

Regular City Commission Meeting

Mayor Winters presiding

**CALL TO ORDER:** 7:00 PM

**PLEDGE OF ALLEGIANCE** – Lewis and Clark Honor Guard

**MOMENT OF SILENCE**

**ROLL CALL:** City Commissioners present: Michael Winters, Bob Jones, Bill Bronson and Bob Kelly. Commissioner Burow was excused. Also present were the City Manager; Directors of Fiscal Services and Public Works; Interim Director of Planning and Community Development; Police Chief; and the Deputy City Clerk.

**READINGS:** Commissioner Kelly read a letter of appreciation for Interim Planning and Community Development Director Craig Raymond and his staff; Commissioner Jones read a letter of gratitude for BRIC Officer Tad Kimmet; and, Commissioner Bronson read a letter in support of Miss Great Falls USA Elise Jesse.

**PROCLAMATION:** Mayor Winters read a proclamation for the 24<sup>th</sup> Annual Lewis and Clark Festival “Living with the Land.”

**\*\* 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, June 4, 2013, Commission meeting.
- 3.** Total expenditures of \$1,776,492 for the period of May 23 through June 12, 2013, to include claims over \$5,000, in the amount of \$1,500,445.
- 4.** Contracts list.
- 5.** Grants list.
- 6.** Set public hearing for July 2, 2013, to consider the sale of City-owned Parcel #2612750 (800' East of 52<sup>nd</sup> Street and 300' South of 18<sup>th</sup> Avenue North).
- 7.** Award contract to Great Falls Sand & Gravel, Inc., in the amount of \$370,580.30 for the 7<sup>th</sup> Avenue South (10<sup>th</sup> Street South to 12<sup>th</sup> Street South) Street Improvements. **OF 1653.2**

8. Approve Final Payment in the amount of \$8,840.27 to Ironhide, LLC, and \$89.30 to the State Miscellaneous Tax Fund for the 2011 Street Drainage Improvements. **OF 1611.2**
9. Approve Final Payment in the amount of \$527.48 to David W. Kuglin Construction and the State Miscellaneous Tax Division for the 2011 Miscellaneous Storm Drain Improvements, 600 Block 1<sup>st</sup> Alley North. **OF 1631.3**
10. Approve Change Order No. 1 in the amount of \$38,794.53 and Final Payment in the amount of \$39,244.38 to Phillips Construction, LLC, and \$396.41 to the State Miscellaneous Tax Fund for the 9<sup>th</sup> Street South Utilities Installation/Replacement and Street Reconstruction. **OF 1319**

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

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, suggested charging a fee to Calumet Montana Refining for the long term use agreement set forth in Item 4C. He commented it would be more logical to him to install the boat ramp at the east end of the City property.

Public Works Director Jim Rearden explained that the ramp will provide emergency response access for Montana Refinery in case of a spill that would jeopardize the Missouri River, as well as access to local emergency responders to the river in response to any type of emergency.

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

Motion carried 4-0.

### **BOARDS & COMMISSIONS**

#### **11. APPOINTMENT, POLICE COMMISSION.**

**Commissioner Bronson moved, seconded by Commissioner Jones, that the City Commission appoint Ken Thompson to the Police Commission for a three-year term beginning July 1, 2013, through June 30, 2016.**

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 4-0.

#### **12. REAPPOINTMENT, BUSINESS IMPROVEMENT DISTRICT BOARD OF TRUSTEES.**

**Commissioner Jones moved, seconded by Commissioner Bronson, that the City Commission reappoint Kris Harrison to the Business Improvement District Board of Trustees for a four-year term expiring June 30, 2017.**

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 4-0.

**13. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.**

**Ellen Sievert**, 1602 3<sup>rd</sup> West Hill Drive, staff to the Historic Preservation Commission and Planning and Community Development Department, and retiring Historic Preservation Officer of the City of Great Falls, provided last year's official City of Great Falls' ornament, a pewter replica of Great Falls High School, for the City archives. She announced that the Preservation Commission has selected Paris Gibson Square as the official 2013 City of Great Falls' ornament.

**Bob Milford**, Chairman of the Historic Preservation Board, recognized Ellen Sievert as this was her last official act as Historic Preservation Officer.

**PUBLIC HEARINGS**

**14. RESOLUTION 10009, REMODELING, RECONSTRUCTION OR EXPANSION OF BUILDINGS OR STRUCTURES TAX BENEFIT FOR 413, 413½, 415 CENTRAL AVENUE.**

Mayor Winters reported that this is a public hearing to consider Resolution 10009, a remodeling, reconstruction or expansion of buildings or structures tax benefit for 413, 413½, 415 Central Avenue, located on Lot 11, Block 315, Great Falls Original, Section 3, Township 20 North, Range 3 East, PMM, Cascade County, Montana.

Mayor Winters declared the public hearing open.

No one spoke in support of Resolution 10009.

Speaking in opposition to Resolution 10009 was **Ron Gessaman**, 1006 36<sup>th</sup> Avenue NE. Mr. Gessaman commented that the cost of the legal notices and staff time for the amount of tax break involved seems like an exercise in futility to him.

There being no one else to address the Commission, Mayor Winters closed the public hearing.

**Commissioner Bronson moved, seconded by Commissioner Jones, that the City Commission adopt Resolution 10009.**

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

Motion carried 4-0.

**15. RESOLUTION 10018, NEW OR EXPANDING INDUSTRY TAX BENEFIT FOR 1408 52<sup>ND</sup> STREET NORTH.**

Interim Planning and Community Development Director Craig Raymond reported that this is the

public hearing to consider Resolution 10018 to approve an application for a new or expanding industry tax benefit. Steel Etc. has submitted an application affirming it qualifies for the tax benefit and has requested that the City Commission approve the tax benefit of approximately \$1,017,723 for construction and improvements of additional building space for new taxable personal property of a new cardboard recycling baler.

On August 4, 2009, the City Commission approved annexation of the ±4.7 acre developed portion of the Steel Etc. property into the City. On August 17, 2010, the City Commission approved the new or expanding industry tax benefit for approximately \$3.2 million worth of improvements including construction of a new business office building, steel sales building, scrap and recycling building and installation of utilities. On September 6, 2011, the City Commission approved the new or expanding industry tax benefit for approximately \$79,000 in similar personal property investments.

Interim Director Raymond noted that a concurrent application has been made to the Cascade County Commission for tax abatement of over \$527,250 of new heavy equipment investments on Tract 1A which remains in unincorporated Cascade County.

The requested New or Expanding Industry Tax Benefit would provide Steel Etc. with property tax abatement on a portion of the additional City property taxes generated by the new investment. The discount on new property taxes would be 50% in Years 1-5, 40% in Year 6, 30% in Year 7, 20% in Year 8, and 10% in Year 9. In Year 10 and in subsequent years 100% of the additional property taxes resulting from the new development would be payable.

In July, 1998, the City Commission adopted Resolution 8967 establishing a policy to approve tax abatements for qualifying new and expanding industries.

Mayor Winters declared the public hearing open.

No one spoke in support of Resolution 10018.

Speaking in opposition to Resolution 10018 was **Ron Gessaman**, 1006 36<sup>th</sup> Avenue NE. Mr. Gessaman discussed the number of tax breaks for Steel Etc. and the amounts estimated for the tax benefits. He further noted that approval of this resolution takes money away from the School District as well as the City of Great Falls. He suggested the Commission not grant Steel Etc. additional tax benefits. He doesn't believe Resolution 10018 meets the requirements of § 15-24-1402(2)(c), MCA.

There being no one else to address the Commission, Mayor Winters closed the public hearing.

**Commissioner Bronson moved, seconded by Commissioner Jones, that the City Commission adopt Resolution 10018.**

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

Commissioner Bronson noted that, regardless of any tax benefit the City provides to Steel Etc., the record is clear that this company and the Filipowicz Family are some of the most generous people in this community. Whatever the City has provided to assist them in their businesses, they give back

far greater than what they take.

Commissioner Kelly stated that 50% of something is better than 100% of nothing.

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

Motion carried 4-0.

### **OLD BUSINESS**

### **NEW BUSINESS**

### **ORDINANCES/RESOLUTIONS**

**16. RESOLUTION 10021, RELATING TO \$14,168,000 SANITARY SEWERAGE SYSTEM REVENUE BONDS (DNRC WATER POLLUTION CONTROL STATE REVOLVING LOAN PROGRAM).**

Fiscal Services Director Melissa Kinzler reported that on May 7, 2013, the City Commission awarded a contract to Swank Enterprises in the amount of \$14,346,582 for the Wastewater Treatment Plant Disinfection and Ammonia Removal Improvements. Approval of Resolution 10021 authorizes the issuance of bonds to cover the majority of the expenses under this contract plus additional expenses for issuance costs, fees, and reserve requirements. DNRC has since submitted a letter of approval for a loan to the City of Great Falls in the amount of \$14,168,000 at 3% per annum for 20 years. All issuance fees and costs will be paid out of this financing. Pending completion of the financing process, cash balances in the Wastewater fund will provide sufficient cash to pay upfront expenses.

**Commissioner Jones moved, seconded by Commissioner Kelly, that the City Commission adopt Resolution 10021.**

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 4-0.

**17. RESOLUTION 10027, APPROVING AND ADOPTING THE MONTANA MUNICIPAL INTERLOCAL AUTHORITY (MMIA) EMPLOYEE HEALTH CARE BENEFITS PROGRAM AGREEMENT.**

Human Resources Manager Linda Williams reported that, as part of the process to join the MMIA Employee Health Care Benefits Program, MMIA requires adoption of a resolution by the governing body. On May 21, 2013, the City Commission authorized the City Manager to execute an agreement with MMIA.

**Commissioner Bronson moved, seconded by Commissioner Jones, that the City Commission adopt Resolution 10027 authorizing the adoption and execution of the Employee Health Care Benefits Program Agreement entered into between the MMIA and the City of Great Falls.**

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 4-0.

### **PETITIONS AND COMMUNICATIONS**

#### **18. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.**

- A. Robert Milford**, 79 Sun View Lane, Chairman of the Historic Preservation Advisory Commission, expressed appreciation for the City's ongoing support of the Historic Preservation Advisory Commission and Historic Preservation Officer. Recognizing that the City cannot fund a full-time preservation officer at this time, he urged the Commission to continue supporting the Historic Preservation Officer position for at least 80 hours per month as required to remain a certified local government. Remaining a certified local government qualifies the Commission for current and future funding as well as technical assistance from the State Historic Preservation Office.
- B. Alma Winberry**, 423 15th Street South, read a statement she authored regarding her disappointment in the leadership of the Commission.
- C. John Hubbard**, 615 7<sup>th</sup> Avenue South, read sections of § 45-7-401, MCA, Official Misconduct. He also spoke in opposition to the public school levy.
- D. Ron Gessaman**, 1006 36<sup>th</sup> Avenue NE, commented the Commission fits under § 45-7-401(2), MCA, for violating Ordinance 2925. He also noted from an October 8, 2012, letter that MMIA stated that it neither has a duty to defend nor a duty to indemnify the City of Great Falls and ECP in regard to claims. Mr. Gessaman also referred to Interim City Attorney's response regarding ECP imposing liens for non-payment. He inquired how the City could give governmental funds to ECP, a non-governmental entity.

### **CITY MANAGER**

#### **19. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.**

City Manager Greg Doyon reported that last week he attended a defense conference. The discussion continues to be about the national budget situation. The big concern is sequestration and whether or not there will be another BRAC round. Sequestration is causing the respective branches of the military to do furloughs, defer training, and not meet some of its capital needs. He discussed Malmstrom's challenges in the coming years. A more comprehensive trip report will be forthcoming to the Commission.

He continues to work on the budget. He discussed the advantages and savings by switching the employee health insurance to MMIA.

Regarding the Historic Preservation Officer, Manager Doyon commented that he is exploring an opportunity to have somebody on board to maintain the requirements for the certification. It was never communicated that the goal was to eliminate the Historic Preservation Commission.

**CITY COMMISSION****20. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.**

There were no miscellaneous reports and announcements from the Commission.

**21. COMMISSION INITIATIVES.**

There were no Commission initiatives.

**ADJOURNMENT**

There being no further business to come before the Commission, **Commissioner Bronson moved, seconded by Commissioner Jones, to adjourn the regular meeting of June 18, 2013, at 8:00 p.m.**

Motion carried 4-0.

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Mayor Michael J. Winters

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Deputy City Clerk Lucy Hallett

Minutes Approved: July 2, 2013