

Regular City Commission Meeting

Mayor Kelly presiding

CALL TO ORDER: 7:00 PM

Commission Chambers Room 206

PLEDGE OF ALLEGIANCE – Boy Scout Pack 1

ROLL CALL/STAFF INTRODUCTIONS: City Commission members present: Bob Kelly, Tracy Houck, Bob Jones, Bill Bronson and Fred Burow. Also present were City Manager Greg Doyon and Deputy City Manager Jennifer Reichelt; City Clerk Lisa Kunz; Public Works Director Jim Rearden; Planning and Community Development Director Craig Raymond; Library Director Kathy Mora; Fiscal Services Director Melissa Kinzler; City Attorney Sara Sexe; Assistant City Attorney Joe Cik; and Police Chief Dave Bowen.

AGENDA APPROVAL: No changes were proposed by the City Manager or City Commission. The agenda was approved as submitted.

PROCLAMATION: Commissioner Jones read a proclamation for National Day of Prayer.

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

PETITIONS AND COMMUNICATIONS

1. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

- A. Ron Gessaman**, 1006 36th Avenue NE, referred to an April 27th *Tribune* article regarding gambling statistics. Mr. Gessaman expressed opposition to the number of casinos in Great Falls. He further provided and discussed an article regarding the Orlando International Airport switching its taxiway to LED lighting.
- B. Ken Roberts**, 2821 2nd Avenue North, commenting that many people involved in scouting knew Paul Grosvold who recently passed away from cancer. In the spirit of National Day of Prayer, he asked that Paul's friends and family be kept in thoughts and prayers.
- C. Mike Witsoe**, 510 11th Street South, discussed community events, concerns of a group he referred to as Concerned Citizens, and an upcoming benefit for people with cancer.
- D. John Hubbard**, 615 7th Avenue South, expressed opposition to increased property values, deregulation, and his pursuit of disability rights.
- E. Brett Doney**, Great Falls Development Authority, 300 Central Avenue, referred to a *Tribune* editorial and expressed appreciation to everyone involved in the West Bank redevelopment project.

NEIGHBORHOOD COUNCILS

2. **MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.**

There were no miscellaneous reports and announcements from Neighborhood Councils.

BOARDS & COMMISSIONS

3. **GOLF ADVISORY BOARD, BOARD MEMBER INTRODUCTIONS AND BOARD REPORT.**

Golf Advisory Board member Mark Johnson reported that he is serving his first term on the Board. The Board is in the process of selecting one new board member to fill a vacancy. The Board has worked on adjusting golf rates and fees and will be working on a master plan for the future. The Board meets on the fourth Monday of every month at the Park and Recreation Department.

The Commission presented the board members with certificates recognizing them for the work that they do and thanking them for their service.

4. **MISCELLANEOUS REPORTS AND ANNOUNCEMENTS FROM BOARDS AND COMMISSIONS.**

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

CITY MANAGER

5. **MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.**

City Manager Greg Doyon reported that he had a good meeting with representatives of Malmstrom Air Force Base this morning regarding the community partnership program, encroachment concerns, and other issues. The goal was to open a dialogue with Base officials so that there is good communication as it relates to land use issues.

Armed intruder training began this morning for City employees.

Next week he will be starting budget reviews with each of the departments.

Deputy City Manager Jennifer Reichelt announced that she has accepted a new opportunity and will be leaving the City of Great Falls at the end of the month.

CONSENT AGENDA.

6. Minutes, April 19, 2016, Commission meeting.

7. Total expenditures of \$1,794,755 for the period of April 1, 2016 through April 20, 2016, to include claims over \$5,000 in the amount of \$1,573,257.

8. Grants list.
9. Approve bid award of one new 2016 HPRECO 800 Peterbilt 337 mounted sewer jet cleaner, for \$221,948 with trade-in and one new 2016 Ram Vac 1000 Peterbilt 337 trailer mounted sewer vacuum for \$126,336 with trade-in to Montana Peterbilt of Great Falls.

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

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

Mike Witsoe, 510 11th Street South, inquired the age of the equipment being replaced in Item 9.

Public Works Director Jim Rearden responded that the 10 year old units have been out on the streets daily and are being traded in.

Ron Gessaman, 1006 36th Avenue NE, noted payments from the Animal Shelter and Sewer Funds listed in Item 7.

Deputy Manager Reichelt clarified that the contract was previously approved by the Commission for an upgraded security system at the Animal Shelter, and what is being approved this evening is the payment to the contractor for the completed work.

City Attorney Sara Sexe added that the payment from the Sewer funds is the last payment, pursuant to the Consent Decree, to the EPA and Montana Department of Environmental Quality.

There being no one further to address the Commission, Mayor Kelly called for the vote.

Motion carried 5-0.

PUBLIC HEARINGS

10. **RESOLUTION 10129, ESTABLISHING RESIDENTIAL AND COMMERCIAL WATER, SEWER AND STORM DRAIN UTILITY SERVICE RATES TO INCLUDE INCREASES OF 10%, 3% AND 10% RESPECTIVELY TO BECOME EFFECTIVE JUNE 1, 2016.**

Public Works Director Jim Rearden reviewed PowerPoint slides summarizing the 2016 utility rate analysis and the current needs. The proposed rates were presented at the March 15, 2016, Work Session, and public notices and individual customer notices were published and mailed. If adopted, the new rates would take effect June 1, 2016. The proposed rates include a 10% or \$3.22 per month average increase for water, 3% or \$0.71 for sewer, and 10% or \$0.47 for storm drain. Director Rearden reported that Great Falls has the lowest combined water and sewer rates of the seven largest cities in Montana.

Director Rearden concluded that it is frustrating when utility rates go up but the City is not able to fix aging infrastructure as it should because most of the costs are going to meet regulatory requirements.

City Manager Doyon also emphasized that the federal government is heavily regulating some of the utility services that the City provides to residents. That cost of regulation gets passed through the rate users. Additional personnel are required in the Environmental Services Division just to keep up with the paperwork of being compliant with the Consent Decree and performing inspections.

Mayor Kelly declared the public hearing open.

Speaking in support of Resolution 10129 was:

Brett Doney, Great Falls Development Authority (GFDA), 300 Central Avenue, commented that, from an economic development standpoint, GFDA would like to be as competitive as possible and that it is nice to see Great Falls' rates below the other towns. GFDA supports the increases for three reasons: (1) it does save money, rather than paying for main break repairs; (2) less disruption in service; and (3) it's easier to absorb small, incremental increases rather than waiting multiple years and having a large fee increase. He encouraged the City to continue on this process of staying ahead of preventative maintenance and staying in compliance with state and federal regulations.

Speaking in opposition to Resolution 10129 were:

John Hubbard, 615 7th Avenue South, commented that the government hasn't been doing its job here since 1890, and that the pipes should have been replaced a long time ago.

Darlene Cashman, 1808 11th Street SW, commented she understood the need to update infrastructure, but that she has to continue to work to pay taxes and utilities and cannot afford to pay any more. Ms. Cashman discussed her place of employment paying for a drainage system for two years that still hasn't been installed.

Ron Gessaman, 1006 36th Avenue NE, discussed the changing water pressure at his residence that seems to be getting worse with additional development in his area. He commented that there isn't adequate storm sewer drainage in his area. He discussed concerns about mosquitoes with standing water. He concluded that he doesn't believe the citizens are getting the service they are paying for.

Mike Witsoe, 510 11th Street South, commented that as a senior citizen on a fixed income he cannot afford a rate increase.

A written letter in support of Resolution 10129 was received from **Mark Bovingdon**, 3526 5th Avenue North.

Written letters in opposition to Resolution 10129 were received from: **Lisa Lotte Hardiman**, 1113 5th Avenue South, **Mr. and Mrs. Val Keaveny, Sr.**, 1526 Meadowlark Drive, Unit B, **Dail Hardinger**, 3615 6th Avenue North, **Sandra Goff**, 1313 2nd West Hill Drive, and a senior citizen (name and address unknown).

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

Commissioner Jones moved, seconded by Commissioner Bronson, that the City Commission adopt Resolution 10129 Establishing Residential and Commercial Water, Sewer and Storm Drain Utility Service Rates to include increases of 10%, 3% and 10% respectively to become effective June 1, 2016.

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

Commissioner Houck applauded Director Rearden for the comprehensive presentation of how the Public Works Department is being good stewards of our utilities in Great Falls, and that the fees being the lowest of the top seven cities in Montana speaks volumes.

Commissioner Bronson noted that there is a special, low income residential rate for people that qualify.

Director Kinzler reported that people can call the customer service number at 727-7660 for a form to apply for the low income rate.

Commissioner Bronson requested that, since ECP continues to come up in the context of water, sewer and storm water rates, staff address that there is no connection between the two.

Director Kinzler responded that all of the rates paid by consumers for water, sewer and storm drain utilities are deposited into a separate, distinct fund and kept separate from all other funding sources in the City of Great Falls. The fees can only be used for water, sewer and storm drain expenses.

Commissioner Burow discussed the millions of dollars in infrastructure improvements and maintenance. He asked staff to clarify why the Malt Plant gets a discount in its water rates.

Director Rearden explained that the discount was due to the volume of water. However, staff has budgeted for a rate analysis to be performed on water and wastewater. The Malt Plant rates may change after that because it will be based on the actual cost of service.

Mayor Kelly also noted the excellent water quality report that was in the paper last week.

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

Motion carried 5-0.

11. **ORDINANCE 3140, CREATING TITLE 2, CHAPTER 49 OF THE OFFICIAL CODE OF THE CITY OF GREAT FALLS (OCCGF) ESTABLISHING THE GREAT FALLS PUBLIC LIBRARY.**

Commissioner Bronson reported that Ordinance 3140 accomplishes three things: (1) it updates a 106 year old ordinance that is outdated and contrary to state law; (2) it places the Library ordinance in City Code for the first time; and (3) it accomplishes a good balance between the independent management authority of the Library trustees, which is a provision of state law, with

the Commission's authority to provide and oversee appropriate budgetary authority.

The provisions of the ordinance are basic. It establishes the Public Library in City Code. In a new section it identifies the purposes of the Library. A financing mechanism is provided, but is no different than what is currently being done. A five member Board of Trustees is established, with an additional provision for a Commission member to be appointed as an ex-officio, non-voting member establishing a link between the two entities and building a stronger relationship in the future. Lastly, the essential duties of the board of trustees are outlined, and the ability of the trustees to contract with the City of Great Falls for various services. Most importantly, the management agreement is continuing that has been in effect between the Board of Trustees and the City since 1993.

Commissioner Bronson further noted that in the agenda report he provided responses to comments made at the April 19th public meeting, and he elaborated on two of those responses.

Mayor Kelly declared the public hearing open.

No one spoke in opposition to Ordinance 3140.

Speaking in support of Ordinance 3140 were:

Mike Witsoe, 510 11th Street South, supports the Library and education.

Ron Gessaman, 1006 36th Avenue NE, discussed punctuation errors in the Ordinance and exhibit.

Judy Riesenberg, Library Board Chairperson, expressed appreciation for the updated Ordinance.

There being no one further to address the Commission, Mayor Kelly closed the public hearing and asked the will of the Commission.

Commissioner Bronson moved, seconded by Commissioner Burow, that the City Commission adopt Ordinance 3140.

Mayor Kelly asked if there was any discussion amongst the Commissioners. He volunteered to be the ex-officio member to be appointed to the Library Board.

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

Motion carried 5-0.

OLD BUSINESS

12. 2016/2017 HUD ANNUAL ACTION PLAN.

Planning and Community Development Director Craig Raymond reported that this is the final action on the Annual Action Plan and allocation of 2016/2017 CDBG and HOME funds. The Annual Action Plan is essentially what the City plans on doing with its CDBG allocation for the

coming year. It's very specific as to what projects the Community Development Council recommends the City Commission approve funding for. The total funds being allocated for the coming year is \$730,358. This includes \$710,552 in new allocation dollars and \$19,806 in un-programmed funds from previous years. These funds are allocated into Affordable Housing, Economic Development, Public Facility Improvement, and Public Service activities. The HOME allocation this year is expected to be \$184,587. At this point in time there are not any specific projects or recommendations for spending HOME funds this year. It is anticipated that projects may materialize in the future and these funds may be added to future allocations to fund a larger project. In recent years the level of funding from HUD has been decreasing which makes the decision on who and what to fund more difficult. The Community Development Council did a great job in making its recommendations.

Prior City Commission actions on this item:

- The Community Needs Hearing was held on December 15, 2015;
- City Staff provided the City Commission with a status report on CDBG funding and funding recommendations at the January 19th Work Session;
- Funding allocations were established by the Commission on February 2, 2016;
- The Public Hearing was set on March 15, 2016 (after CDC reviewed applications, heard presentations from applicants for CDBG funds, prioritized needs and made final recommendations);
- The Public Hearing was held on April 19, 2016;

Now that the required 30-day public comment period is closed, staff recommends that the Commission take final action in approving the use of funds as outlined in the proposed Funding List.

Commissioner Jones moved, seconded by Commissioner Houck, that the City Commission adopt the 2016/2017 Annual Action Plan detailing the use of the 2016/2017 Community Development Block Grant funds and 2016/2017 HOME Program funds as recommended, and authorize the submittal to the U.S. Department of Housing and Urban Development (HUD).

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

Brett Doney, Great Falls Development Authority, 300 Central Avenue, asked everyone to keep the community of Fort McMurry, Canada, in their thoughts and prayers. The entire city was evacuated due to a wildfire.

Ron Gessaman, 1006 36th Avenue NE, suggested that CDBG funds not go to any group that makes a profit.

Neil Fortier, NeighborWorks Great Falls, 509 1st Avenue South, commented that he serves on the Community Development Council (CDC). He suggested that staff do a better job communicating the results of the CDC's recommendations to the applicants.

Mike Witsoe, 510 11th Street South, spoke in favor of approving the Annual Action Plan.

There being no one further to address the Commission, Mayor Kelly called for the vote.

Motion carried 5-0.

NEW BUSINESS

13. AUDIT SERVICES CONTRACT.

Fiscal Services Director Melissa Kinzler reported that the City of Great Falls issued a request for proposals (RFP) for audit services for fiscal years 2016, 2017 and 2018. The City received three responses to the RFP from Joseph Eve (JE), Junkermier, Clark, Campanella and Stevens, PC (JCCS), and Anderson ZurMuehlen & Co., PC (AZ).

The audit committee met on April 8, 2016, to review and evaluate the audit proposals and references.

The audit committee recommends AZ be awarded the audit contract for several reasons: AZ had significantly more municipal experience than JE, including the level of participation from senior audit staff. Additionally, it is good internal control practice to retain different auditors to review City finances. Finally, AZ's cost proposal was more attractive than the other proposals.

Commissioner Houck moved, seconded by Commissioner Jones, that the City Commission award a three year contract for audit services with Anderson ZurMuehlen & Co., P.C. (AZ) at a cost of \$45,000 annually, or \$135,000 for Fiscal Years 2016, 2017 and 2018.

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

Ron Gessaman, 1006 36th Avenue NE, would like to see more private citizens on the audit committee.

Mike Witsoe, 510 11th Street South, suggested a comprehensive budget review and citizen participation.

Motion carried 5-0.

14. REVISED CITY OF GREAT FALLS PERSONNEL POLICY MANUAL.

City Attorney Sara Sexe reported that the City of Great Falls' Personnel Policy Manual was updated after input from City departments and from the Montana Municipal Interlocal Authority (MMIA). The policy manual had not undergone a significant revision since 2006 and was in need of updates.

She summarized the major policy changes and concluded that, if the Commission approves the revised policy manual, it will then be presented to all employees, either electronically or in paper format, for review and acknowledgment.

Commissioner Burow moved, seconded by Commissioner Bronson, that the City Commission approve revisions to the City of Great Falls Personnel Policy Manual.

Mayor Kelly asked if there was any discussion amongst the Commissioners or comments from the public. Hearing none, Mayor Kelly called for the vote.

Motion carried 5-0.

15. FUNDING APPLICATION FOR FIBER OPTIC CABLE – CENTRAL MONTANA AGRICULTURAL AND TECHNOLOGY PARK TAX INCREMENT FINANCING INDUSTRIAL DISTRICT (CMATP TIFID) OF 1552.2.

Deputy City Manager Jennifer Reichelt reported that this item is a request to approve a tax increment financing funding application in the amount of \$44,334.43 and the associated contract with 3 Rivers Communications to install fiber optic cable in the Central Montana Agricultural and Technology Park Tax Increment Financing Industrial District (CMATP TIFID).

Tax increment financing 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 Commission created the CMATP TIFID on May 17, 2005, and it was expanded by the Commission in May, 2013. The CMATP TIFID applies to property located in the northern portion of the City of Great Falls, east of U.S. Highway 87.

The District was designed to assist in financing necessary industrial infrastructure and to encourage the attraction, growth and retention of secondary, value adding industries.

This District includes the existing Malteurop barley malting plant, ADF International, Inc. (steel fabrication facility and paint shop), and land owned by Dali, LLC.

The CMATP TIFID Plan states that the City is committed to fostering the development of secondary, value-adding industries to sustain and grow the economy over time. The Plan recognizes that the district has a utilities infrastructure deficiency; it lacks telephone, cable, natural gas, fiber optic and electricity. The Plan states that, although these utilities are present, most of the property is not served.

In March, 2016, at the request of the property owner, City staff submitted a TIF application requesting to use existing TIF funds to install fiber optic cable throughout the District. The fiber optic cable will provide bandwidth as well as voice and video capabilities to the property owners in the District.

This TIF request addresses the need of providing fiber optic/telecommunications in the area. 3 Rivers Communications will install fiber optic cable throughout the District and will provide final engineering, materials, permits, schedule construction and complete all installation.

Legal counsel from Dorsey & Whitney, LLP, reviewed the TIF application and determined that it met the TIF criteria the City has developed.

The Planning Advisory Board recommended that the City Commission approve the TIF funding application at its April 12, 2016, meeting.

There is currently adequate funding in the CMATP TIFID account to cover this funding application. The current cash balance in the account is \$355,792.63.

Commissioner Bronson moved, seconded by Commissioners Burow and Jones, that the City Commission approve the Tax Increment Financing Funding Application in the amount of \$44,334.43 and associated contract with 3 Rivers Communications for Fiber Optic Cable in the Center Montana Agricultural and Technology Park Tax Increment Financing Industrial District.

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

Commissioner Burow noted that Conrad Burns was a great supporter and promoter of fiber optic cable.

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

Brett Doney, Great Falls Development Authority, 300 Central Avenue, spoke in support of application approval.

Ron Gessaman, 1006 36th Avenue NE, inquired why the area wasn't being served by CenturyLink.

Deputy Manager Reichelt noted that 3 Rivers made it clear this was their service area.

Commissioner Bronson added that there is a Territorial Integrity Act that defines how boundaries are determined for rural electric cooperatives, affiliated organizations and investor owned utilities.

Mike Witsoe, 510 11th Street South, inquired if future businesses of the park would be able to connect.

Motion carried 5-0.

ORDINANCES/RESOLUTIONS

16. **ORDINANCE 3141 AMENDING THE OFFICIAL CODE OF THE CITY OF GREAT FALLS (OCCGF) REPEALING TITLE 15, CHAPTER 5, AND CREATING TITLE 16 PERTAINING TO THE PROPERTY MAINTENANCE CODE (IPMC).**

City Attorney Sara Sexe reported that before the Commission is Ordinance 3141 that will create Title 16 of the OCCGF in order to separate property maintenance provisions from Title 15 where the building codes are referenced. While it is published as part of the City's building code, the

IPMC is neither considered nor used as a building code or regulation.

The City's adoption of the IPMC was not intended to regulate the design, construction, reconstruction, alteration, conversion, repair, inspection, or use of buildings and installation of equipment in buildings. It was adopted into the City Code to supplement enforcement of the City's municipal codes regarding proper property maintenance. However, because the IPMC was adopted as a subsection of the Building Codes in Title 15 of the OCCGF, there has been some confusion as to its application as a building, versus a maintenance, code. Because the IPMC is not used to regulate building design or construction, it should be relocated within the municipal code and be given its own title, separate from the building code. There is currently no Title 16 in the OCCGF, so creating a Title 16 to reference a City property maintenance code separately, would be appropriate to eliminate any confusion that it is distinct from the City Building Codes.

Adoption of the IPMC is within the City's general zoning powers under MCA §76-2-301 and within the City's self-governing powers under MCA §7-1-101. Cities can adopt uniform codes by reference under MCA §§7-5-108 and 7-5-4202. This uniform code adoption process is not limited to building codes and includes many uniform codes, such as energy conservation, fuel gas, and fire codes, which Great Falls has adopted in whole or in part.

The current enforcement process for violations of the IPMC consists of complaints filed into the Great Falls Municipal Court, which can result in misdemeanor convictions under OCCGF 1.4.070. Additionally, staff is considering developing new enforcement policies for property maintenance code violations via alternative civil remedies.

Commissioner Houck stepped out at 9:07 p.m. and returned at 9:09 p.m.

Commissioner Bronson moved, seconded by Commissioner Jones, that the City Commission approve Ordinance 3141 on first reading and set the public hearing for May 17, 2016.

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

John Sturgeon, 121 2nd Street NW, discussed the services of CenturyLink versus 3 Rivers.

John Hubbard, 615 7th Avenue South, expressed opposition to property maintenance enforcement.

Jeremy Trebas, 2509 7th Avenue North, asked for clarification regarding the civil and criminal penalties.

City Attorney Sexe explained that currently there are criminal penalties for violations of the code. The City is also considering a civil enforcement action as part of the nuisance statutes. The violations are complaint driven and will be considered on a case by case basis.

There being no one further to address the Commission, Mayor Kelly called for the vote.

Motion carried 5-0.

CITY COMMISSION

17. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.

Commissioner Bronson responded to a previous speaker's comments regarding gambling in the community. He emphasized that the City Commission has no regulatory authority over the practice of gambling. That is a prerogative of the Montana State Legislature.

Commissioner Bronson expressed appreciation and kudos to the Great Falls Police Community Foundation, a private, non-profit organization, for the recent fundraising event in support of the Great Falls Police Department.

Commissioner Houck announced that a public meeting to discuss the Park and Recreation Master Plan will be held tomorrow at 3 pm at the Great Falls Public Library. She also noted that she will be late for the next Commission meeting.

Mayor Kelly thanked Patty Rearden and the Park and Recreation Department for a wonderful Ice Breaker event.

He announced that a town hall meeting to discuss the topic of fireworks will be held on May 11, 2016.

18. COMMISSION INITIATIVES.

Commissioner Kelly reported that the Commission will be considering adding an additional private citizen to the audit committee at the next meeting.

ADJOURNMENT

There being no further business to come before the Commission, **Commissioner Bronson moved, seconded by Commissioner Burow, to adjourn the regular meeting of May 3, 2016, at 9:21 p.m.**

Motion carried 5-0.

Mayor Bob Kelly

City Clerk Lisa Kunz

Minutes Approved: May 17, 2016