

City Council Work Session

November 17, 2008

5:30 PM

Community Center

ATTENDANCE:

Mayor/Council (please check) Tussing, Ronquillo, Gaghen, Brewster, Pitman, Veis, Ruegamer, Ulledalen, McCall, Astle, Clark.

ADJOURN TIME: 8:30 p.m.

Agenda

TOPIC #1	Public Comment
PRESENTER	
NOTES/OUTCOME	

- **Joe White, Billings** said Blackbirds had done considerable damage in the past year and were a problem in the area near the wastewater treatment plant.

TOPIC #2	Legislative Agenda
PRESENTER	
NOTES/OUTCOME	

Lobbyist Ed Bartlett reviewed a draft list of priorities for the 2009 Legislative Session. He explained that a final list approved by Council would be converted to a brochure similar to what was used in the 2007 session. Mr. Bartlett advised that he intended to be at the session full-time through the month of April. He asked to be kept informed of concerns during the session and said he anticipated a regularly-scheduled conference call for updates. Mr. Bartlett noted that he was also one of two lobbyists for Yellowstone County, and one of two for the Chamber of Commerce and he did not anticipate any conflicts.

Mr. Bartlett reminded Council of the reception with Legislators at the Mansfield Center.

Mr. Bartlett advised that he and Ms. Volek decided to try to schedule small group meetings with Billings area legislators. He said he would notify Councilmembers when the meetings were scheduled.

Mr. Bartlett reviewed the draft list of legislative priorities. He specifically mentioned the local option tax proposal. He advised that Senator Essman would be the primary sponsor of that legislation which was also a primary bill of the League of Cities and Towns. Mr. Bartlett said he believed a very large group would advocate for the tax. Councilmember Ruegamer asked if a Democrat would be involved and who headed the Finance and Taxation Committee. Mr. Bartlett responded that he hoped a Democrat would assist and he did not believe anyone had been chosen to head that committee yet. Councilmember Ruegamer said

they should probably know who was on that committee so they could keep in touch with them. Councilmember McCall noted that the tax bill would be the League's only bill and since it was a statewide bill, it would be wise to involve key legislators from other communities.

Mr. Bartlett reviewed the priorities under Land Use, Property & Environmental Regulation and said he would like to advocate for use of revenue bonds for transportation projects. He said that in the case of the City, the source of revenue was arterial fees. Councilmember Ulledalen asked for an explanation of the priority, Roads in State Trust Land and if it was a possible use of state land for the inner belt loop. Mr. Bartlett advised that was correct.

Mr. Bartlett reviewed priorities under Local Government Powers and noted that he listed a summary of the League of Cities and Towns Legislative Resolutions and asked for review and any feedback about it. He said he reviewed it and did not find any that were not consistent with his discussions with Ms. Volek. Councilmember Brewster asked about the League's position on the mill levy calculations to modify the inflation adjustment limit. Mr. Bartlett responded that the League endorsed the adjustment.

Mr. Bartlett reviewed priorities under Public Health, Safety & City Employee Relations and advised that he would suggest a new item after further conversation with the City Attorney regarding an enhanced penalty in the case of sexual assault crimes. He explained that the Montana Code only allowed for a lower level misdemeanor penalty no matter how many offenses had occurred. He said endorsement and approval of the Montana County Attorney Association and other City Attorneys across the state would be important for that item.

Councilmember Gaghen asked about expansion of airport services to car rental agencies as listed under Local Government Powers and asked if the City had authority to do that on its own. Mr. Bartlett stated he listed it because it was not totally clear if clarification was needed and he believed the City had the authority to do it.

Councilmember Ronquillo asked if something could be added under Public Health and Safety regarding penalties for multiple DUI convictions. City Attorney Brent Brooks explained that there were enhancements within the law and some offenders were also charged with other offenses that resulted in additional penalties. He said any changes had to be coordinated with attorneys across the state as well as the County Attorneys Association. Councilmember Astle said he believed that when a DUI became a felony, the sentence did not increase if the number of convictions increased. Mr. Brooks explained there were several issues attached to that such as where the offenders would be placed and it became complicated. Mr. Brooks offered to work with Mr. Bartlett to check into that.

Councilmember McCall commented that issues like that were very complicated and care needed to be taken about bills they pursued and what the payoff was for the community because countless hours could be spent on that type of legislation. Councilmember Astle stated it was more of a safety issue to get drunks off the road than a seat belt law was. Mr. Bartlett advised he would add a provision that indicated support of that legislation by Council. Mr. Brooks stated he would converse with County Attorneys during their December meeting in Billings.

Mr. Bartlett reviewed the priorities listed under Community and Regional Coalitions and Partnerships which included work with partners in the Billings area and other cities with the

League of Cities. He said he would pursue the partnership with the university system for the joint library proposal.

Mr. Bartlett advised that as of that morning, there were 962 bills that were already requested and he believed there would be about 2300-2500 bills requested and introduced during the session. He expected there to be about 150 bills of interest to the City and about 15-20 of significant interest.

Mr. Bartlett explained that he attended orientation for new legislators the previous week and learned that two area representatives, urged by their constituents, would introduce legislation to limit powers on tax increment finance districts. Mr. Bartlett stated he hoped the Council would agree to oppose that legislation and would work with the area delegation and others who had concerns about that issue. Mr. Bartlett noted that the two legislators he was aware of who supported the legislation were Elsie Arntzen and Bob Story. He commented that he was not surprised by that proposed legislation.

Ms. Volek advised that the legislative priorities would probably be added as an agenda item for the December 15 meeting.

TOPIC #3	<i>Howard Heights & Dickie Park Master Plan</i>
PRESENTER	
NOTES/OUTCOME	

Parks, Recreation and Public Lands Director Mike Whitaker introduced Jon Thompson, the new Parks Superintendent.

Park Planner Mark Jarvis stated he would explain the master plan process for the two parks. He said the two parcels were side by side and comprised about 4 acres located off Hilltop Road near Shamrock Lane. He noted that area had experienced growth and infill which had resulted in problems with stormwater drainage. He went on to explain that an engineering study determined the need for a stormwater detention basin and the City's Public Works Department asked for use of the parkland for that purpose. He noted that the Parks Department was in favor of that and retained Peaks to Plains Design to design a master plan. He advised that two public meetings were held with about 40 people present at the first one where the stormwater management plan and the park master plan were discussed. Mr. Jarvis stated that concepts were presented at the second meeting and the approximate 30 residents provided input and feedback. He said all those people favored the dual use of the park. He said the park was considered a neighborhood park with large open space for multi-functional uses, programmable space, a trail along the BBWA, a picnic shelter, small playground, benches and plantings in the area. He noted that stormwater would be piped from the outlet to the inlet under ground to lessen flooding.

Mr. Jarvis advised that Peaks to Plains Design estimated \$415,000 to complete the project which would likely be completed under a special improvement district when the engineering division finished the basin.

Councilmember Ulledalen asked if the park would be irrigated. Mr. Jarvis said it would.

Mr. Whitaker added that the Parks and Recreation Board reviewed the plan and recommended that it went forward.

Councilmember Gaghen asked how many residents would be involved with the SID cost. Mr. Jarvis said he was unsure of the number but the area would include Hilltop on the South, Nutter on the East, to the canal and back to an unknown area.

Councilmember Brewster asked if the water right would be used for irrigation. Mr. Jarvis responded that it was a possibility and was suggested by Peaks to Plains. Councilmember Astle asked about the type of drainage. Mr. Jarvis explained that the idea was to keep the water from going down the system and overwhelming it so it acted as a backstop. Councilmember Pitman asked if flood warning signs would be posted. Mr. Jarvis stated that could be done. Councilmember Ulledalen asked how long the area could hold water. Mr. Jarvis responded that it was designed for a ten-year storm, which he believed were typical standards.

Councilmember Veis asked if a park maintenance district would be created and Mr. Jarvis said it would.

Ms. Volek advised that the item would be on a future Council agenda.

TOPIC #4	Par 3 Golf Course Budget
PRESENTER	
NOTES/OUTCOME	

Duncan Peete, President of Par 3 Golf Course Board reviewed the 2009 budget proposal. He noted that the Board reviewed the budget with the Parks, Recreation and Public Lands Board the previous week and it was recommended without any amendments.

Mr. Peete advised that the budget did not include any new fee increases. He noted that projected revenue for 2009 was determined by what occurred January-September, 2008, and October-December, 2007.

Mr. Peete advised that the Board recommended a \$2000 pay increase for the grounds superintendent. He added that other staff salaries were increased a total of approximately \$4300. He reviewed the staffing level of full-time and seasonal employees.

Mr. Peete reviewed the changes in both ground and clubhouse expenses. He noted that the Golf Pro was a superior employee and a \$2000 salary increase was recommended for him as well as slight increases for other staff.

Councilmember McCall asked about the fees paid for lessons. Mr. Peete explained that the Golf Pro received a salary, any revenue he generated from golf lessons, along with net revenue generated from the pro shop sales, and the concession stand located within the clubhouse. Mr. Peete clarified that Exchange City Golf Corporation received all the revenue from the range, cart rentals, green fees, and memberships. Councilmember Astle asked if the Golf Pro funded all supplies and equipment for the pro shop and concessions, but did not pay rent. Mr. Peete said that was correct.

Mr. Peete explained the customer relations line item. He said a policy was adopted in the last couple of years to cover approximately \$150-200 in damages that occurred when an errant golf ball struck a passing car. He said an agreement was made with a glass repair shop.

Mr. Peete reviewed the items on the capital expenditures portion. He explained the proposed purchase of a rough mower and the equipment rotation cycle. Mr. Peete said a chipper was helpful to take care of the broken tree limbs and was something the course had not had for awhile. Mr. Peete advised that the parking lot repair had been deferred, but it

was necessary to resurface the lots. He added that the upgrade of the point-of-sale system was proposed as well.

Mr. Peete advised that the corporation would make a \$30,000 distribution as in past years; \$20,000 to the City and \$10,000 to the Downtown Exchange Club to fund additional park projects. He noted that \$70,000 would be held back to cover the months that did not generate much revenue due to weather, which should leave an approximate \$50,000 cash balance. Mr. Peete added that debt on the clubhouse was paid off.

Councilmember McCall asked how many people used the course. Mr. Peete said it was difficult to know exact numbers, but 20-22,000 rounds were projected for the coming year. Councilmember Gaghen stated it was gratifying to see how well the operation was run and the support of the Exchange Club.

TOPIC #5	<i>Proposed CDBG Application</i>
PRESENTER	
NOTES/OUTCOME	

Community Development Manager Brenda Beckett introduced Board members Jim Hartung and Emily Schaffer. Ms. Beckett said she would review the proposed changes for the public service allocation. She said the purpose of her presentation was to get feedback on the funding. She said there was a focus to fund fewer projects with larger amounts.

Ms. Beckett explained there were 18 public service grantees and separate CDBG subrecipient contracts signed with each of them. She noted that they were revised quarterly. She explained that social services allocations could not exceed \$18,000 for one organization. Ms. Beckett noted that a biannual review was performed so there was little time to provide additional assistance to agencies.

Ms. Beckett reviewed the City Council survey responses that indicated that more than 50% of Council disagreed with the allocations and most agreed that funding fewer organizations with higher dollar amounts was a better use of funding. She noted that the Community Development Board had worked on that for a couple of years.

Ms. Beckett reviewed the public service allocation suggestion to fund five or six projects each year that ranged from \$15,000-\$30,000, and that applicants who received awards would be ineligible to apply for three years and the funds had to be spent within three years.

Ms. Beckett advised that about half of the survey responses indicated the preference to focus more on housing programs and many were neutral on the issue. She noted that the Board would work on a definition of housing programs. She reviewed some of the current housing assistance being provided. Ms. Beckett explained that the funding priorities were to assist with basic needs.

Ms. Beckett advised that additional feedback from the Council was that positions should not be dependent on CDBG funding to operate and if a percentage of a position was funded, data regarding clients served would be required. She said the CDBG decided it should be flipped around and output of services would be the focus rather than the salary funding.

Community Development Board Chair Duane Loken arrived.

Councilmember Astle asked for a definition of scholarships in relation to CDBG funding. Ms. Beckett gave the example of the block grant allocation for the Easter Seals Society and that families did not have to pay for the therapy provided for autistic children, or the day care placement at the YWCA facility. Councilmember Astle asked if the Interfaith Hospitality

Network qualified. Ms. Beckett responded that it received an allocation a few years ago for van transportation and after that time, it generated enough income to fund that service.

Councilmember Brewster asked if the CDBG Board assessed whether applicants could leverage other resources because they had the CDBG funds. Ms. Beckett explained that she had data available and would email it to Councilmembers.

Councilmember McCall asked about the annual reporting. Ms. Beckett explained the requirements and the monitoring plan.

Councilmember Veis commented that he felt there would be a large push to put more funds into that program given the new Presidential Administration and the control of Congress. He said the reason the City had wanted to make the changes was because those allocations had decreased rather than increased. He said increased funds could require another discussion about the process. Ms. Beckett said they would welcome additional funds and if the Council chose, funds could be used to finance infrastructure projects or additional homebuyer assistance. She advised that the Board was willing to implement guidance from the whole Council.

Councilmember Veis expressed his appreciation for the CDBG Board's work. Ms. Beckett offered to seek Council direction each fall before the application materials were distributed.

Councilmember McCall asked if any specific searches had been done for capacity building grants because Yellowstone Boys and Girls Club received a \$750,000 grant for capacity building. Ms. Beckett responded that her staff had searched for some grants. She said the Fair Housing Initiatives program received three, \$100,000 grants over the past few years. She added that there may be an opportunity with a VISTA project.

Councilmember Gaghen asked if the Board assisted staff with on-site monitoring. Ms. Beckett advised that they had, but it was hard because they became advocates for the organizations they monitored.

TOPIC #6	<i>Citizen's Survey Policy Questions</i>
PRESENTER	
NOTES/OUTCOME	

Councilmember McCall reviewed the committee membership and the results of the last committee meeting. She explained that areas were identified to be included in the survey questions. She advised that the survey would include a series of standardized questions, and three customized questions which could be from the list suggested by the committee. Councilmember McCall referenced a list of potential questions that was distributed in the Friday packet.

Committee member Lisa Posada-Griffin added that the committee agreed to include an open-ended question that was allowed but not required. Councilmember McCall advised that the open-ended question cost would be an additional \$1500 and the committee agreed that it was worth it because of the value that could come from it.

Councilmember McCall referenced Bozeman's 2007 survey which was conducted by the same firm. The suggested policy issues that could be included in the survey were reviewed.

Councilmember Astle asked if the public safety levy item would be confusing. City Administrator Volek pointed out that the current public safety levy entered its last year of increase in the next year and after that, it would be flat without approval for any increase.

Councilmember Astle said it was difficult to promote the local option tax when it did not have Legislative approval. Councilmember Ulledalen agreed. He said a note should be included on the citywide park maintenance district to make sure people understood it was a levy that would be paid by taxpayers, not someone else.

Councilmember McCall explained that Bozeman listed items such as property tax reduction, street construction, etc. and asked people to indicate the highest priority items. She noted that questions could be expanded and there was some flexibility. Discussion followed regarding the possible questions.

Councilmember Pitman asked what information would be learned from the open-ended question. Ms. Posada-Griffin said some feedback could be learned that was not discussed among the Council or the committee. She said whatever information gathered from that open-ended question could allow the City to figure out what the end result should be and work backward. Councilmember Ruegamer stated it could bring out something that was not even thought about.

Councilmember Brewster stated his top three questions were the city services question, removing the property tax cap on mills and the park maintenance district.

Councilmember Gaghen stated her preferences were the city services question, the Charter cap on property tax mills and the park maintenance district.

Councilmember Pitman selected the city services question, park maintenance district, and a bond levy.

Councilmember Veis stated that he felt they were playing with fire. He asked if they were willing to pull the Library levy if 80% of the people indicated they did not support it.

Councilmember Ulledalen commented that they had to be prepared to deal with the feedback.

Ms. Posada-Griffin said she agreed that when a question was asked about a project that was already in the works, there was a risk. She said she felt they could use that opportunity on the local option tax to begin seeking some feedback and if there was support, it could be used to pursue legislation.

Councilmember Ulledalen commented that how the questions were crafted would be important. He said three questions selected should be ones that would generate the most valuable response. He said the question regarding redirecting air quality funds from road projects to public transportation would be difficult when project funds were already short.

Councilmember Astle asked Councilmember Veis if he was against the charter question. Councilmember Veis responded that he was against the whole thing.

Councilmember Astle asked about the selection process for the people who would complete the survey. Councilmember McCall said it would be random and should result in a cross-section of all demographics.

Councilmember McCall stated that the three questions that seemed to be agreeable to Council were: city services; removal of the charter cap on mills if clearly written; and a citywide park maintenance district.

Councilmembers discussed possible open-ended questions. Consensus was to ask a question regarding what people perceived as the city's biggest need and the solution for it.

TOPIC #6	<i>Quarterly Reports</i> <ul style="list-style-type: none">• <i>Initiatives</i>• <i>Downtown Billings Partnership</i>• <i>Budget</i>• <i>Pending Litigation</i>
PRESENTER	
NOTES/OUTCOME	

City Administrator Volek reviewed the current list of initiatives and advised that the completed items would be removed from the list. She said the items in progress would be left on the list and reported on again at the next quarterly review.

Downtown Billings Development Director Greg Krueger and Downtown Billings Executive Director Lisa Harmon distributed information packets that contained an update of expenditure of the \$4 million left as encumbered funds in the old tax increment district. Mr. Krueger advised that the Babcock renovations were underway and currently under budget. Councilmember Ruegamer suggested a Council tour of the facility in the near future. Mr. Krueger announced that the former owner of the building, Mrs. Moss, passed away.

Mr. Krueger reviewed the status of the following:

- Railroad Quiet Zone – contract was signed by all parties and would proceed next summer
- Federal Courthouse – six bidders for the project, one local bidder; to be sold to developer by June 30, 2009.
- Cooperative Security – the downtown police officer was approved at a previous Council meeting
- N. 27th Street Urban Renewal District expansion – pending Council approval
- Artspace Study – being completed
- BIRD Study for the East End TIF District – moving along quickly

Councilmember Gaghen asked if Mr. Krueger was aware of the dialogue against the TIF districts. Mr. Krueger responded that he was and was not surprised because that same type of dialogue emerged a couple of years ago. He said he believed that if Billings and other communities showed what they had done in that area it could hamper those efforts to change legislation. Councilmember Gaghen said she found it troubling that a local legislator, Bob Story, listened to that vocal minority.

Ms. Harmon provided a review of her trip in Belgium to speak on a panel about the success of the public/private partnerships in Billings at a town center management conference. She said people there were very interested in TIF districts and BID. Ms. Harmon said the U.S. was about 20 years ahead of European communities.

Financial Services Manager Pat Weber referred to a first quarter budget report that was sent in the Friday packet. He noted that a budget was not shown for the water and wastewater fund revenue because of the way the fees were combined.

Councilmember Brewster asked if the effects of the storm would be shown. Ms. Volek said a full report of that alone would be provided.

Council adjourned to an Executive Session for a review of pending litigation.

Additional Information:
