held accountable for the ECP debt.
- C. JoAnne Bernard**, 615 3rd Avenue North, commented that articles in the newspaper indicated the possibility of the City selling some park property that was not being used. Ms. Bernard spoke in favor of parks and their importance to our children's upbringing. Mayor Winters clarified that the City is not selling any parks to repay the debt from ECP. If any park land were to be sold, those monies would go into the park trust fund. Manager Doyon added that underutilized parcels of property throughout the City were discussed. There is no plan on selling parks that are being utilized. Ms. Bernard suggested that information be publicized.
- D. Kathleen Gessaman**, 1006 36th Avenue NE, commented at the last NC 3 meeting a church group expressed interest in the Skyline Addition Park property. In cases like that, people are willing to compromise.
- E. Paavo Hall**, 2910 5B Street NE, commented that he thinks there was a lot going on in the past that no one in the City knew about with regard to ECP. A lot of people would like to see justice done first before money is spent.
- F. Ron Gessaman**, 1006 36th Avenue NE, discussed what he believed to be an indirect method of using park money to pay debt of ECP. He commented that Riverview Park is listed as an undeveloped park, but he believes it to be the most utilized park in the City. He disagrees with the characterization that the decision to sell property be based on underutilization on the basis of being undeveloped. Mr. Gessaman also noted that an Imagine Great Falls survey indicated that people value parks over other things the City does. He also questioned the valuations of City property being advertised for sale.
- G. Gretchen Swift**, 1508 3rd West Hill Drive, commented when there was an open seat on the City Commission she applied because she wanted to help make these huge decisions. She encouraged those that are complaining to put their name in the election hat.
- H. Steve Potts**, 625 Central Avenue West, Suite 200, commented that the general fund balance seems close to non-existent, and assumes the ECP balance owned to the general fund will never be paid. Mr. Potts inquired what will ultimately have to be done with the general fund and whether taxes will be raised. Mayor Winters encouraged Mr. Potts to meet with Manager Doyon and Director Kinzler for specific information.

CITY MANAGER**14. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.**

With regard to comments regarding parks, City Manager Greg Doyon commented that what was recommended was underutilized property. He reported that he did meet with Mr. Potts with the City's auditor, finance director and city attorney to address his questions. Mr. Potts had suggested that the City write-off some of the funds that were discussed earlier this evening. Some of the things now are consistent with what he was recommending. But, for legal reasons, counsel was advising staff not to pursue at that time. He encouraged Mr. Potts to submit his questions and he would visit with him again.

CITY COMMISSION**15. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.**

Commissioner Kelly commended the fiscal responsibility that he has seen from the managing aspect, not from the ECP aspect, of the City day-to-day operations, and the way funds have been set aside so balances are available. It is certainly sad that the City has to tap into those funds for the ECP settlement, but the fact is the funds are there and the City can.

Commissioner Burow noted management and staff has been tightening belts and doing things in a positive manner to soften the blow as much as possible for the ECP settlement.

Commissioner Bronson noted this City is in a better financial position to deal with this kind of problem than many sister cities. He commended staff for the way the budget has been handled the last few years. The City has the capacity to deal with this without having to go to the taxpayers and requesting some type of a bail out.

16. COMMISSION INITIATIVES.

There were no Commission initiatives.

ADJOURNMENT

There being no further business to come before the Commission, **Commissioner Jones moved, seconded by Commissioner Burow, to adjourn the regular meeting of May 21, 2013, at 8:28 p.m.**

Motion carried 5-0.

Mayor Michael J. Winters

City Clerk Lisa Kunz

Minutes Approved: June 4, 2013