

City Council Work Session

5:30 PM
Council Chambers
Date: May 28, 2014

ATTENDANCE:

Mayor/Council (please check) X Hanel, X Cromley, X Yakawich, X Cimmino, X Pitman, X McFadden, X Bird, X Swanson, X McCall, X Crouch, X Brown

Agenda

Budget Only

TOPIC #1: Review of Previous Budget Work Session

- Tina Volek: Have tentatively put the Budget approval on the June 9th Agenda.
- Cimmino: Requested to push back Budget Session two weeks.
- Tina Volek: That would be June 23.
- Mayor Hanel: Questions why Cimmino wants to delay?
- Cimmino: Concerned about financial challenges that we are facing. For example, Fire Truck.
- Pat Weber: Funding source for fire truck is already in budget. Funding coming out of EQR Fund which is a Special Revenue Fund.
- Mayor Hanel: June 9th on Agenda will be NDO. Expect to have significant attendance.
- McCall: Council Member Cimmino, this would move to June 23. Would give us one more Work Session to discuss the budget?
- Cimmino: By state law we have until Sept. 1.
- Tina Volek: Considered better budgeting practice to adopt the budget prior to the time that it goes into effect which should be July 1. Looking at Agenda, we do have a Development Ordinance Variance. This is for a mobile food trailer that has been operating, a public hearing and Resolution for Annexation, a First Reading on a ward boundary expansion, the Assessments that Pat mentioned, and the Budget. Council can take whatever comments are there June 9, and forward to another agenda.
- Pitman: If we are not prepared to pass a budget, I suggest we can delay on June 9 and have on June 23.
- Tina Volek: That would give you two public hearings to take public comment.
- Mayor Hanel: Consensus is to leave it. If you as a majority decide to move to June 23, you will have that option.
- Public Comment: None

TOPIC #2: Tourism Business Improvement District

- Steve Wahrlich: TBID Mission: We have 4 people on our staff. To generate room nights for lodging facilities in the City of Billings by effectively marketing our region as a preferred travel destination. When we look at travel or tourism, it encompasses leisure, meetings and conferences, and sporting events. It encompasses medical care, financial, legal, and everything else.

Economic Impact – Meetings/Convention/Sports

Room Nights Booked

- FY14 - \$28,465 Room Nights
- FY13 - \$24,130 Room Nights
- \$52,595 = \$11.8M in Economic Impact for Billings

Total Room Nights Booked Since Inception of TBID (*FY09-Present*)

- \$25,638,075 Economic Impact
- \$113,947 Room Nights Booked

Fee Structure

Current

- Properties with 6-59 rooms Assess \$1.00 per occupied room per night
- Properties with 60 rooms or more - \$2.00 per occupied room per night

Proposed

- All Billings properties with six (6) or more rooms be assessed \$2.00 per occupied room per night.

Within the next 12-18 months, we will have 800-900 new rooms opening up in the City of Billings.

- Yakawich: The \$2.00 per room, is given to TBID?
- Steve Wahrlich: TBID is very similar to BID. The two key differences are: (1) In a BID (Business Improvement District), the properties have to be contiguous. (2) In a TBID (Tourism Business Improvement District), the properties (lodging facilities) do not have to be contiguous. That was one major change in the Legislation. We created economic value zones. We were concerned about several items. One is because of the difference in room rates between hotels. We have different economic zones. The lodging facilities all voted to have a single fee, and that is how our fee was initiated. The TBID is a Board of 7 property owners, or their designees, who then the funds are sent out via the property tax bill. Each quarter we send in the number of rooms we have rented to the accounting firm. They verify and send to Pat Weber, who verifies and sends on to the County. They are sent on to the property tax bill. Then we have a revised property tax bill in April to take care of the other half of the year. Those funds are then governed by the City of Billings, and managed by the 7 board members, the executive director, and the staff.
- Mayor Hanel: The county wide financial support to help supplement the budget at the Metra, how much is collected?
- Tina Volek: Will find out.
- Steve Wahrlich: Have a grant process. We believe there are opportunities within the City to grow business.

Major TBID Accomplishments

- \$25.6M economic impact in meetings/convention/sports segment
- \$113,947 room nights booked – does not include leisure promotion
- Successful sports events hub positioning
 - Successful NCAA, GNAC, MHSA and Club Sports (lax/soccer) bids
- Major supporter of Metra Park financially for events including BMW MOA 2015 Rally, MHSA sanctioned tournaments and concerts.
- Strong brand image for national attention as a competitive second tier destination.

Legislative Focus 2015

Look for cordial invite to Tourism Industry Legislative event ahead of session. Will be in October and very educational.

- Alex Tyson: **2014-2015 Marketing Plan and Budget** – We are a Convention and Visitors Bureau and Tourism Business Improvement District for Billings. We also partner with MTOT (Montana Office of Tourism). Alex went over events of Upcoming FY15 highlights.

Tourism Impact

\$250,000,000 – Annual direct impact of tourism on Billings's economy

\$ 2,000,000 – Number of people who visit Billings annually

1 million stay a night or longer

1 million stop as they drive through

Main Destination Strengths

- Lodging – 4,300 hotel rooms (800+ will be added in next 24 months)
- Meeting Space – 350,000+ square feet
- Location/Proximity – Close to Southeast Montana, Red Lodge, Beartooth Highway, Yellowstone National Park and Bakken Oil Patch
- Air Service – Convenient and direct flights from Billings Logan Airport
- Entertainment – Vibrant downtown with brewery/distillery tour, unique shops and restaurants, and historical and cultural attractions
- Shopping – Shopping Mecca ranging from outdoor gear to boutique shops
- Trails – Biking, hiking and walking trails from the Rimrocks to Yellowstone River
- Medical Corridor – Nationally renowned hospitals including a Mayo Clinic partner
- Sports Facilities
- Urban feel on the edge of the genuine frontier

Main Destination Challenges

- Airfare/Flight Availability – Can be more inconvenient and/or higher priced than competitive cities.
- Transportation – Taxicab and public bus options limited and in some instances, a lower standard than those of competitive cities.
- Perception – Stigma attached to Billings - it's in the middle of nowhere with nothing to do in the City.
- Convention Facilities – Spread throughout the City; dated or inconvenient locations.
- Convention Center – No structured, large-capacity convention center on a campus setting.
- Disheveled Areas – Several areas with poor accommodations for visitors, discouraging them from exploring outside of their hotel; want to encourage repeat visitation.

Inspire → Orient → Facilitate

The Social Purchase Funnel

- Social Communication
- 78% of consumers trust their peers
 - Trend infiltrates most levels of consumerism
- 25% of Brits booked a trip or holiday after seeing a friend's Facebook page
- Time poverty
- 41% of Americans lack the time to travel or take a vacation

Strategic Goals – Leisure Travel

Regional

- Shopping, event and cosmopolitan messaging
- Cultural re-imagination
- 2/4 Wheel drive market
- Access to Southeast Montana attractions

National / International

- Air service
- Gateway to Yellowstone National Park messaging
- Access to Southeast Montana attractions
- Niche Promotions (Bikes and Brews, Montana Lifestyle, etc.)

Strategic Goals – *Sporting Events Hub*

- Sports Consultant Dr. Chris Frye of Sports Business interests
 - Sports contact database
- Marketing campaign
- Relationship building
- Sports oriented page on visitbillings.com
- Sporting event volunteer committee

Strategic Goals – *Convention & Meeting Recruitment*

Small to Mid-Sized Market Recruitment

- Focus on smaller and mid-market conventions & prospects
- Maintain attendance at a few larger M/C tradeshows
- Familiarization tours, convention services & marketing campaigns for brand lift

Citywide Convention Sales Mission & Recruitment

- Prospect, court and work to book the next big citywide event(s)

Meet Local Campaign

- Revamped version of “Bring it to Billings” campaign
- Work with professional associations, sports leagues, alumni associations or hobby enthusiasts to promote local, state and national meetings in Billings.

Strategic Goals – *Visit Billings Experience*

Trailhead Tourism Ambassador (TTA) Program

- Enhanced visitor experience
- Customer Service
- Repeat visitation

Billings Visitor Information Center (VIC)

- Facilitate guest's stay
 - Increase visitor volume, spending and length of stay
- Train and provide volunteers with necessary tools for success

Strategic Goals – *Group Tour / Motor Coach Market*

- Begin cultivating relationships with qualified tour operators
- Prioritize convention opportunities
 - Appointments with tour planners
 - One-on-one networking

- Educational programs related to recruiting group business
- Respect existing and established relationships while building a stronger brand for Billings.

Strategic Goals – *Film and Publicity*

Film

- Montana Film Office (MFO)
 - Promotes Montana, its cities, and surrounding areas
- Assist with any film, television and/or still photography projects that come via the MFO.
- Foster the partnership with the Montana Film Office
 - Maintain communication when Billings receives an industry inquiry or request.

Publicity

- Work with MTOT, and other locations to host Familiarization Tours
- Combine resources to properly promote the area
- Increase visitation by hosting journalists, tour operators and meeting planners

Strategic Goals – *Public Relations*

- Travel has a significant impact on the local economy
- Highlight and protect the industry's impact on tourism
- Show support for the industry on the State and national levels
- Work in the best interest of the city's 45+ hotels and motels
- Work with MTOT, Tourism Matters and Voices of Montana to grow and protect tourism industry on the local, state, and federal levels.
 - Communicate topics and issues with stake holders via e-communications and hard copy newsletters when necessary.

Combined Total Tourism Budget – State Lodging Tax & Tourism Business Improvement District Dollars

○ Website	\$33,400
○ Advertising	\$780,500
○ Administrative	\$127,650
○ Fulfillment	\$21,800
○ Meetings Expenses	\$7,000
○ Opportunity	\$205,500
○ Printed / Digital Materials	\$111,100
○ Research	\$10,000
○ Publicity	\$34,000
○ Staff & Overhead Expenses	\$331,707
○ Visitor Information Center	\$9,700
○ Film Recruitment	\$3,000
○ Sales	\$160,500
○ Tradeshows / Conventions	\$62,500

FY15 Budget

CVB / State Lodging Tax: \$310,000

TBID: \$1.5 Million

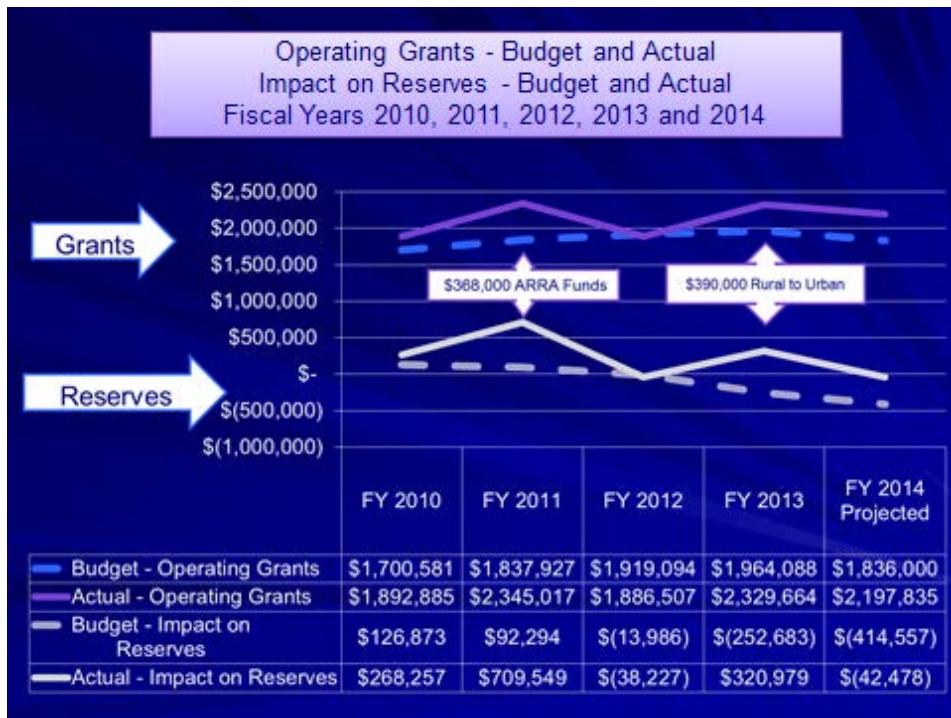
Total: \$1.8 Million

- Mayor Hanel: Question why the majority of members (TBID) decided not to do research of a convention center?
- Steve Wahrlich: Bigger properties were very concerned about competition. It wasn't broad based enough. Didn't have enough buy-in from the City. Were the only ones that had funds that would be willing to spend \$50,000 to \$80,000 to produce a study so that we could have a dialogue. Also what lead us to changing a lot of our marketing and getting away from the large meetings and conferences. Convention and meeting facilities are difficult.
- Bird: If the members aren't interested in pursuing of studying the convention center, could we end up like Casper, Wyoming?
- Steve Wahrlich: Yes. Represents 25% of our market place. Potentially could give 10% - 15% of that market place back. There will always be regional events that go to Great Falls, Missoula, Bozeman, and Billings. Those will stay in place. Won't be able to grow beyond that.
- Bird: Without a convention center here, what are the options for us to attempt to be somewhat competitive with Bozeman? What do we have to think about doing differently if we are not going to directly compete with a convention center?
- Steve Wahrlich: We could go after the leisure market place more and harder. Have a better story to sell from that standpoint. We have a large medical center. Glad to have some spill-over from the Bakken. We have a financial legal hub here in Billings. In very cold weather, we are still able to pull off of other travel and tourism.
- Public Comment: None

TOPIC #3: Aviation and Transit

- Tom Binford: Introduced staff. Last year the runway overlay project that shut down our main runway, from an operational standpoint, went very well. Completed on time and on budget. It impacted our operation a little more than we anticipated. Despite the public outreach that we did on that project, we really began 12 months in advance. People changed travel patterns well before the project began, and well after it ended. We realized that people probably didn't have the comfort level that assured them that we would open on time every weekend. When people had big trips, they went to other airports. This did impact our numbers. This summer we are anticipating pretty strong employment activity. Both Delta and United have added additional seats to our market this summer. So we think we will rebound quite well. Cape Air is doing a fine job at our airport. Cape Air is the regional airline that serves the essential air service marks in Montana. Commercial freight volumes were up last year and again this year. I give presentations to community groups on air service and air fares almost on a weekly basis. One thing you don't see in Bozeman is the big Fed Ex jet and UPS jet sitting on their ramps. Our air freight is growing significantly in Billings. Last year, this construction effort (runway overlay) was overshadowed by that. Added another wide bodied parking position in our air freight area. This allows us to separate the UPS from the Fed Ex operation, so they have their own areas to operate. Pretty important from a safety and efficiency standpoint. Geared on time and do things very quickly. Have a lighter construction effort this year. Number of projects to do. None of the projects will have the impact that the overly project did last season. Currently developing a scope of work with our terminal planners. Looking at some modest concourse expansion. Expanding the restrooms at least on one end of the concourses. Will have a look at our ticketing baggage makeup and baggage delivery areas. Will look at our concessions space and do some reconfiguring. Will also look at what it will take to expand security screening. Idea is to try and do a lot of internal reconfiguration in the terminal building without having to do a big renovation project at this time. Trying to get another 5-10 years of the existing footprint. Reason is to spin down the bond. When that bond is paid for, we can look at doing other projects, and do it within the finances we can handle. Have had a good

year in the transit operation. We would take unproductive service and put it where we thought we could expand service to the west, and some other routes where we had an increased ridership. Council approved those changes and pleased to report that year to date we are up 3%. Transit continues to have some swings in its budget. All publicly funded. Public transportation systems are facing some of the same challenges. These funding changes are occurring at the funding level. Will give some explanation why we are asking you to approve a budget that uses \$518,000 worth of reserves to balance. Want to make sure you understand. Slide shows the Operating Revenues and Expenses for transit. Does not include capital. Just the operating side of our operation. Focus on the percentages. 48% of our revenues come from Federal and State grants. The 10 mill levy provides 39%. Have switched the balance where the Federal Government pays more for our public City of Billings transportation system than we do as citizens. Get another 10% from fares, and 3% from other which is what we can generate off of advertising on the benches and buses. The 48% is the piece of the pie as I continue discussion. This slide shows total budget. In 2011 when we did our budget presentation, we took our total revenues less our total expenses, and we ended the year in the positive, \$338,000. When we closed out that year, we did better than we thought and that came in about a half million. Good year. 12 months later, our budget was in the hole \$169,000. Had to use reserves of \$100,000 to balance the budget that year. In 2013, thought we were going to be in the hole \$400,000, but instead we came out \$266,000 to the good. Is a $\frac{3}{4}$ million dollar swing from when we did budget to when we did actuals and closed out the year. See pattern developing. Up one year, down one year. Why is this occurring? Our budget years don't line up well. Sometimes the flow of funds come in and matches our budget well, and sometimes they don't. If Congress approves the major agency funding bills, and subsequently departmental budgets when their fiscal year begins, then we can tell you what we can expect from that 48% piece of the pie. If however that doesn't happen and we have to guess what the appropriations may be or whether or not Congress even does that appropriation, if it is authorized, how the departments are going to break up the money they ultimately get from Congress, and then when they are going to flow the funds for us, then that is why we begin to get these ups and downs in our budget. Very hard to guess how that federal process is going to pay out. It makes it very hard to budget. That is why for the last six or seven years when Congress has a tough time approving budgets, the difference between the budgeted amount and the actuals are so much different. This next slide is the operating grant. In other words, that 48% piece of the pie does not include the 10 mill levy.



Transit Operating Budget FY 2015

- Revenues: \$5,121,927
 - Transit Tax Levy \$1,978,207 39%
 - Federal and State \$2,486,942 48%
 - Fixed and Paratransit Fares \$500,422 10%
 - Other \$156,356 3%
- Expenditures: \$5,502,290
 - Fuel \$627,364 12%
 - Salaries & Benefits \$3,761,540 68%
 - Other \$1,113,386 20%

Projected Reserves as of June 30, 2014 \$2,731,063

How do we fix this long term and is a \$518,000 deficit not a big deal because the money always seems to come in? First, any deficit causes me concern. Some of what we have experienced during these last 6-7 years when Congress has had a tough time getting along, is really a circumstance of how those budgets overlay each other. You really have to look at a couple of years before you get too worried because the money seems to come in. Not a great way to manage, but it is what it is right now. Want to give our staff credit because when a lot of communities were getting their big slug of air funds, for example, they were taking that money and expanding service for one year, and the following year they cut service. Have been trying to bank that money, maintain existing operational service levels, knowing that this trend was occurring and perhaps could continue for a few more years. The transit reserves have never been intended long term to fund operational needs. Have always built up reserves to replace capital. Have a lot of buses and vans and drive many miles every year. Always have to be replacing buses and vans. Optimistic that things will normalize in Washington. Longer term will get to the point in a few years where we need to have a broader community discussion about the long-term viability of our public transportation system in Billings. What I would recommend to you is that we don't lose track on transit as we have those big discussions in our community, about the long-term things that we may have to up public funding on. It is a public service. There is no way to generate revenues. Fare increase would not help.

FY 2014 MET Estimated Totals

▪ Total Revenues	\$5,202,833
▪ Less Total Expenditures	<u>\$5,258,535</u>
Projected Change to Reserves	\$ (55,713)

FY 2015 MET Budget Totals

▪ Total Revenues	\$5,734,438
▪ Less Total Expenditures	<u>\$6,253,054</u>
Projected Change to Reserves	\$ (518,616)

- Tina Volek: Want to compliment Mr. Binford and the Transit Dept. on their excellent management of resources. In other Departments we have talked about some of the refocusing at the national level on transit services. A lot of those are mega bucks being devoted in larger cities to rapid transit systems. Transit system likely to change as our City grows.
- Tom Binford: Always get the questions, how do we compare to other cities? Looking at the US average we are only in the 35% range.
- McCall: A lot of Senior Citizens and students are riding the bus continually. I think it is an essential priority for the City to keep transit system going.
- Yakawich: Would we need to have a levy or take out from a General Fund? What you are saying is that we cannot generate enough income through ridership.
- Tom Binford: In my opinion, would have to be a levy increase.
- Tina Volek: Remember our GF is capped. We cannot increase the GF mill levy to cover additional expenditures. Had one levy in 1980. Hasn't had an increase since.
- Tom Binford: As we begin to prioritize in the budget process, we begin to strategize where transit fits.
- Tina Volek: Is in the Strategic Plan.
- Pitman: Where are you as far as your minimum reserves are versus what you actually have?
- Pat Weber: Designated goal is about \$935,000.
- Crouch: How is the new route for the Veterans?
- Ron Wenger: Veterans route is doing quite well. Mostly areas around the Veterans Clinic that has produced the ridership.
- Kevin Ploehn:

MET Revenues

Budget Year	FY14	FY15
Transit Tax Levy	\$1,913,050	\$1,978,207
Federal and State	2,220,801	2,486,942
Fares / Operating	488,045	500,422
Other / Advertising	138,075	156,356
FTA Capital Grant	<u>195,000</u>	<u>612,511</u>
TOTAL	\$4,954,971	\$5,734,438

MET Expenses

Budget Year	FY14	FY15
Administration	\$ 624,198	\$ 671,607
Operations	3,179,311	3,435,727
Paratransit	1,371,019	1,394,956
Capital	<u>336,250</u>	<u>750,764</u>
TOTAL	\$5,510,778	\$6,253,054

MET Capital Expenditures

▪ Federal FTA Grants (80% Funding)	
- 2 small buses	\$432,764
- Paratransit Van	<u>80,000</u>
TOTAL	\$512,764

▪ MDOT Capital Grant (85% Funding)	
- Three Paratransit Vans	
	<u>\$238,000</u>
	\$750,764

In the expenditure this year, one of the ways we are skirting around having to buy full coaches. Going to go to smaller buses. About half the price and a little smaller. Coach has about 32 seats, and smaller buses have 26 seats. Does not have a spot for a wheelchair. If you have to fold down chairs to make room for a wheelchair, you are down to around 22-24 seats. Doesn't have the longevity of the bigger coaches.

- Bird: How do they compare economically in terms of fuel consumption?
- Kevin Ploehn: About the same. Will test out, and if these buses work out, we will get about 6.

Airport Totals

▪ Total Revenues	\$18,604,796
▪ Total Expenditures	<u>19,247,654</u>
Revenues minus Expenditures	\$ (642,858)

- Airport has a lease agreement with the airlines. It is called a Residual Deal. The way it works, is in certain years we try to do our best to project what the budget is going to do. Put that into a rate calculation, and then the airlines pays terminal rate and landing fees based on those numbers. If we miss one way or the other, we make it up in the next year. We have shown a credit in the last couple of years. In 2011 and 2012 when we see we're on the upswing, we were making more revenues in our concessions and other areas than we had budgeted. We had money to return back to the airlines through a Capital program. We are not charging them as much to do a capital project. We are burning some money we have instead of charging the airlines for it. Last year when we did our budget, wanted to insure that we had the local share of funds to make sure we could do that runway project. Local match was about \$700,000. Built that into the budget and last year, working with the FAA, sent in a submission for a facility charge application that allowed me to use those funds for the local share. Basically giving back local share funds that I collected for the project to the airlines this year.

Airport Operating Revenues

Budget Year	FY 14	FY 15
Concessions	\$3,803,020	\$4,178,334
Land/Building Leases	1,405,001	1,435,002
Airlines	2,956,647	3,093,947
Other	<u>1,265,765</u>	<u>1,171,586</u>
TOTAL	\$9,430,433	\$9,878,869

Own all facilities. Gift shop, restaurant, car rentals, and parking, Wi-Fi, bar, etc. We negotiate a contract for a certain amount of revenues.

Airport Operating Expenses

Budget Year	FY 14	FY 15
Administration	\$1,832,018	\$1,809,924
Building Maintenance	1,946,595	2,010,819
Airfield Ops / ARFF	2,518,152	2,604,673
QTA	760,799	690,011
Airport Police	<u>857,208</u>	<u>850,264</u>
TOTAL	\$7,914,772	\$7,965,691

QTA is a car wash facility we built for the car rental agencies. Backed it with a bond that would have a Customer Facility Charge through Ordinance. They charge each customer that rents a car, \$3.00 per day up to 14 days. Then they submit those funds to the airport to cover the debt service on that outstanding bond. We built the facility. Number is down on the QTA. We are

trying to figure out what number to use for our budget for buying fuel. We purchase the fuel for the QTA, add a few cents on for maintenance costs and then pass it on.

Airport Capital Revenues

▪ Federal Grants (AIP)	\$6,972,300
▪ Customer Facility Charges (CFC)	707,100
▪ Passenger Facility Charges (PFC)	<u>1,046,527</u>
TOTAL	\$8,725,927

Airport Capital Expenditures

▪ Federal Grants (AIP Funded 90%)	
Storm water drainage additions	\$2,700,000
Expand Concourse B hold rooms and restrooms	2,000,000
Construct Public Ramps	1,667,000
Runway 10R Extension:	
Environmental Assessments, land purchase and design	930,000
Repave Air Carrier Ramp	<u>450,000</u>
TOTAL	\$7,747,000

Airport Capital Expenditures (cont.)

▪ Passenger Facility Charges (PFC)	
Replace two terminal building escalators	\$ 450,000
Design ticket counter layout	330,000
Fence storm ponds A, B, & C	<u>100,000</u>
TOTAL	\$ 880,000

Airport Capital Expenditures (cont.)

▪ Local Capital	
- Roofing Projects	\$ 505,000
- Terminal Building Signs	200,000
- Painting and Flooring Projects	200,000
- Miscellaneous Equipment and Software	<u>143,350</u>
TOTAL	\$1,048,350

- Public Comment: Kevin Nelson - 4235 Bruce Ave: Speaking for a person who asked me to speak to Council. He was disappointed in the snow removal in the parking area. Do you have any plans to address that the parking lot is kept cleared off? Second question: If you buy a \$400 airline ticket, how much is associated to the budget? What is it compared to other airports of the same size?
- Tom Binford: Here is the challenge with the public parking lot during winter storms like we had last year when there is a lot of wind. We require the operator to plow the lot. They generally do a very good job. City crews do not do that. The problem with the parking lot, it stays full (85-90%). The difficult part about that is they can plow the drive lane. Because of the amount of snow, tends to drift in the cars. It takes a very long time. Cost of an airline ticket - Majority of the airline fee are federal taxes, fuel, and wages. Airlines make about .1% of the ticket sale. Have to sell a lot of volume to make a profit. Our costs are not a deterrent. We provide the infrastructure for the airlines. They really don't build anything here.

TOPIC #4: Public Works

- **Dave Mumford: FY 2015 Proposed Budget Presentation**

What we do in a year ...

- Maintain facilities in 35 locations & infrastructure worth approx. \$5.15 billion.
- Manage \$65 million in capital projects
- Review, permit, & inspect 3,000 sites

Maintain

- 1,361 roadway lane miles
- 112 alley miles
- 199 miles of storm sewers
- 106 signals
- 3,980 street light

- Collect 240,000 tons of waste
- Collect 63,000 pounds of household hazardous waste
- Compost 11,000 tons of yard waste
- Serve 33,100 collection customers
- Perform 6,700 feet of pipe bursting

- Pitman: Are we limited by the season the reason we are only doing 6,700 feet?
- Dave Mumford: Yes. Only have one crew.
- Crouch: Life expectancy?
- Dave Mumford: Both poly pipes so life expectancy is 70-100 years. Fused together so there are no joints.
 - Maintain 471 miles of water & 478 sanitary sewer main miles
 - Treat 5 billion gallons of wastewater
 - Serve 29,800 water & 33,000 wastewater customers
 - Treat 8.1 billion gallons of drinking water

FY2015 proposed FTEs ... 248.5

Our success is our staffing. 9 divisions, 450 permanent employees, and 300 seasonals.

Services we provide are part of what makes this a good community to be in. Funded through resources. Funding is unique. We have a lot of funding sources to keep track of. Have no GF or tax based revenues that come in. All fee for services.

FY 15 proposed revenues ... \$110M

Grant Revenue ((\$.2M)	0%
Interest earnings (\$.3M)	0%
Permits (\$.5M)	0%
Interfund transfers (\$1.9M)	2%
Intergovernmental (\$2.4M)	2%
Special Assessments (\$16.3M)	15%
Debt proceeds (\$26.9M)	25%
Charges for service (\$61.5M)	56%

FY 15 proposed expenses ... \$124M

Interfund transfers (\$2.7M)	2%
Debt Service (\$5.3M)	4%
Personnel (\$19.3M)	16%
O & M (\$31.3M)	25%
Capital (\$65.4M)	53%

Public Works does provide through the franchise fee, about \$2.2M to the GF on both revenues from water, wastewater, and solid waste services.

Summary of funding sources: Our expenses exceed in water, wastewater, solid waste, gas tax, storm, arterial, and street/traffic. Due to either saving up funding for this year to do capital projects, or through bonding. A few years back we started using state revolving fund to finance projects instead of saving up. The justification for doing that, instead of having the current customers paying for new reservoir for 2-3M by saving for it, by funding over 15 years, new customers are also paying for what they are benefiting from. Get good rates from the State Revolving fund at 3% on 15 years.

Assessment Increases Proposed to Maintain Current Service Levels...

	Average Annual Residential Rate		Increase	
	FY 2014	FY 2015	\$	%
Arterial Construction Fee	\$43.20	\$44.35	\$1.15	2.7%
Stormwater fee	\$37.92	\$39.26	\$1.34	3.5%
Street Maintenance District Fees*	\$96.21	\$98.81	\$2.60	2.7%
Total Annual Assessments	\$177.33	\$182.42	\$5.09	2.9%

Rate increases requested to Maintain Current Service Levels & Fund Needed Capital Projects ...

	Average Monthly Residential Fee		Increase	Status
	FY 2014	FY 2015	\$	
Solid Waste	\$7.77	\$8.55	\$.78	<i>Fee Approved 4/14/14*</i>
Water	\$36.80	\$38.94	\$2.14	<i>Public hearing 5/27/14</i>
Wastewater	\$22.90	\$24.45	\$1.55	
Total Monthly Fee	\$67.47	\$71.94	\$4.47	

**Landfill fee increases also approved at 4/14/14 Council Meeting.*

Primary O&M Increases . . .

Funding Source	Description	Amount
Various	Cost allocations and internal service charges	\$210,226
Solid Waste	Household hazardous waste	\$150,000
Solid Waste	Containers	\$100,000
Solid Waste	Maintenance Workers (2)	\$ 94,420
Arterial	Shiloh roundabouts striping	\$160,000
Storm	Street/Traffic Equipment Operators (2)	\$101,650
Wastewater	UV bulbs	\$110,000
Wastewater	WWTP engine generator rebuild	\$100,000
Wastewater	Trunk sewer line cleaning	\$300,000*

*Reduced capital budget (sewer rehabs) by \$300,000 to fund trunk line cleaning

FY 15 Capital Budget . . .

- Storm Improvements - \$13,053,750
 - East end storm sewer system \$11,253,750
 - Annual storm trouble spot program \$ 150,000
 - Grand Avenue storm \$ 1,600,000
 - Shiloh conservation area \$ 50,000
- Transportation Improvement - \$12,211,392
 - Street & sidewalk reconstruction \$3,745,245
 - Calhoun street construction \$2,302,000
 - SIDs \$1,000,000
 - Colton (SID) \$1,132,000
 - Poly Drive – 32nd St. W. to 38th St. W \$2,325,000
 - Traffic improvements \$1,075,000
 - Shawnee Drive improvements \$ 65,000
 - Barrett Road improvements \$ 350,000
 - Trails \$ 217,147
- Pitman: Still have section of dirt on Barrett Road that is not paved.
- Dave Mumford: Everything will be paved all the way to Bitterroot. This will reconstruct and put full curve/gutter/sidewalk.
- McCall: Poly 32nd to 38th will have sidewalk/curve/gutter?
- Dave Mumford: Put in some CTEP (Community Transportation Enhancement Programming). Those sections will have curve/gutter/sidewalk, and bike lanes.
- Yakawich: Noticed on Montana Ave. as well as State St., it is very smooth. New technique they are using now?

- Dave Mumford: We have started moving this year to the same pavement mix that was designed with a better ride surface. Same as on Grand.
- Mayor Hanel: Grand Ave. from 29th out towards Shiloh?
- Dave Mumford: Are starting a design. Have been working with Zimmersmans and Yeagans on acquiring land. Hoping to swap land for the cost they would have had to do for construction. In 3 years we will be paving and building.
- Pitman: Follow-up on a conversation I had with Commissioner Reno as far as some of our millings. We usually don't use a lot of them. Is there any way that can be directed towards the Alkali Creek Road out to Highway 3? What is the process in which we would direct it to that?
- Dave Mumford: If they want the millings, we can provide it to them. They haven't asked us for them. Normally get more millings than we need from the state.
- Pitman: If we had some we could direct it towards that project.
- Tina Volek: Dave, don't we use some of ours for park projects?
- Dave Mumford: A little bit. We have tried a couple of alleys off of Rimrock. Still waiting to see how they hold up and whether or not we can do some of the alleys along Rimrock that basically wash out every time a rainstorm occurs. Yes we can provide those millings.
- Water System Improvements - \$28,779,000
 - Reservoir improvements \$8,450,000
 - Chemical building improvements \$6,000,000
 - WTP land expansion \$1,396,000
 - Chapple area water main \$2,200,000
 - 56th Street water line \$1,426,000
 - Water rehab program \$6,600,000
 - Main extensions \$1,300,000
 - Plant improvements \$1,407,000
- Wastewater system improvements - \$9,438,000
 - 38th Street West sanitary sewer \$2,221,000
 - South side sanitary sewer \$1,055,000
 - Wastewater rehab program \$3,740,000
 - Main extensions \$2,100,000
 - Plant improvements \$ 322,000
- Landfill improvements - \$407,000
 - Overlay main access road \$100,000
 - Hillcrest road land purchase \$105,000
 - Licensing expansion \$150,000
 - Phase 4 closure design \$ 52,000
- Equipment replacements - \$4,127,782

Ongoing funding challenges . . .

- Each of Public Works' funding sources has legally restricted functions.
- \$165M of storm deficiencies. Only \$1.4M annually available for capital.
- Utility rehab program funds approximately 3 miles of water and 3 miles of sewer replacements each year. This means pipe needs to last for 160 years!
- Increases in cost of construction & maintenance exceeds annual increases in funding due to additional lane miles & cost of construction inflation.

Big ticket projects in the pipeline . . .

- Additional water treatment capacity/plant. Estimated at \$50M & needed in about 10 years.
- More stringent regulations for wastewater treatment. Will require Phase 2 of wastewater treatment plant improvements.
- \$15M Phase 6 expansion at Landfill slated for FY 21.
- Water plant transmission lines & wastewater plant interceptors in need of replacement.
- Pitman: Dave, could you come up with some information on what it is costing Public Works to provide water, wastewater, and solid waste for the City.
- Dave Mumford: If we look at all of our water, wastewater, garbage and assessments, an estimate right now is about \$600,000/year. The PW provides free services to the other cities for different needs.
- Pitman: As we look at our budget, and do the inter-department transfers, we actually need to address at some point. Reality is that \$600,000 is buried into the water/sewer rates. Important to be up front and honest with the tax payers, and our entire system.
- Mayor Hanel: Are you suggesting charging those departments?
- Pitman: Yes.
- Mayor Hanel: Budgets for those Departments would be affected which we would pass it back on to our citizens?
- Pitman: Yes. It is just being a little more honest about how or where it is coming from. Water rates may go down a little. Most of these funds are coming from the GF. Our enterprise funds do pay their water, sewer, and solid waste. It is a discussion we need to have in getting a grasp on our actual costs for doing business.
- Tina Volek: We have metered parks, but City Hall and this building (Police Dept. – District Court) have a multitude of Depts. that are using electricity, water, and sewer. We have no metering system so we would have to create one. We use common restrooms. If you are talking about Parks, that is one way we could pay for it. However, I have never seen this done, that we charge back for those kinds of services. We are looking at, and one thing you have in your Strategic Plan, is the cost of services study down the road.
- Public Comment: Kevin Nelson – 4235 Bruce Ave.: Section of road not completed on Central Ave. (between Littlehorn Bank back to the AT&T Building). No curve, no gutter, no sidewalk. Still not done and the land is for sale. South side of Central Ave. west of the Bank. 300 ft. section of vacant land. Across the street, there is a vacant piece of property that has been done. Concern is, we don't want to finish these projects. Perfect example is across from Albertsons on Grand. Sidewalk was completed from the Cancer Center down to 32nd. Why not go back the other way to Will James and it would be done. When you develop along Central and Broadwater and Grand, that provides the incentive to in-fill that property annexing this property out on, who knows where, and providing those services. A lot of towns somehow get it done. Concerned about giving up our millings for Alkali Creek. Going to take the millings and give them to the County so they can go and continue from Alkali Creek where they stopped, on out to where the bypass is coming by on out to Highway 3. Throw them out there in some alley that even if you put asphalt up there, it wouldn't work because of the undercutting of the water that just is going to undercut the asphalt. We have got flat city streets that are just as constructed as well as Alkali Creek, and we could use those millings on those streets. If it is good enough for the County, it should be good enough for us. Perfect example is going from the landfill all the way out to Hanser's old junk yard. Those are all millings. That is heavy truck driving. We pay for this and then we don't turn around and reuse it. Can certainly benefit from them at a minimal cost to the City that would provide an asphalt

surface that would be perfectly good for residential use. Missed a great opportunity on Laurel Road. State finished that road. Put the sidewalks in by B&D Tire and around the corner. Completed the project. Wish this City Council would set some money aside, clean-up projects and finish. It would enhance the City.

- Mayor Hanel: Mr. Mumford, a couple of areas Mr. Nelson referred to if I am right, on Grand east of the treatment cancer center. Who does that belong to?
- Dave Mumford: It is still in the County. It is Yeagans. It is not City property. The reason that it was done by the Frontier Building, because it came into the City and the Frontier Cancer Center was required to build it. Same with the section (vacant lot) on Central Ave. The property owner is responsible to put the curb/gutter/sidewalk in with his development.
- Mayor Hanel: Evangelical Church that purchased that? They will be completing?
- Dave Mumford: When they do their work, they will be completing that section.
- Mayor Hanel: Can you comment to Mr. Nelson on the millings used on the City streets?
- Dave Mumford: Millings are a poor man's way of trying to do something. Will be back maintaining it. Alkali Creek Road, the section he spoke of, has virtually no traffic on it. Millings don't hold up long term so we don't do it. The section of alleys we did two years ago is holding up very well. Works nice for our trucks, garbage trucks and for the property owners and we don't have mud. We want to give a couple of years and make sure we aren't wasting money. Then start moving down Rimrock Road in the alleys to clean up the mud we are always fighting after a storm.
- Mayor Hanel: The property owners have declined the opportunity for an SID improvement of streets correct? So we are not neglecting them.
- Dave Mumford: Yes. We still do patching.
- Brown: With millings, what would be the cost to do the parking lot at the Dog Park, and at Centennial Park, where some are just gravel?
- Dave Mumford: Could be used there, but one of the concerns is we require businesses to put down asphalt parking lots. Riverfront Park and Swords Park Trail have millings. Low volume, low impact areas, we have worked with Parks and helped them out.
- Brown: How long do you think that would last in a park?
- Dave Mumford: Quite a few years. We don't have a lot of milling. We don't do big load projects like the State does and we don't compete with the private sector. Very conscious working with Knife River and Riverside. We fix small areas of road, patches that would be hard for them to come into with rotomills and work on.
- Mayor Hanel: When is Broadwater going to be resurfaced?
- Dave Mumford: Soon. We are not going to start Grand until we have Broadwater open and fully repaired. Have had some water issues there. No leak in pipe. We can't figure out what the compaction issues are. Still need to figure out how to get that asphalt down.
- Tina Volek: How this is being paid for?
- Dave Mumford: All repairs are strictly at the contractors expenses.

TOPIC #5: Administration and Administrative Services

- Bruce McCandless: Presentation on FY 2015 Administration and Administrative Services Proposed Budget. Recognize 3 Division Managers – Saree Couture, our Facilities Manager and has been our stand-in Parking Supervisor also; Larry Deschene who is the Police Services Manager; and Dave Watterson who is our Information Technology Officer.

Budget Divisions

- Mayor and City Council
 - Policy body wages, benefits and operating costs
- City Administrator
 - Chief Administrative Officer; City Clerk
- Non-departmental
 - Public Safety transfer; insurance; elections; lobbying
- Parking
 - Downtown on-street; garages; lots; enforcement
- Fleet Services
 - Maintenance; replacement/disposal; supplies/parts
- Information Technology
 - New technologies; maintenance; replacement; telephones
- Facilities Management
 - Clean & maintain; replacement; consulting

Division	FY 2014	FY 2015	\$ change	% change
Mayor and Council*	\$273,646	\$271,091	<\$2,555>	<1%>
Administrator	\$659,759	\$678,102	\$18,343	2.8%
Non-departmental	\$22,957,031	\$23,555,060	\$598,029	2.6%
Facilities	\$1,608,549	\$1,749,308	\$140,759	8.8%
Fleet Services	\$1,559,319	\$1,731,101	\$171,782	11%
Info. Technology	\$2,145,527	\$2,139,749	<\$5,778>	<2.7%>
Central Phone	\$377,358	\$349,495	<27,863>	<7.4%>
Parking	\$1,591,647	\$2,095,151	\$503,504	31.6%

*Does not include \$65,000 contingency

Facilities Management

- City Hall
- Billings Operation Center
- Consulting: Animal Shelter, Fire Stations, Parking Garages, Library, etc.

Facilities Mgmt. Revenues

- BOC \$674,931 41%
- Transfers \$480,199 29%
- City Hall \$466,327 28%
- Misc. Admin \$24,780 2%

Facilities Mgmt. Expenses

- O & M \$625,650 36%
- Debt \$532,057 30%
- Personal Services \$397,337 23%
- Capital \$194,264 11%

- Bruce McCandless: Fleet Services – Listing of the kinds of services that are performed at the motor pool. A lot of equipment. As we add personnel, almost always add equipment which puts additional vehicles for fleet services to maintain. All work is done by 18 people who include administrative support, parts counter, and a courier. Showed photos of wide variety, size, and uses of the equipment that the City operates. Fleet Services works on almost all of it. Anywhere from lawn mowers to garbage trucks, and more.

Revenues for Fleet Services are about \$1,625,200, representing an increase of \$73,583 or 4.7% over the FY2014 projections. Revenues are generated from user departments for services provided.

Fleet Services Revenues FY 2015 - \$1,625,200

○ Miscellaneous/Courier	\$47,800	3%
○ Parts/Fuel	\$172,250	11%
○ Labor	\$1,405,150	86%

- Mayor Hanel: What basis is used by Mr. Deschene (Motor Vehicle Maintenance) for accounting as far as the labor rates?
- Larry Deschene: We establish what our expenditures are and then base our labor rates and try to offset as much as we can by parts markup. We charge a small markup for parts. The rest of the elements come into the labor rates and then that is also based on the demand of labor that Departments require of us, and the amount of existing hours that we have so that is divided up into the existing hours. Our labor rates proposed for FY15 are \$73/hour.
- Bruce McCandless: This is a planned expenditure. There are a number of pieces of capital equipment that aren't shown as capital.

Expenditures

The FY15 budget represents an overall increase in the Fleet Services expenditure budget of \$171,782, or 11% primarily due to increase in personal services, capital and supplemental expenditures requests.

- Supplemental Budget Request include:
 - Fuel System Control Update, \$50,000
 - Technician training for CNG Powered Vehicles, \$14,000
 - Tire Machine Replacements, \$12,000
- Capital Budget Requests include:
 - ERP Replacement of three pool vehicles with used transfers, \$27,209

Fleet Services Expenditures

FY 2015

	\$1,731,101	
Personal Services	\$1,265,939	73%
Operations and Maintenance	\$342,183	20%
Transfers	\$95,770	5%
Capital	\$27,209	2%

Bruce went over the Labor Rate Comparison handout. Compared City of Billings labor rates to the labor rates of private shops around the community. Doesn't make any distinction between the kind of service that is performed on equipment, but we do. We charge lower rates for certain services. They are down two mechanics. Substantial overtime being worked by the present employees. How to tackle problem? Haven't worked that out yet. If we pay a higher wage to recruit someone, then what about all the

other mechanics? As well as, there are mechanics other places like the Airport because all of the other equipment they have.

- Tina Volek: Benefits are starting to catch up. Mr. Deschene lost a top grade mechanic to a private company that has a Bakken attachment. \$25/hour increase. We are looking at some serious issues. There are cost adjustments you can make on a temporary basis. Going to be a real challenge for us. If we do raise salaries for these employees, not only are we having to look at other employees in the same shop, those fees would have to go up because it is supposed to be self-sustaining. That increases costs to the departments that use the service. That too is another factor.
- Bruce McCandless: Not always an alternative to take equipment to a private shop. They are having the same problem with retention and recruitment that we are.
- Pitman: Big picture is, it has a ripple effect.
- Bruce McCandless: Information Technology – Staff of 18 employees.

Supports & Maintains

- 50 physical and virtualized servers
- 16 network communications centers.
- Geospatial Infrastructure
- City Website
- Innoprise Applications and Conversion
- New World Systems – Public Safety Applications and Conversion

Mobile Support for: 92 Police vehicles

13 Fire Apparatuses

- Over 600 PC's
- 300+ printers and copiers
- Network services to all City facilities
- Fiber and wireless infrastructure
- Wi-Fi Services

New World Systems is going to be ready for use this October. IT has been working with this software for implementation for 6 months.

- Mayor Hanel: Why are we still using printouts for weekly time sheets?
- Tina Volek: Do that as an exception. The routine items are data entry.
- Dave Watterson: Are doing a lot of projects. Enterprise had a payroll system. They upgraded to a new payroll system. We waited about 6 months, and then we went live January 1, 2013 with that payroll system. We have more demands than what other customers have. Enterprise has built the system for us. System is designed to enter payroll out in the field and then be approved electronically by the supervisors and then come to payroll. We have been doing payroll sheets for 30 years. Very engrained in the way time is accounted for, managed, evaluated and double-checked. Will probably be 1-1 1/2 years and we won't have those sheets anymore. Not sure of details yet. Big monitoring and accountability issue here to make sure time is accounted for properly and accurately.
- Bruce discussed briefly internal services provided by IT.

IT FY 15 Budget Summary

Total Revenues	\$2,139,749
Total Expenses	\$2,129,573

IT FY 15 Expenses Overview

▪ Personal Services	\$ 1,547,941
▪ O & M	\$ 483,632
▪ Capital (Servers/Storage/Exchange/ Communications)	<u>\$ 98,000</u>
TOTAL EXPENSES:	\$ 2,129,573

Central Phone Services – Internal Services Provided

Purchase, support, and maintenance of:

- 8 telephone PBX's
- 487 landline/conference phones
- 70 Centrex phone lines
- 391 cell/push to talk/Smartphones

Central Phone Services – Internal Services Provided

In addition:

- Administer all communications financial records, and maintenance contracts.
- Support & maintain the telecommunications infrastructure all the way from the PBX's to the desktop.
- Provide training for telephone, cell phone, and voice mail systems.
- All services provided by one Telecommunications Manager & support from the IT Administrative Secretary.

Central Phone Services

FY 15 Budget Summary

○ Total Revenues:	\$355,880
○ Total Expenses:	\$349,495

Central Phone Services

FY 15 Expenses Overview

▪ Personal Services	\$115,700
▪ O & M	\$233,795
▪ Capital Items	\$ 0
TOTAL EXPENSES:	\$349,495

Parking

- Services
 - Downtown parking provider
 - 4 parking structures – 2,100 spaces
 - 3 surface parking lots
 - 600+/- street meters or time limited spaces
 - Parking regulation enforcement
 - Downtown
 - Hospital corridor enforcement, time permitted
 - Stakeholder input
 - Parking Advisory Board
 - Downtown Alliance

- Maintain facilities and equipment

Parking Revenues – FY 15

▪ Parking Garages	\$1,251,000
▪ Meters and enforcement	\$450,500
▪ TIF Transfer	\$100,000
▪ Surface lots	\$ 57,000

Parking Expenses – FY 15

▪ O & M	\$741,507
▪ Personnel Services	\$669,481
▪ Capital	\$430,344
▪ Debt	\$253,819

- McCall: Personnel services – Where are we with a new Parking Manager?
- Bruce McCandless: Formed a stakeholder group to take a look at the job applications. CM Yakawich, Cromley and Downtown Alliance were part of the team representing the Parking Advisory Board. It will include a person from HR. We have selected a group of 4 people of about 25 applications that we would like to interview. Whole idea was to get Parking Manager hired sometime during the Parking Strategic Plan.
- Crouch: How many on staff for Parking? 12 FTE's including the manager. Date for the Empire Parking Garage to open?
- Bruce McCandless: June 13th or the 16th.
- Swanson: Status of sale of the condo space?
- Bruce McCandless: Have signed Purchase Agreements with 3 parties for the sale of 100% of the retail space. Sent Council a short Friday memo three weeks ago.
- Crouch: How many parking spots do we have?
- Bruce McCandless: Enough handicap parking spaces to meet requirements of the ADA. There are 4-6 handicap spaces on each level. Empire Parking Garage is unmanned. There is no way for a machine to distinguish between a person who is able bodied and who may have a physical disability, and has a handicap tag. They will be required to pay if they enter the garage. We are going to have to come back to the City Council with some changes.
- Public Comment: None

TOPIC #6: Council Discussion

- Crouch: NDO has not been officially dead. Any congregation of the church that plans to do the same thing, usually goes into an educational program of anywhere from 1-3 years to help people understand exactly what that means and to welcome this LGBT community. Have heard from some of the community of what their concerns are for fairness. Haven't heard too many about discrimination according to the City Attorney. Would like for us to give more than three minutes to some mental health workers who work with this community, to help us to understand them in a little bit different frame. Those who are opposed to it have given us some pretty unsubstantiated material that is not factual. Took a human sexuality course in 1969 that was about an inch thick. Very little about homosexuality. 20 years later, that book was 2-3 times thicker with a lot of material helping me to understand. It is very hard for a community to understand if they haven't done any preparation. If the only thing that they hear is very negative, they are not open to anything positive as to these people who are citizens who do have problems being accepted, honored, and given dignity in our community. Anything where the State has not done something, most of those people of the State

Legislature are from small communities and they say they have no problem. That is because when a young person is in question about whom they are; they come to the big city when they have a chance, where they can be lost in the crowd. It takes through high school, college, and later for them to be at home with themselves. It took 34 years for one young man to come to terms with who he was and get out of that job where he was constantly hearing the negative words. I would like for these two to come and say exactly what they have to help us to see in a different light. A woman came to our church and helped us understand what it means to be gay and what they have to go through. The second person works with the mental health program in Billings Clinic, and would be able to say without naming names, the kind of discrimination and abuse that they face sometimes daily in our community. With only one item on the Agenda next Monday, I would like to have them come and speak for 10-15 minutes.

- Mayor Hanel: They will have the opportunity during the public comment on non-agenda items this coming Monday. As Mayor, I am in control of the meetings, time, and so forth and everyone knows I have always been very allowing on time. Very seldom have I said, "That is enough. Sit down." At the same time, I would like to think that the Council should have some say in this. This is your time too.
- Brent Brooks: Our City Code on Non-Agenda Items under 2-21413 - The length of time a speaker may speak is limited and is set by the Mayor or the presiding officer of the meeting. Did do a memo about 2 years ago on time limits. The memo says "As long as everybody is treated the same in terms of the time limit set." Mayor's presiding officer would either at a work session or a regular agenda, have the ability to adjust the time limits in your discretion.
- Mayor Hanel: Need to be very careful. Could we possibly open the door for future concerns?
- Brent Brooks: If you open a particular issue and allow somebody to speak 15 minutes per person, and be here for quite some period of time, that isn't legally obligating you from that point forward for any issue to allow 15 minutes per person. I think in your discretion as the presiding officer, you can determine how many people are in the audience who want to speak on the matter; much like the state legislature does in its committee hearings. Quite often the committee as Council Member McCall knows, the committee chair will say, okay the proponents have an hour. You decide amongst yourselves who wants to speak for what period of time. Sometimes the chair will say, "We will limit to two minutes per person" for example. You have broad discretion to set a time limit per issue, per meeting, be it on an Agenda or Non-Agenda. As long as everybody is treated the same in terms of their opportunity to comment at each meeting. For example, if you limit proponents to an issue to 30 minutes and yet you said the opponents can have two hours, obviously that is unequal. Everybody should be provided the same time limit on a particular issue. But you are not obligating yourself legally down the road for every time somebody comes up then to say well we did it on a separate issue two weeks ago, and now everybody from henceforth has five minutes to speak. It is a matter of per person, per issue, per meeting all being treated the same.
- Swanson: Interested in the process that we are going to be going through the next couple of weeks. CM Brown's motion last night passed, and there is an agenda item that is on the Agenda on the 9th of June for the discrimination issue.
- Brent Brooks: The Council will decide whether or not you want to proceed further with the direction to staff to draft and present a version of the anti-discrimination ordinances that have been approved in four other cities. That is a narrow issue for you to determine you are not voting on a draft. You are simply voting on June 9th whether or not you want staff to proceed forward and present to you on June 16th a draft of such an ordinance. The vote will be either yes you do want to proceed, or no, you do not want to proceed.

- McFadden: The fact is that we don't have a couple of extra testimony people to come and speak for 15-20 minutes each on the other side of the issue. It is starting to look a little lop-sided from here.
- McCall: As much as I would like to see that opportunity for more education and awareness, I think we do have to make it fair and equitable. Same amount of time for both sides of the issue. However, I do think that the two people that CM Crouch identified possibly could even put some information together. Something not too elaborate, but to send it out to the Council in advance and be prepared to speak to it.
- Brent Brooks: Anyone can e-mail the Council or regular postal service, any materials that they would like for you to consider. CM McCall's suggestion would be efficient use of time should someone want to submit something to you electronically or a hard copy. Then come to the Council meeting and summarize it.
- Cromley: Remind everyone that part of our procedure is when somebody gives testimony, that we as Council can ask that person a question.
- Mayor Hanel: I would never discourage that. I have respect for each and every one of you.
- Pitman: I agree that we need to stay to our time limits. If we open it to one, we open it to everybody. That means three minutes. We could have everybody doing fifteen minutes; we would be here for days. Keeping it to the time limit is more appropriate.
- Crouch: Liked the idea you presented so that we don't have to stay late. To give an hour to each side.
- Cromley: That does happen in the State Legislature quite a bit. Particularly where you have two sides. At the end, anyone who doesn't get a chance can still come up and give their name so they go on record as for, or against.
- Mayor Hanel: If we end up with a full house that may be an option.
- Brent Brooks: Think it would be kind of an ad-hoc analysis of how many opponents and proponents do we have? And then determine if an hour is sufficient per side.
- McCall: Having been a lobbyist, it is a good way to control time length in a meeting. At certain times you just have to do it. Keeps people on point.
- Mayor Hanel: I don't discriminate.
- Bird: Two items – Got a call from a Duane Breiner who was the gentleman who called me a couple of weeks ago who lives on the opposite side of Keven Nelson around the Highlands project. They are upwind. He called and left a message complaining about the Highlands trucks coming in at night. Also concerned what the load and weight limit was on Orchard Ave. His wife had to pull off the road for a sizeable load coming down Orchard Ave. towards the Highlands property. Are there load and weight restrictions on Orchard Ave.?
- Tina Volek: I know there are on commercial streets but not certain if Orchard qualifies, but I will find out.
- Bird: Other item is more of a courtesy that I felt was important to mention for the record. Today Maya Angelo passed. She was an activist, advocate, writer, and entertainer. A mentor for many in the African American community. Incredible woman and gift to the country and will be missed.

TOPIC #7: Public Comment on items not on the Agenda: None

ADJOURN TIME: 9:40 pm