

City Council Work Session

February 5, 2007

5:30 PM

Community Center

ATTENDANCE:

Mayor/Council (please check) Tussing, Ronquillo, Gaghen, Stevens, Brewster, Veis, Ruegamer, Ulledalen, Boyer, Jones, Clark.

ADJOURN TIME: 8:25 p.m.

Agenda

TOPIC #1	Public Comment
PRESENTER	None
NOTES/OUTCOME	

- There were no public comments.

TOPIC #2	Teleconference with Jani McCall
PRESENTER	Jani McCall
NOTES/OUTCOME	

- Councilmembers moved to the conference room for the teleconference with City Lobbyist Jani McCall. Ms. McCall said it was a busy day, but not much to report on the local government. Ms. McCall noted there were two (2) important bills this week: (1) the resort tax, which was not expected to reach the floor this week, and (2) local option tax, which also was not expected to reach the floor this week.
- Councilmember Boyer asked Ms. McCall if the senators were receiving emails. Ms. McCall replied, "Yes, but they also need to hear from the resident and business constituents." City Administrator Tina Volek reported that a total of 11 talking points emailed to the senators that afternoon. Councilmember Brewster reported he was trying to get the Chamber members to contact the senators.
- Ms. McCall said the Council needs to be in contact with peers around the state and they also need to lobby legislators.
- Ms. Volek reported she had talked with Chris Kukulski about trading revenue sharing for narrower taxable items which was more like a resort tax. Mayor Tussing asked if the Council should pick one or the other at this time. Ms. McCall said the Council would have to decide within the next 24 hours on one of the options.
- Councilmember Boyer reported the Chamber advised not to give a lot of effort/support for SB275 at this time.

- Ms. McCall said she handed out the statistics book to Mr. Essman and answered most of his questions with reference to the SB130 – Fire Code bill. Ms. McCall also noted that it was a “good hearing” last week and “good assistance” was received from the Chief and Fire Marshall. Mr. Gephardt said he would offer an amendment to delete the provision that gives the state the sole control. Mr. Gillan stated he may ask for executive action on Thursday. Mr. Story introduced the bill after the interim study. He stated he “assumed” that the fire departments were well represented, but they were not.
- A general discussion followed about the fireworks bill and Mr. Stevens’ testimony. Mr. Himmelberger gave an outstanding closing on the bill and noted it should be a local issue that would be decided by the local government or residents. Mr. Himmelberger also reported that the Committee has not voted yet. He suggested sending email reminders. The following are the hearings for the rest of week: (1) HB510 - revise assessment costs for improvement districts. (2) SB284 - revise the allocation of bed and rental car taxes. (3) SB545 - waterway setbacks for construction.
- Ms. McCall said SB220 re: transactions on class eight (8) properties - needs to be “looked” at right away and SB264 local government rates for low income – there is no stance at this time. SB414 - clarify application of motor carrier laws in certain cities and town needs to be “tied down”, SB195 relates to re-regulating electric utilities.
- Planning Director Candi Beaudry reported with reference to the SB021 – Liable’s bill that allows growth policy to be more regulatory, the Board of County Commissioners vehemently opposes it. She also noted that there are a lot of problems with the bill. This bill allows zoning code and growth policy to substitute for subdivision regulations, if the policy is amended to address utilities and land use. Ms. Beaudry noted that the City already has a lot of control and latitude through the Growth Policy. She also noted that she did not think that MAP would support it.
- Councilmember Brewster asked if anyone was needed in Helena this week. Ms. McCall replied, “When the resort tax goes on the floor, it would be helpful to have someone in Helena that can work the halls before the vote.”
- With the conclusion of the teleconference, everyone moved back to the main conference room at 6:10 p.m.

TOPIC #3	<i>Board & Commission Reports/Library Board: Strategic Plan</i>
PRESENTER	Lloyd Mikkelsen and Bill Cochran
NOTES/OUTCOME	

- Lloyd Mikkelsen, Chair of the Library Board introduced the Library Staff. Mr. Mikkelsen stated that the Library Board had been diligently working on the Strategic Plan for 2008-2010.
- Parmly Billings Library Director Bill Cochran handed out the long plan version. Mr. Cochran said the full plan was also available on the web site. He noted that the Interlocal Agreement requires that the Board develop a three-year plan with an annual update. Mr. Cochran said the Planning Committee has a representation from the community and not a lot of representation from the Library Staff. He stressed the importance of community involvement that was started in June. Mr. Cochran also reported that students and senior

citizens requested to participate. The focus was on five service responses and the committee “settled” on four responses. Mr. Cochran also stated that on January 11th the Board adopted the final plan and mission statement. He stated that the process used is called *Lifelong Learning for Success* and provides resources for those that do not have access to other facilities, information sources, etc. The “capital” priorities included were the College of Technology (COT), which was “higher” than a new central library. Mr. Cochran also said that the land is available, etc. However, the downtown local library was complicated and the library was only one factor in the decisions about what would happen with the land and building. Mr. Cochran explained the plan highlights a monthly activity for newborns and their parents, introducing them to the Library and engaging them in reading and other creative activities. There would also be an Infomobile and info technology training provided through the mobile lab.

- Councilmember Gaghen asked about the location where the study group would be held. Mr. Cochran replied, “Probably Jim Peters’ office and he’ll go elsewhere.”
- See handout attached.

TOPIC #4	Downtown Billings Partnership (DBP) Issues
PRESENTER	Greg Krueger
NOTES/OUTCOME	

- Executive Director of the Downtown Billings Partnership Greg Krueger stated that the FY 07 work plan was one-half complete. The work plan has been downsized and the DBP is helping the BID. Mr. Krueger explained that the DBP was assisting the City, et al to create the East Billings TID and phasing out the 1976 district. He said the Wayfinding project was coming to the Council next week.
- Mr. Krueger said that some concentration was in South Park, which otherwise was dispersed. He also noted that the DBP was working on the GSA Project. The work plan was for two (2) new districts. (1) the East End and (2) the BIRD Inc. The DBP plans to manage both districts. Mr. Krueger stated that the DBP was still managing the 1976 District. Their accomplishments included private and public construction, jobs, rehab, etc. that are taxable and the value-doubled.
- Mr. Krueger stated the legacy projects included the GSA leased courthouse with civic plaza and the rehabilitation of the Babcock building. Councilmember Stevens asked, “What would happen to that building?” Mr. Krueger replied, “A couple of developers are interested. The developers would prefer to rehab, not demolish. The owner may be willing to sell soon.” Councilmember Ruegamer asked what the dollar value of the building was. Mr. Krueger replied, “Under \$500k.” He reported that the housing is doing well in the Oliver and Stapleton buildings, and the quiet zone development would probably be at least one year away due to rising costs. He stated that after 2008, county properties would be added to the East TID; the GSA office building will drive the infrastructure improvements needed in that area; the 5th Avenue Corridor will be added to the East district; more streets will be converted to 2-way, especially 2nd and 3rd Aves. North; the footprint of the core TID will be expanded and a new parking structure at 4th and Broadway (using increment from core district) is also proposed. Councilmember Boyer asked if there would be more parking. Mr. Krueger replied, “Yes, the plan is to

convert the library to other use, with parking next door and Stockman Bank could build up to 7 stories with sufficient parking.”

- Councilmember Boyer asked about available money for 4th and Broadway. Mr. Krueger replied, “There was \$800,000 still available, but 4th and Broadway is not in the old district anymore. They probably would have \$2 million left in the old district.”
- Mr. Krueger reported that the Civic Plaza near N. 26th and the Courthouse is planned, as well as the addition of 22nd to 26th to the new core district, but would avoid the buildings that have a high value (Rocky Mountain Professional Building, etc.). DBP continues working on the Downtown through tax legislation, working with BIRD Inc., etc.
- Councilmember Jones suggested that the Babcock Building should be a priority, but that it would be expensive. Mr. Krueger stated the developer estimated that it would cost \$8 million to rehab the theater and rebuild the rest. The MSU-B Foundation bought the Touch of Santa Fe building and it will be taxable. He noted that the Babcock cannot be a stand-alone project.
- Councilmember Boyer stated that the retailers need more walking traffic. Mr. Krueger agreed. He stated the Northern Hotel was hurting the nearby businesses and other inadequate buildings that cannot be rented, including the Babcock.
- See handout attached.

TOPIC#5	<i>CIP/ERP/TRP and Annexation Policy</i>
PRESENTER	Vern Heisler
NOTES/OUTCOME	

- City Engineer Vern Heisler reported the CIP document had already been sent out with the January 11th memo. He added the CIP draft is fiscally constrained and projects are not there unless the City knew where the money would come from. He said there were four (4) public meetings held in middle schools. On February 26th there would be a public hearing and Council action at that time. He reported on the storm drain projects master plan in 2008 and the new construction each year after that to implement the plan. He recommended “moving” the year 2007 construction money forward to the year 2008 for the master plan. He reported the Heights residents are adamant about the Inner Belt Loop and suggested a special section that discusses this project and keeps it on the radar screen.
- Councilmember Clark asked if the public meetings were well attended. Mr. Heisler replied, “The meetings were advertised, but had a small attendance.” Councilmember Brewster said he would put a lot of questions in an email. City Administrator Tina Volek stated that focus groups and meetings two (2) years ago yielded only 100 people. Mr. Heisler suggested possibly holding meetings earlier in the year next time.
- Councilmember Veis asked the status of the PW water project on page 18-Shiloh Rd. Corridor and if the installation is to or in Shiloh Road. Mr. Heisler replied, “The crossings are being “prepped” for the Shiloh Road project.” Public Works Director Dave Mumford stated his department was working with the State to name a consultant to design them and put utilities in with the road project. Councilmember Veis asked what area is lacking infrastructure leading to Shiloh Road. Mr. Mumford stated that King Avenue was the only one and it’s funded under the rehab part of the funding – in the FY 09 CIP. Discussions are being held with Mr. Corning about the funding.

- Councilmember Brewster asked if the Inner Belt Loop was added in the final CIP – particularly the Shiloh Road area because part of it is in the county. Mr. Heisler replied, “It will be in the final document. Shiloh is a State road and everyone is involved in doing the utilities.” Councilmember Brewster asked when it’s built, will the location be in the City. Mr. Mumford replied that the Planning Department will work on the TIP, and then PW will work on design and construction.
- Ms. Volek stated Shiloh will be phased and MDOT will transfer R/W if new legislation passes. They are still working on the federal funding. Councilmember Clark noted the water was already in Shiloh and King. Mr. Mumford stated it is on a limited lift station however. There is still a need for a gravity sewer to be built.
- Councilmember Veis commented the traffic was calming on Lewis Avenue and asked if this in the plan. Mr. Heisler reported that HDR is doing the layout and trying to do it with this year’s funding. It was estimated to cost \$30,000 and would be brought to the Council. He explained that if the Council wants it in the final plan, Council will have to add the project and divert \$30,000 from other projects.
- Councilmember Brewster asked if there was any park funding. Ms. Volek added that a resort tax would be a good source, and Staff would look at a citywide PMD.
- Councilmember Veis asked about the \$375,000 for downtown parking. Deputy City Administrator Bruce McCandless stated the placeholder is due to a Parking Advisory Board (PAB) goal for surface parking. Mayor Tussing asked if there would be a loss of federal funding that would impact the City CIP. Mr. Mumford replied, “There would be little loss. The Airport may receive the money.”
- Councilmember Ronquillo asked about the Harvest Foundation Project. Mayor Tussing asked if there was a national effect. Ms. Volek reported there was a national effect that was felt in the rural areas. There was additional money for veteran’s programs and CDBG. .
- ERP Committee Chair Joe Bryce stated there are 13 staff members on the ERP Committee. The plan totals \$5.2 million, includes 99 pieces in the plan with over 50 pieces deferred by the departments. The Committee deferred 2 more, so 47 were recommended for replacement.
- Planning Director Candi Beaudry asked the Council to refer to the ERP photos. The first tab has guidelines and policies. She asked the Council to consider more than the age and the mileage. She also noted that there was a transfer of some equipment to other departments and \$5.2 million planned for replacement. She said the plan recommends only replacing \$2 million of equipment, which is 46 units.
- Councilmember Brewster asked if the deferrals were growing. Larry Deschene reported they are consistently deferred 50%.
- Councilmember Clark asked if the enterprise funds pay for their own equipment. Ms. Beaudry replied, “Yes, the capital fund evens out the funding. The supplemental budget requests are for new equipment and upgrades. Code Enforcement is replacing cars with small trucks.” She also noted that the high costs predicted for 2009 and 2010 reflect more expensive equipment being replaced in those years, plus more vehicles than usual. There was less accuracy after 15 years as shown on the graph. There was alternative fuel vehicle examination with a higher initial cost for alternative fuel vehicles, i.e. a hybrid/gas vehicles. She stated that gas-powered vehicles still cost less due to lower purchase

price. The hybrids are usually higher-end and in demand. Additionally, it is hard to find diesel cars and they are more expensive.

- Ms. Volek emphasized the voluntary deferrals and long-term capacity to purchase equipment when it's needed, instead of eliminating capital replacements.
- TRP Committee member David Watterson pointed out there were paper copies of the TRP Plan on the desks. He noted the plan overview explained the capital and non-capital replacements. The capital totals \$260K, all of which is over the \$5000 value.
- Councilmember Boyer asked if the PCs were on a 10-year replacement. Mr. Watterson replied, "Look at the 10-year horizon for the plan, but PCs are on 3-5 year replacement cycle." Ms. Volek noted that as new IT Director, Mr. Watterson has taken the plan a step farther than it was before.
- Councilmember Jones asked where the four (4) critical areas of the landfill were that needed cameras. Mr. Mumford stated these were the unloading area, gate, scale house, and the top of the fill area.
- Councilmember Brewster asked about "hack" attacks. Mr. Watterson stated that both the county and the state monitor and have more security; the IT department works with them. The area is more secure now than 3-4 years ago.
- Mayor Tussing asked about replacement of the Police Department's MDTs – i.e. how many of the PD MDTs would be replaced. Mr. Watterson said the MDTs were purchased in bulk in 2002. There are 62 planned for replacement that are five (5) years old.
- See handout attached.

Additional Information:

- City Administrator Tina Volek announced to the Council that City Clerk Marita Herold has accepted another position with the City of Billings at the Airport – as the new Business Manager.
- Councilmember Ruegamer stated that there was a lot of cost savings in the planning and perhaps it could be passed along to the department heads.
- Councilmember Gaghen agreed.
- Councilmember Ronquillo stated he is meeting with the people on Virginia Lane and Parkhill. He would give the Council an update.
- Ms. Volek stated that the trip to Washington on March 13-16 may cause a conflict with the Employee Recognition ceremony that is planned for mid March.
- She also noted that Item G2 on the February 12th agenda is budgeted and does not require contingency funding. It will be removed from the agenda.