

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, Bill Bronson and Bob Kelly. Commissioners Burow and Jones were excused. Also present were the Deputy City Manager; City Attorney; Directors of Fiscal Services, Park and Recreation, Planning and Community Development and Public Works; Fire Marshal; Police Captain; and the City Clerk.

PROCLAMATION: Mayor Winters read a proclamation for Constitution Week.

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

NEIGHBORHOOD COUNCILS

1. SWEARING IN CEREMONY, NEIGHBORHOOD COUNCIL 6 AND 7.

Mayor Winters performed the swearing in ceremony for Julie Parker, representative of Neighborhood Council 6, and Alvina Sayers, representative of Neighborhood Council 7.

2. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

Robin Baker, NC 6, reported that the council is excited about two upcoming projects, new equipment at Verde Park and planning for a community garden at the Aging Services property. Ms. Baker also introduced Molly Anthony from Virginia, a member of Friendship Force, and her son, Brian Anthony, from Maryland.

CONSENT AGENDA

- 3.** Minutes, September 3, 2013, Commission meeting.
- 4.** Total expenditures of \$1,778,822 for the period of August 23 through September 11, 2013, to include claims over \$5,000, in the amount of \$1,538,257.
- 5.** Contracts list.
- 6.** Set public hearing for October 1, 2013, on Resolution 10022, an amendment to the Fiscal Year 2013 Budget.
- 7.** Set public hearing for October 1, 2013, on Resolution 10039 Establishing Sanitation Service Rates effective October 8, 2013.

8. Approve the School Resource Officer Services Agreement with the Great Falls Public School District for the 2013/2014 school year.
9. Award bid for gasoline and diesel fuel to Mountain View CO-OP for three years at an annual cost of approximately \$990,800.
10. Approve Change Order No. 2 in the amount of \$39,500 to Kuglin Construction for the 2013 Street Drainage Improvements. **OF 1653.3**
11. Award contract in the amount of \$672,098.60 to United Materials of Great Falls, Inc. for the 22nd Avenue South Retention Pond and Storm Drain Extensions. **OF 1554.1**
12. Approve Professional Services Contract with Advanced Engineering and Environmental Services (AE2S) for the Water Storage Tank Evaluation, Phase 1 in an amount not to exceed \$317,992. **OF 1625**
13. Approve Amended Memorandum of Understanding with Cascade County for the CMATP Sanitary Sewer Extension. **OF 1658.1** (Replaces MOU approved 090313.9)

Commissioner Bronson moved, seconded by Commissioner Kelly, that the City Commission approve the Consent Agenda as read.

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

Commissioner Bronson commented that at the last Commission meeting the agreement with the Youth Orchestra was pulled from the contracts list at the request of Commissioner Burow. That agreement is back on the contracts list. By approving the Consent Agenda this evening the Commission will be approving that agreement. A number of emails, calls and letters were received by members of the community who find that agreement to be an important service that the City provides.

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

Ron Gessaman, 1006 36th Avenue NE, inquired what information was provided justifying the terms of the Youth Orchestra agreement listed as Item 5J. Commissioner Kelly responded that Gordon Johnson provided the history and tradition of the exchange, the value involved with the rehearsal time and the scholarships involved.

Mr. Gessaman noted the exclusion of the year in the description of Item 5G.

With regard to Item 6, Mr. Gessaman read portions of the Code of Ethics and commented that he doesn't understand how the City can transfer funds to a non-governmental entity.

Director Kinzler explained that, according to governmental accounting standards, the electric fund has to be reported as a blended component unit. Since 2005 the electric fund, or ECP, has been reported in the financial statements of the City of Great Falls. There are certain tests that have to be met according to governmental accounting standards. The auditors have reviewed that fund and have agreed that it is part of the governmental entity, and that it would be a material misstatement of

the financial statements if it wasn't reported there. That cash deficit has been covered every year by the general fund. The action requested this evening is formalizing the action that was booked every year since there was a cash deficit in the electric fund.

Alma Winberry, 423 15th Street South, spoke in support of Item 8, School Resource Officer Services Agreement with the Great Falls Public Schools, and Item 5J, the Agreement with the Great Falls Symphony Youth Orchestra.

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

Motion carried 3-0.

BOARDS & COMMISSIONS

14. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

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

PUBLIC HEARINGS

15. INTERLOCAL AGREEMENT WITH CASCADE COUNTY REGARDING THE 2013 BYRNE JUSTICE ASSISTANCE GRANT (JAG) PROGRAM AWARD – AIR CARDS FOR MOBILE DATA TERMINALS.

Police Captain Jeff Newton reported that before the Commission for consideration is the Interlocal Agreement between Cascade County and the City of Great Falls for the expenditure of the 2013 Byrne Justice Assistance Grant. The total grant allocation is \$30,898. The agreement sets forth an allocation of \$15,449 to the Cascade County Sheriff's Office and \$15,449 to the Great Falls Police Department for the purchase of air cards for existing mobile data terminals to include relevant licensing and connection fees.

Mayor Winters declared the public hearing open.

No one spoke in support of or in opposition to the Interlocal Agreement with Cascade County for use of the 2013 Byrne Justice Assistance Grant (JAG) for air cards for mobile data terminals.

Mayor Winters closed the public hearing and asked the will of the Commission.

Commissioner Kelly moved, seconded by Commissioner Bronson, that the City Commission approve the Interlocal Agreement between the City of Great Falls and Cascade County to purchase air cards for mobile data terminals with the 2013 Byrne Justice Assistance Grant Program funds.

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

Motion carried 3-0.

16. **RESOLUTION 10037, TO LEVY AND ASSESS PROPERTIES WITHIN SPECIAL IMPROVEMENT LIGHTING DISTRICTS.**

Fiscal Services Director Melissa Kinzler reported that there are currently 26 Special Improvement Lighting Districts (SLD's) with approximately 9,420 roadway lights. The purpose of the fund is to maintain the light poles and furnish electrical current for the lighting districts throughout the year. After determining financial factors pertinent to the operation of the Special Improvement Lighting Districts, an assessment amount for the next fiscal year is calculated, budgeted and presented to the City Commission for approval. After review of the budget and estimated assessment for 2014, the assessment amounts were adjusted to reflect the same assessment as last year with the exception of three lighting districts. Special Improvement Lighting Districts 1269, 1294 and 1304 were increased to compensate for the deficit in their cash balances from the prior fiscal year. That anticipated assessment amount is \$1,976,427. This is a total assessment increase of 1.05 percent. Adoption of Resolution 10037 will allow the City to fund the operational and maintenance costs required to be made each year in the Special Improvement Lighting Districts.

Mayor Winters declared the public hearing open.

No one spoke in support of or in opposition to Resolution 10037.

Ron Gessaman, 1006 36th Avenue NE, requested clarification regarding Special Improvement Lighting District 1294 having a surplus at the beginning of the year, not a deficit; and, the projected beginning cash balance is different than the amount shown in the 2014 budget.

Director Kinzler explained the difference between projected fund balance and cash balance. She noted that assessments are received two times per year in December and June. The highest cash balance in the fund will be in June. Over the year time period there is a negative cash balance in that fund and the reason for the requested increase.

Mayor Winters closed the public hearing and asked the will of the Commission.

Commissioner Kelly moved, seconded by Commissioner Bronson, that the City Commission adopt Resolution 10037.

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

Motion carried 3-0.

17. **ORDINANCE 3112, AMENDING TITLE 15, CHAPTER 50 OF THE OFFICIAL CODE OF THE CITY OF GREAT FALLS PERTAINING TO THE ADOPTED FIRE CODE.**

Fire Marshal Dirk Johnson reported that § 7-33-4208, MCA, sets forth that "The governing body of an incorporated city or town may adopt technical fire codes, in whole or in part, by reference under the procedure provided in § 7-5-4202, MCA." The City has previously adopted the International Fire Code for two important reasons. First, the State of Montana has adopted the 2012 IFC. Second, the City's Planning and Community Development Department have adopted and enforce the other International Codes. This makes the adopted fire code fully adaptable to the other codes

that the City of Great Falls utilizes as the building standard.

Additionally the proposed ordinance indentifies local revisions to the 2012 IFC that were based on changes the State Fire Marshal had made when the State adopted this code and section 23.12.601 of the Administrative Rules of Montana. The portions of the code that were not adopted may have been addressed in State law or in Great Falls City ordinances.

Mayor Winters declared the public hearing open.

No one spoke in support of or in opposition to Ordinance 3112.

Mayor Winters closed the public hearing and asked the will of the Commission.

Commissioner Bronson moved, seconded by Commissioner Kelly, that the City Commission adopt Ordinance 3112.

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

Motion carried 3-0.

OLD BUSINESS

18. FINALIZING ELECTRIC FUND (ECP) BALANCES.

Fiscal Services Director Melissa Kinzler reported that the City of Great Falls, ECP and Southern Montana G & T, through their attorneys, reached a Settlement Agreement and Release that will totally, completely and permanently sever the City's relationship with Southern Montana G&T. Once the settlement agreement was reached, there were several financial transactions that were needed. Two specific transactions are: (1) Authorize reclassification of investment in joint venture of \$1,186,617 to a loss in joint venture, and (2) Authorize the recognition of the loss of Southern cash deposit of \$866,567.01.

These actions will affect the ECP fund balance as a \$2,053,184.01 loss in fiscal year 2013.

Commissioner Kelly moved, seconded by Commissioner Bronson, that the City Commission authorize reclassification in the Electric Fund of the investment in joint venture of \$1,186,617 to a loss in joint venture and recognize the loss of the Southern deposit of \$866,567.01 in Fiscal Year 2013.

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 3-0.

NEW BUSINESS

19. CITY'S REQUEST FOR PROPOSALS (RFP) FOR GAS AND ELECTRIC SERVICES.

Fiscal Services Director Melissa Kinzler reported that the City's natural gas supply contract with

Energy West Resources expired on June 30, 2013. A majority of the City's electric supply is currently purchased from Electric City Power (ECP). ECP purchases its electric supply from Southern Montana Electric G&T (Southern). As part of the City's settlement agreement with Southern, the City is transitioning itself from an electric utility supplier to an electric customer. As part of the City's financial recovery, it is hoped that a competitive process will produce electric charges that are far below what the City has experienced with ECP.

Bundling gas and electric supply proposals was explored with the thought it would generate more competitive rates. After engaging Bill Pascoe as a consultant for gas and electric supply, it was determined that separate proposals for natural gas and electricity would yield better proposals.

There are nuances to both gas and electric supply that the Commission needs to recognize and consider. First, future proponents will need to address several elements in their proposals including imbalance charges, deposits, lines of credit, collateral, pre-payment, confidential information, and award timing. These topics were discussed at the work session this evening. If the RFP process is approved, the Commission will be asked to hold two special meetings on the day the final proposals are received in order to award the contracts and lock in the rates.

Commissioner Bronson moved, seconded by Commissioner Kelly, that the City Commission authorize the City Manager to issue a Request for Proposals for Natural Gas and Electric Supply, and authorize updates to the Request for Proposals for Natural Gas and Electric Supply as recommended by the hired consultant.

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, referred to the consultant's chart regarding actual versus scheduled energy presented at the work session and inquired about the spot market prices that are paid throughout the year.

Bill Pascoe, 104 Country Club Lane, Butte, MT, consultant hired by the City, explained that spot market prices will vary throughout the year. He believes the dollar amounts will net to near zero. The imbalances in certain seasons tend to cancel each other out.

The Commission thanked Mr. Pascoe for his presentation at the work session and services to the City.

Motion carried 3-0.

ORDINANCES/RESOLUTIONS

20. RESOLUTION 10023, ENCOURAGING CITIZENS TO RECOGNIZE TOBACCO FREE ZONES IN CITY PARKS.

Park and Recreation Director Marty Basta reported that Resolution 10023 is a resolution encouraging citizens to recognize tobacco-free zones in City parks. According to the Environmental Protection Agency second hand smoke is a Class A carcinogen, a substance known to cause cancer in humans and there is no safe level of exposure for second hand smoke. Resolution 10023 is intended to help role model tobacco free behavior to children and youth and to provide

children, youth and their families with a safe, tobacco free environment in sensitive park areas such as children's playground areas. Adoption of Resolution 10023 does not impose any penalties or fines, nor does it prohibit tobacco use in City parks. It is intended to encourage citizens to recognize, respect and refrain from tobacco use in tobacco free zones. This resolution is supported by the Park and Recreation Board, as well as the City-County Health Department has agreed to purchase the necessary signs.

Commissioner Kelly moved, seconded by Commissioner Bronson, that the City Commission adopt Resolution 10023.

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, spoke in support of Resolution 10023.

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

Motion carried 3-0.

PETITIONS AND COMMUNICATIONS

21. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

- A. Aart Dolman**, 3016 Central Avenue, read a letter requesting to be placed on the October 1, 2013, City Commission meeting agenda to respond to Mayor Winters' comments made at the August 20th Commission meeting regarding Electric City Power.
- B. Alma Winberry**, 423 15th Street South, read a statement she authored regarding City officials and the Code of Ethics.
- C. Ron Gessaman**, 1006 36th Avenue NE, suggested that citizens be allowed to present PowerPoints at Commission meetings. Mr. Gessaman also quoted Tammy Lacey, Superintendent of Schools, from a *Tribune* article in Sunday's paper, and read portions of the City of Great Falls Code of Ethics.

CITY MANAGER

22. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

There were no miscellaneous reports and announcements from the City Manager's Office.

CITY COMMISSION

23. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

On behalf of representatives of the Business Improvement District (BID), Commissioner Bronson reminded the public that on September 20th this community, along with others, will be celebrating PARK(ing) Day. During the day the City will be allowing the BID to use a parking space at 3rd Street and 1st Avenue South. Tilleras Landscaping will be designing the space and providing the materials. At the same time, Bert and Ernie's will be offering outdoor dining on a nearby sidewalk. The purpose is to invite public discussion on restoring those kinds of public gathering spaces for the

betterment of communities.

24. COMMISSION INITIATIVES.

There were no Commission initiatives.

ADJOURNMENT

There being no further business to come before the Commission, **Commissioner Bronson moved, seconded by Commissioner Kelly, to adjourn the regular meeting of September 17, 2013, at 7:59 p.m.**

Motion carried 3-0.

Mayor Michael J. Winters

City Clerk Lisa Kunz

Minutes Approved: October 1, 2013