

# City Council Work Session

5:30 PM  
Council Chambers  
November 7, 2011

## **ATTENDANCE:**

**Mayor/Council** (please check)  Hanel,  Ronquillo,  Gaghen,  Cimmino,  Pitman,  McFadden,  Ruegamer,  Ulledalen,  McCall,  Astle,  Clark.

**ADJOURN TIME:** 7:28 p.m.

## **Agenda**

<b>TOPIC #1</b>	<b>Regional Solid Waste Issues</b>
<b>PRESENTER</b>	<b>Dave Mumford</b>
<b>NOTES/OUTCOME</b>	

- Clark: move litigation report to item #5. Gaghen second. Passed unanimously.
- Dave Mumford: recent contacts from Powell WY and others to use Billings landfill. Cody and Sheridan also interested as is Livingston and Park County. Need to get Council direction on whether to allow these remote cities and counties to contract with us. Reviews tipping fees for outside cities and counties. Reviews a landfill map and areas that can still be filled. 40-50 years life. City owns another 370 acres south of Hillcrest but it's not permitted for disposal. Type 2 landfill hasn't been permitted for the past 20 years in the state of Montana. We are working on an application with the DEQ, it will take 5-10 years to get the permit and \$500,000 for consultant fees. Looked at incinerator but it needs the same permit as landfilling the waste.
- Clark: Livingston incinerating?
- Dave: used to but it is closed.
- Gaghen: what do other large cities charge? Are we too much of a bargain?
- Dave: one of few who own their own landfill, most are privately owned, but think its \$30-\$50/ton. Recently allowed Big Timber to use city landfill. Fees are low because collection and landfill are supposed to break even, not make a profit. Surcharge for outside of Yellowstone county fill. New cells will be more expensive.
- McFadden: research on whether we can import out of state waste?
- Dave: have to track it but no law that says that we can't landfill it.
- Ulledalen: doing it just to be nice or make money?
- Dave: being nice at this point. Council can tell us to raise more money with tipping fees, change of philosophy. Want direction before we do a lot of work on adding customers. Going to do a big study on costs of recycling, generators, more land, etc.
- Hanel: use tipping fees from outside the area to pay for some of the future costs.
- McCall: how would we contract?

- Dave: currently contracting for one (1) year but they would want a long term because they have nowhere else to take it in the near future. Can't economically recycle because our tipping fees are so low.
- Pitman: need to know full cost of expansion and how that affects local residents.
- Dave: cheap land, don't need to expand for current customers.
- Cimmino: last time fees increased? Landfill life is 40 years so don't need to buy land.
- Dave: \$12/ton 10 (ten) years ago and now at \$18/ton. Don't need to buy land but as it comes available we should consider it. Should city regionalize?
- Clark: south hills is building up so we need to secure land while it's available. Closure reserve fund?
- Dave: part of the goal for land purchase is to buffer from houses. Closure reserve is adequate and fees are enough to keep building it.
- Astle: does Powell have any other choices? How much do we shorten landfill life by taking Powell and others?
- Dave: No other choices. Powell doesn't add much but our growing community is filling it faster than for the first several decades it was operating.
- Gaghen: Class 4 the same rate as class 2? Favor buying more land.
- Dave: lower fee for class 4. Philosophy of acting like a government or like a business?
- Ulledalen: we don't make good business decisions. Sell the landfill and use money to fill General Fund hole for 5-10 years? Need to consider this and other options.
- Ruegamer: need to raise fees until others stop asking if they can dump here. Need to buy land. How would Powell bring the waste here?
- Dave: use a transfer station and bring it here in a semi-truck. Proceed with discussion with Powell, estimate volume, and raise prices.
- McFadden: periodically reassess contracts?
- Dave: yes, currently annually with the seven (7) counties.
- Ulledalen: if we're not going to make money on it, we shouldn't do it and fees need to consider labor contract costs and collect enough money to cover those costs.
- Pitman: how long does it take to make methane? Want a huge profit on allowing others to use the landfill.
- Dave: immediate and filling differently in order to capture it. Solid Waste pays General Fund several million per year and gets no money from General Fund.
- Consensus: proceed with study and talking with Powell and others.
- Gaghen: other costs beside at the land fill; wear on roads, etc. needs to be part of the charges.
- Ulledalen: other fees being paid to General Fund and internal service funds.
- Clark: if we wanted to sell, also have to look at what private company would charge residents.
- Dave: only seven (7) people operate the landfill – very efficient.
- Astle: charge enough to cover expansion costs?
- Dave: will do it.
- Public comments:
- Joe White, 926 N. 30<sup>th</sup>: city is getting overloaded. Smaller towns around city are interested in small town dumps and could take pressure off the city landfill.

TOPIC #2	Wastewater Treatment for Refineries
PRESENTER	Dave Mumford
NOTES/OUTCOME	

- Dave Mumford: need more direction from Council. Wastewater discharge standards are causing industries to talk with City. Conoco and Exxon have both asked about discharging to the city. Already take domestic waste from Conoco but not industrial; presently goes to Yegen drain. Concern about selenium and arsenic in their wastewater but city plant can treat them. Need a strict contract about their pretreatment and impact on the city. Want to discharge to city by 2014. Neither refinery discharges more than 1 Million Gallons per Day. Cenex might want to discharge too. Would Conoco have to annex into the city first? Exxon could discharge to Lockwood and then to the city. Should we keep talking with refineries?
- McCall: need to continue discussions. Really need regional solutions.
- Cimmino: Conoco consider annexation?
- Dave: told them it might be necessary but haven't told them yes or no. Need to study more and get more cost info before we would allow them to discharge. Takes resources to do that study and don't want to spend it unless Council supports it.
- Astle: is the Yegen drain discharge to the river downstream from City's water intake?
- Dave: yes.
- Pitman: how much cost for studies, etc? Finance?
- Dave: they would have testing costs and city staff time would be to review ordinances and contracts.
- Ulledalen: if we start here with the refineries, who is next and where do we stop? What if they discharge a bunch of crap to the city and causes city discharge violation?
- Dave: city would be responsible for it but pretreatment permitting would be required. Would need to be able to inspect, etc. Can technically do it, but do we step outside the city to bring in new customers?
- Volek: ordinances don't allow service outside city service unless we reject annexation. Health hazard allows service without annexation. Staff needs to work on conditions for discharge.
- Ronquillo: already serving Conoco with water and wastewater? Exxon? Berry Y&V?
- Dave: water and domestic wastewater for Conoco, no for both of the others.
- Astle: large corporations and they could build their own plants. What does it cost us?
- Dave: pretreatment occurs there and they have that cost. Would have to get permit for selenium. No significant costs right away but the refineries would have to contribute in the future.
- Ulledalen: crisis or need; Kylander said Shepherd will soon ask and west Billings will too. Is it our responsibility to solve their problems?
- McCall: same comment as at the beginning. Need short and long term plans for individual customers and for regionalism.
- Dave: regionalism is going to happen.
- Hanel: agree that we need to keep talking with the refineries, keep the door open.
- Astle: infill areas could be difficult too. Ditch near Plainview and Monad is a drainage problem.

- Dave: stormwater must be separate from wastewater.
- Clark: what are they presently doing? Same standards as city? Do we test river or discharge?
- Dave: onsite treatment plants. Yes. New standards will be costly and at some point become impractical for their operations. Test both.
- Ruegamer: part of our cost is from nonpoint sources? Feds may tell us we have to regionalize, so need to be talking with all our neighbors. Should make money on it.
- Dave: exactly.
- Consensus: continue working on refinery discharge to the City wastewater system.
- Public comments:
- Reed Martin, 401 S. 23<sup>rd</sup> Street: Conoco representative. Have a treatment plant and would continue using it. Will have to upgrade to meet pretreatment standards. Could divert wastewater if tests show we might damage the city discharge. Building our own buffer. Purchased city property and took over infrastructure service requirements. Not looking for any other services from the city.
- Gaghen: good citizens.
- Ulledalen: stormwater part of your discharge? What treatment now?
- Reed: yes, process it through the same plant. Plant removes grease/oil, metals and biological treatment.
- Gaghen: expecting increases in discharge?
- Reed: take a big demand for products and still probably wouldn't impact the volume of discharge.
- Ulledalen: with company split, any concerns about capital access?
- Reed: think that we'll have additional capital dollars.
- Steve Marts, Exxon Mobile refinery manager: appreciate city considering taking our discharge. Will have to invest a lot in our own plant or discharge to Lockwood and City. Don't have to have an immediate answer. Would probably keep most of the existing system to pretreat waste. Could also store water and could discharge to the river if needed.

TOPIC #3	FY12 First Quarter Updates
PRESENTER	Vince Ruegamer, Tina Volek, Greg Krueger, Lisa Harmon
NOTES/OUTCOME	

- Tina: MLCT conference report because we're converting financial software and will submit budget report later.
- Ruegamer: report is in front of you. President's reception and jackets were major cost. Allotted \$10,000 Council contingency but will have to use only \$2,432. Lots of people came and stayed and spent.
- McFadden: few weeks ago hollered because \$10,000 was too much so glad that there were donations.
- Tina: Council initiatives – Council received status report in Friday packet. Pages 3, 4 and 5 we believe we have completed items and will delete them. Will answer questions.
- Hanel: 8-8-11 initiatives been completed?
- Tina: presentations made on both items.

- Gaghen: July, 2011. Will be a lame duck soon. Hands free phone ad in the water bill?
- Tina: ad submitted to water bill printer and should be mailed within a couple weeks.
- Greg Krueger, DBP report: should have received report on Friday and revised one tonight. Projections for Montana Avenue parking garage included.
- Ronquillo: tax statements show TID tax. Explain.
- Greg: attempts to explain. Tina attempts to explain.
- Ruegamer: wayfinding signs have “ahee” on them. Greg: “Welcome” in Crow.
- McCall: Regarding the Empire Garage, have you had any interest from other developers?
- Greg: yes. Will issue a RFQ for space other than already committed to Honaker and Nelsons. Tonight’s handout describes next quarter activity. Expect spring action from Council on the parking garage. Stockman Bank is eligible for a grant and development agreement will come to Council. \$8,000 for transit/pilot program for a downtown circulator. \$10,000 for historic district pedestrian bridge will come to Council. Amend the plan to include a retail retention program which will involve MSUB and BSEDA. Façade grant on 26<sup>th</sup> under an existing program. Pedestrian crossing improvements at 26<sup>th</sup> and 3<sup>rd</sup>. Street lights, etc will come to Council later.
- Ulledalen: improve 3<sup>rd</sup> and 27<sup>th</sup> former transit stop to a pocket park.
- Greg: already looking at it.
- McFadden: downtown circulator?
- Greg: in the framework plan but need more study to figure out if it’s affordable. More employees moving to east district and may want to circulate them into downtown.
- Ulledalen: New Orleans has Rangers. Billings needs to look at that someday.
- Tina: company doing the circulator study is the same one that does work for MET, so coordination should be good.
- Tina: strategic plan report not ready but will send it to you on Friday. Suggest that we update the plan after the first of the year.
- Ulledalen: early January meeting to review and update the plan and tie it to Priority Based Budgeting.
- Public comments:
- Joe White, 926 N. 30<sup>th</sup>: Damages for wife of \$25,000 from DBP and \$12,500 from city. Downtown college textbook store. Severely damaged ability to do it. Don’t have a responsible government and it’s not safe.
- Kevin Nelson 4235 Bruce Avenue: \$225,000 to manage \$1,700,000 in TIF. Concern about how much is spent for DBP management. Too high. TIF district administrator in Planning could also run the downtown TIF. Spending lots of money on people and it should be spent on economic development and projects. Allocating costs to a private corporation not legal. Would like to see you bring the work and the costs into the City structure instead of a separate organization.
- Hanel: if eligible, would you join the DBP board?
- Nelson: have to think about it.

#### Additional Information:

Public comments:

Kevin Nelson, 4235 Bruce Avenue: public hearing on a park maintenance district. Initiatives list from Friday, 2007 Councilmember Veis initiative to sell park land. Councilmember Ruegamer initiative for selling naming rights. Mayor Tussing initiative to annex Phipps and Riverfront Park. Going to have a vote on park maintenance district without having answers from these initiatives. Ask that you set aside the park maintenance district until other issues decided. Lame duck Councilmembers will vote but new Councilmembers will have to answer questions from voters.

Ruegamer: agree that we should wait for the park maintenance district vote. What does selling parkland have to do with a citywide park maintenance district?

Nelson: if you develop a park, it takes money. New councilmembers need to make that decision.

McFadden: think Lampman Park would make a good dog park?

Nelson: good place for houses.

Elizabeth Shane: educator for 25 years, concerned about the number of vagrants who populate Billings, especially west end. Verbally abusive when they approach us. Aggressive. Wasn't a problem years ago. Resources are available for these people. Jobs are available. Billings is growing and has a good image and afraid that this activity will damage the image. Feel threatened. City needs to take action.

Gary Shane: major problem for elderly and disabled. Need something strong to solve this problem. City police are good for the resources they have. Afraid someone will be injured by aggressive people.

Tina: unfortunate, but there is a state law that limits what city can do. However, have an aggressive panhandling ordinance.

Chief St. John: agree with previous statements. Know that panhandling takes place and it is illegal only if it's aggressive. Police can take complaints or need to see it. Usually end up with arrest warrants for people who don't show up for hearings. Spending \$15,000 - \$20,000 per month for jailing city ordinance violators who are arrested on warrants.

Hanel: have PR officer visit with businesses? Businesses help move transients along?

Clark: big problem is that people keep giving money to them.

St. John: agree. Downtown program to discourage people from giving panhandlers money.

Cimmino: some people are in need and then there are crooks. Public Service Announcement to address the problem?

St. John: no one in Billings needs to be hungry or homeless because of services we have.

Ulledalen: downtown is better with police officers. Career panhandlers on west end corners. Get money from out of town people.

Joe White, 926 N. 30th: major buildings being built downtown and many reports about land instability. Vibrations going out into country and world. Texas meteorologists .... Asked Churches on Sunday what is causing the problems and they think it's the land instability. Candi and new library ....

## FINAL ACCOUNTING--2011 MONTANA LEAGUE OF CITIES & TOWNS (MLCT) CONFERENCE

### Expenses

#### President's Reception (City Responsibility)

Yellowstone Art Museum Rental	\$975.00
Kreative Kapers Catering	\$2,014.00
EC International (Quartet)	\$450.00
Police Dept. Security Overtime	<u>\$300.00</u>
Subtotal	\$3,739.00

#### Conference

M.L. Schuman -- Gift Jackets	\$8,837.50
M.L. Schuman -- Council Shirts	\$355.84
Tom Blankenship -- Banquet Music	<u>\$650.00</u>
Subtotal	\$9,843.34

#### Legal Seminar

Econo Print -- Printing	\$1,111.28
Costco -- Binders	\$131.88
Reporter--Binder Inserts	\$168.36
Speaker Lodging	<u>\$151.80</u>
Subtotal	\$1,563.32

**Grand Total Expenses** \$15,145.66

### Revenues

#### Corporate Donations

Cablesystems Corporation	\$2,500.00
Montana Dakota Utilities	\$1,000.00
Conoco	\$1,000.00
PP&L	\$1,000
Northwestern Energy	\$500.00
MSU-B	\$500.00
Downtown Billings Partnership	<u>\$500.00</u>
Subtotal	\$7,000.00

#### MLCT Reimbursement

\$10 per Gift Jacket	\$3,500.00
Attorney's Program	\$1,563.32
Tom Blankenship Reimbursement	<u>\$650.00</u>
Subtotal	\$5,713.32

**Grand Total Revenues** \$12,713.32

**Difference to be Paid by Council Contingency** \$2,432.34



City Council Update Addendum – Work Session  
November 7, 2011

## Current and Future Action Items by DBP Board

- **Pending Future Council Action**

- RFP for Empire Garage Design Firm with CMAR Format
- Condominium Plan and Documents and Bonding for Empire Garage
- DBP Board Approved TIFD Assistance Grant to Stockman Bank - \$630,000 qualified public improvements – Pending Development Agreement
  - This award would reimburse Stockman Bank for TIFD qualified expenditures related to their \$12 to \$14 Million development on 4<sup>th</sup> and Broadway.
- DBP Approved \$8000.00 in TIFD matching funds for a \$20,000.00 Transit Study administered by the Planning Department regarding a potential pilot program including a downtown circulator.
- DBP Approved \$10,000 in TIFD funds to assist with the Historic District Pedestrian Bridge project
- DBP Approved a new project category to be funded by TIFD related to retail recruitment and retention with a business plan education and contest component. Funding amounts have yet to be approved. Council will be asked to amend the Urban Renewal Plan to include this program/project.

- **Approved Façade Program Grants not requiring Council Action**

- N. 26<sup>th</sup> Street Streetscape with façade improvements to Clock Tower Inn – up to \$35,000.00 TIFD grant matched 5 to 1 with private investment

- **Items discussed but not yet proposed by DBP Board**

- N. 26<sup>th</sup> St. and 3<sup>rd</sup> Ave. N. pedestrian crossing improvements
- Federal Courthouse – Yellowstone County utilities relocations between 2<sup>nd</sup> Ave. N. and 3<sup>rd</sup> Ave. N.
- Mid block streetlight SID and TIFD assistance for SLMD 97
- Pocket Parks and “Alleyscapes”
- Strategic Planning – Framework Update – One Block at a Time planning