

City Council Work Session

5:30 PM
Council Chambers
May 24, 2016

ATTENDANCE:

Mayor/Council (please check) Hanel, Cromley, Yakawich, Cimmino, Brewster, McFadden, Friedel, Swanson, Sullivan, Clark, Brown.

ADJOURN TIME: 9:16 p.m.

Agenda

| | |
|----------------------|----------------------------------------------|
| TOPIC #1 | Tourism Business Improvement District |
| PRESENTER | Steve Wahrlich, Alex Tyson |
| NOTES/OUTCOME | |

- Steve Wahrlich: TBID Board – TBID has done what it was intended to do. Merchandise the city and put butts in beds.
- Alex Tyson: Director of Billings Convention & Visitors Bureau - explains structure, marketing strategy, funding, 2015 successes and 2016/2017 plans
- Sullivan: compare out of town visitor fiscal impact vs in-city
- Hanel: Dec and june grants?
- Ms. Tyson: started in 2009, about \$15k each cycle.
- Swanson: status of Jackson vs Billings?
- Ms. Tyson: up 77% at last check. Community pride.
- Yakawich: like community engagement" give example of not engaging
- Ms. Tyson: communication.
- McFadden: tennis facilities attracting anyone?
- Ms. Tyson: 2013 A tournament
- Hanel: term limits on TBID board
- Cromley: downtown tunnels being promoted?
- Mr. Wahrlich: no but good idea
- Sullivan: workforce recruiting hard; investing in hospitality education?
- Mr. Wahrlich: discussed it but hard recruiting is in direct customer service.
- **Public Comment:**
- Kevin Nelson: 4235 Bruce Avenue, Billings, MT - SBURA board meetings always talk about convention center on SBB. Convention center won't happen downtown.
- Cimmino: convention center feasibility study in recent years?
- John Brewer: Chamber of Commerce, President - study on 60,000 sq ft convention center. Conference center could happen downtown.

| | |
|----------------------|--------------------------------------------|
| TOPIC #2 | Parks, Recreation, and Public Lands |
| PRESENTER | Mike Whitaker, Director of Parks, Rec. |
| NOTES/OUTCOME | |

- Mike Whitaker: introduces supervisors. Awards in 2015. Land, facilities, programs, volunteers, donations, cooperative operations, dept trends.
- Sullivan: why a 7% increase? COLA increase that wasn't budgeted. SDR's, insurance increases, assessments, etc.
- Cimmino: 4 months for irrigation system in Veteran's Park? do not want to interrupt people using park during summer
- Yakawich: procedure on vandalism? Call police and report it.
- Sullivan: plans to increase safety of parks? volunteer park rangers and volunteer bike patrol report graffiti
- Brown: PMD's seem like an across the board increase. Only 9 out of 35 increasing. Brown: wages for seasonal employees? Jon Thompson: Superintendent of Parks - \$11-\$14
- Clark: Phipps & Riverfront into City? Still working on it.
- Cimmino: outdoor pool? Preliminary stages of working on aquatic center.
- Tina Volek: City Administrator – recently had discussion about contract with Mustangs and will follow up next week.
- **Public Comment:**
- Kevin Nelson: 4235 Bruce Avenue, Billings, MT - last year Mike Whitaker stated that he would try to get asphalt millings for ball park parking lots. MDT offered them but city rejected them.

| | |
|----------------------|----------------------------------------------------------------|
| TOPIC #3 | Public Works |
| PRESENTER | Dave Mumford, PW Director & Jennifer Duray, PW Finance Manager |
| NOTES/OUTCOME | |

- Dave Mumford: \$5.25 billion of infrastructure, 1100 lane miles, 4200 street lights, solid waste takes 325 tons trash year. Started only pipe bursting program in state, especially good in residential areas, half const of trench. When positions open, identify where need people most with new technology.
- Jennifer Duray: More than 30 different funding sources. 4 different budget resolutions, will be in three of them. Public works administration and engineering in internal services fund, using charges for service. Also enterprise funds which primarily charge for fee. Special revenue fees by law are paid for b fees for service and state gas taxes. Capital projects funds are used for sidewalk, SID bonds. For '17, revenues \$160.7 M, largest source debt funds, primarily for wastewater plant; charges for service, 40%, special assessments and other.17 expenses are \$174.5M, 64% for capital because of wastewater treatment plant, O&M 18%; staff 11%. Breakdown of funds, not using reserves. No longer in

General Fund but contribute \$4.5M for franchise fees, cost allocation charges, methane gas and \$1million unreimbursed services.

- Friedel: Lockwood fees for sewage? Ms. Duray: Yes, 6% surcharge goes to GF.
- Brewster how do franchise fees differ from cost allocation? Brent Brooks, City Attorney: Holding narrow that City wanted to charge for occupation and use of ROW, and District and State courts ruled tax. Narrow rulings, left open for other bases.
- Brewster: Why franchise fees treated differently? Mr. Brooks: Would look at with Public Works. Brewster: Hate to be surprised some day.
- Cimmino: Ballot measure on 4% ROW fee? Brewster: Put on ballot and at same time went through courts, ruled to be tax. Council wanted to appeal to Supreme Court but election still held; failed but couldn't go forward but sales tax. When first got on Council huge deal. Arterial construction fee outflow after failure to fill void of ROW fee. Even when passed, no opposition which seemed bazaar. Ms. Volek: property owners backing up to main street and this spread ot everyone who used them
- Ms. Durary: Storm assessments overall proposed increase of 2.3%, ties to construction cost index. For Storm assessments would generate \$87k additional, from \$42 to \$43 on a 10k square foot lot.Arterial proposing 2.3% increase, generating additional \$85K. Will require 2/3 vote. 10k lot at 9600 would increase \$1.42 year. Asked by Council to consider a larger increase to build one additional increase at 25% in lieu of other. Increase \$922K, bringing proposed fee from 45.50 to \$56.94. Street maintenance generates \$7.28M for entire City. Proposing 2.3% increase generating \$167,000 up from \$106.77 to \$109.23 for 10k sf.
- Mr. Mumford: Council requested looking plowing local streets on 721 lane miles when more than 3 inches about five times/year using 3 options.1) Buy 8 graders hire 8 personnel do all own \$2.5 m first year an ongoing \$690,713. 2) Lease equipment at \$725,000 year with same 8 employees 3) Contract for 8 graders with operators and one supervisor while City plowing main roads, about \$425k and take 7days to complete using 12-hour shifts.
- Friedel: How long snow stay? Mr. Mumford: Depends on year. Friedel: Will 3rd option be affected by length of snow. Dave: Handle 5 storms but if needed more, could use reserves. If not spent could be used for additional paving, other projects. Mr. Mumford: subcontract for hauling in winter to expedite hauling. Friedel: Residential? Dave: Everything not being plowed now because all assessed. Plowing to side, no hauling.
- Sullivan: In 2013-14 had bad snows and road, is spending \$425K worth saving in wear and tear on road? Mr. Mumford: no exact number but more potholes. Sullivan: How much spend on potholes year Bill Kemp, Street Superintendent: This year light. Sullivan: Patch \$425k? Mr. Mumford: no way.
- Brown: Does the 7 days take into account pulling cars out of way. Mr. Mumford: doing 12 hour days because need to notify residents to get street off, no way get near some locations, 35 days of plowing, Brown: Not that bad. Mr. Mumford: Additional \$6.50 per home if wanted to do, would be \$8.93 residential. Part of

budget. Brown: If decide to do this year, what happens? Mr. Mumford: Committing to assessment, if contractor don't have do work, likely hear more complaints about plowing in driveway rather than increase. Nice point about contracting, could add or decrease depending on need. Will have two resolutions, 2.3 increase or snow removal. Brown: Included. Mr. Mumford: \$8.43 do both.

- Friedel: How notify public? Mr. Mumford: put out door hangers, used social and regular media, would have to work out. Ms. Volek: Mailing list. Friedel: use tech firms to put out exact neighborhoods. Also, sock away in snowy day fund to use when need in future? Mr. Mumford: Could do snow removal reserve.
- Ms. Duray: Solid waste fee increase. Study 3 years ago did study to set rates for FY 15, 16, 17. Have to set rates to cover different types pf services. Council chose to phase in rate increases over three years, this is third and final year. Current \$9.43 to \$10.40 for residential. Annual rate shows annual rate is \$124.80, significantly under all but Kalispell. Landfill rates scheduled to go from \$16.67 to \$17.14 for City, rate still lower than most Montana and Wyoming cities.
- Sullivan: Good job managing landfill. Proposing raising rate for residents, also other towns and out of state. Why not increase rate for other towns and out of state, assist City residential. Ms. Duray: Need to assess equitably, could propose rates but if challenged, might not be safe. Sullivan: even though City stuck out neck. Ms. Duray: Additional charges for out of state because do include risk.
- Mr. Mumford: Update 2009 business plan, which is completed; prioritize work tasks; Additional transmission mains, Heights, from water plant and on west end; aging and over capacity collection system, only replacing 1/2% of pipe a year. One of few cities actually replacing pipe. Infrastructure deficiencies: one of state's lowest stormwater fees, looked at bringing capacity to 10 sewer storms about \$160 million of need, only \$1.2 million revenue annually. Impacts on development community and long-term relationship with irrigation companies. Many ditches no longer have maintenance revenues, to keep flow moving, water pours onto street. Do want to own or dispose of, forcing people to use City water to irrigate. Once ditch company goes away, easement rights go away. Why took over Shiloh drain.
- Mayor: How many miles of ditches? Mr. Mumford: Don't know, have done inventory, go into city drains. In people's back yards, lots of issues of other use.
- Roads: Need to have sustainable funding for collector and local roads. No funding source for roads not on maintenance list. Arterial street lighting district. Pay by general public? Brewster: If going into districts, include his. Mr. Mumford: Only own about half. Increased costs.
- Landfill: 205 increase in use. Staff has increased techniques to extend use, one of only few in state. Collect at front and not have residents carry back. Recycling not cost effective. Excellent services because average residential driver picks up 1,100 pounds (?) per day. Using Gas-powered trucks, looking at landfill dozers from same. Mayor: One of the best deals in collection and landfill. Hear comments about lines, and debris. Working on. Mr. Mumford: People walk South Billings Boulevard, worked with Legal for tarping, not legal in County,

SBRs include planting trees around property and in current and future sites. Big problem is not bagging garbage, Looking at public service announcements. Mayor: impossible control but one of most frequent compliments about solid waste. Mr. Mumford: Hard not to be impressed with PW staff, when storms, when water breaks on Christmas Eve, good environmentalists, keep costs down, honor to work with group.

- Yakawich: Question at task force about quality for water and lead pipes for service lines and home. Mr. Mumford: Water quality exceeds federal standards. Lead an issue but less than 1,100 service lead, working on removing from main to valve box. From house to valve box, up to property owner. Have testing kits.
- Clark: Do City garbage truckso through line? See sometimes but thought could bypass? Mr. Mumford: Second scale with bar coding for commercial trucks. Also have third, outbound scale, because have to reweigh and cuts wait.
- Yakawich: When budget comes, don't have lot of time. Wanted to ask about \$20-30 fee increase per household? Mr. Mumford: Depends on which options. Yakawich: Want to be convinced about whether things really defensible as well as lower fees. Give \$4 million give back to City, why not keep and give back so much. Mr. Mumford: Why looked at construction index. Costs go up, more miles to be maintain, cognizant of impact. Increases in cost just like any other business. If didn't do snow removal or increase, cost about \$16/year. If looked at budget \$170k, goes back to the community. Goes back to contractors, labor among smallest costs. Use consultants do rate study. Payments back into the City predate Volek, if charged to Parks, have come out some place else. Not sure where would make up. Yakawich: Trust what proposing but people feel nickel and dimed, but makes more sense when providing quality service, helps contractors.
- McFadden: At work, calls Solid Waste, always pleasant and efficient. Have good Solid Waste staff. Mr. Mumford: Quality group.
- Brewster: Changed rates to conservation rates for water, ever assessed effect on rates. Mr. Mumford: Haven't gone down, made changes to increase from three to five, keeping people in rates longer. Small household, looking watering some, but if watering lot, using pumps, pipe, even though population going up, consumption flat, keeps right. Brewster: Ever evaluate, force rates higher should have been. Ms. Duray: two years ago, not certain, could be weather, costs. Last time, held residential rates steady for two years. Brewster: looking? Mr. Mumford: Yes.

Mr. Mumford: waiting use of recycled asphalt, would be glad to bring back. Tried in Stewart Park, not new, high turning movements like parking lots make crumble. Not good on streets unless rural streets without high traffic. MDOT doesn't use it, highway institute doesn't recommend it.

Freidel: Substitute recycled asphalt for trails instead concrete? Mr. Mumford: every few years have pull up and rebuild. Mr. Mumford: Porous: Breaks up over time. Can come back and have discussion. Institute of Asphalt headquartered here, fortunate. Friedel: What life expectancy for sidewalk as opposed to concrete? Mr. Mumford: Have to go back and investigate. McFadden: Problem alleys in city, if want dump there, would see positive, begging for something to fill

in mud. Mr. Mumford: No drainage, goes into garage. No place for water to go, build up, goes to side into garages. Tried two summers ago on alley off Rimrock. Watching to see if works with drainage, did it hold up, worth cost. Would like to use in alleys. Clark: Where garbage trucks go down alley, tough to keep it. Mayor: Heard comment not doing job by researching, obviously are. Hold up some time properly applied but in city, trash truck. Mr. Mumford: Quality of asphalt not same.

- **Public Comment:**
- Kevin Nelson: 4235 Bruce Avenue, Billings, MT - Why Mr. Streeter from Department of Transportation says that six inches of recycled asphalt will make 20-year road. Mumford said like smooth surface, see junk on 32nd road. Oppose Street Maintenance Assessment increase: PW doesn't have authority to decide which parcel is improved and something else so only assess \$1500. Yeagens pay \$6k costs on 12 acres. Lake Hills pay \$1510 maintenance because unimproved. There are two warehouses, retaining walls, utilities. Castle Rock School pays \$12k, Briarwood \$1,500 because decided to cut boys deal. Briarwood has golf course. Have stack papers on e-codes not being assessed property, for another year. Code is clear shifting cost onto rest of us unimproved caveat. MMIA not covering causing financial harm all taxpayers, by not assessing street maintenance properly. City needs to adjust the rate or find another methodology to equitably assess all properties in street maintenance district to pay the same.
- Mayor: Thanks for comments, didn't know Mr. Nelson was an expert on assessments and spreading property tax.
- Mayor Hanel allowed public comment to take place before Council Discussion.

| TOPIC #4 | Public Comment on Items not on the Agenda |
|---------------|-------------------------------------------|
| PRESENTER | |
| NOTES/OUTCOME | |

- Kevin Nelson: 4235 Bruce Avenue, Billings, MT – Had no idea what Complete Streets was all about. Ever Googled, says Smart Growth America, Complete Streets Coalition. Nothing but bunch Communists pushing an agenda, never known Calhoun and Orchard poster child for radical bunch. These people hate cars, everybody in bus or on bike. Climate change. Radicals pushing agendas. Surprised Mayor aligned with radical group wanting to do this. Bus only lanes, ties into \$80K corridor study. Ask Council to scrap whole things, put streets together without radicals. Mayor: Seem confused; voted 10-1 on revisions, admire Council for vote, don't think see vehicles go away long time. Sorry to disappoint. Yakawich: Entered into dialogue with Complete Streets not knowing much about it, people working on it sincere. Spirit and hearts of complete streets, looked at and retooled for safety of community. People working on it trying to make community better.

| | |
|----------------------|---------------------------|
| TOPIC #5 | Council Discussion |
| PRESENTER | |
| NOTES/OUTCOME | |

- Sullivan: Comment on plowing neighborhood streets, number may be high but wanted everyone to think about it. Nothing more frustrating when can't get out of own home when relatives from Cody can come to shop. Amount of rutting from unmaintained streets can do damage to vehicles of socio-economic challenge. Had discussion on attracting people to move into town.
- Clark: Nelson talking about street fees, how assessed, mentioned golf courses part of the City, not part of City, can be assessed? Mr. Mumford: Highlands only golf course not in City. Several years golf courses replatted so buildings and parking in one parcel, land in another, assessed differently. Golf courses with old farmhouses, worked with them and Sanderson Stewart to plat out houses so significantly lower street maintenance fees. Went into large parcels in town, other parcel becomes undeveloped. Brewster: Classify same as R9600 so tax bill didn't double. Mayor: Allowed by state laws? Mr. Mumford: Followed state law. Tried to work with citizens, golf courses took advantage of it, too. Yellowstone also out of City. Clark: Can't be forced. McFadden: Whether farmland or golf course, don't have driveways coming in off street, people coming on and off street. Don't see how it's different.