

City Council Work Session

5:30 PM
Council Chambers
Date: June 2, 2014

ATTENDANCE:

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

Agenda

BUDGET ONLY

TOPIC #1: Council Budget Discussion

- Pat Weber: Presented City of Billings FY 15 Budget Changes – Additions and deletions to Exhibit A for the budget adoption.

ADDITIONS

▪ City Attorney	\$ 3,818
▪ PRPL	\$ 25,000
▪ Code Enforcement	\$ 17,017
▪ Building	\$ 4,305
▪ Police	\$ 10,300
▪ Parks Programs	\$ 10,000
▪ N 27 th Street Tax Increment	\$250,000

DELETIONS

▪ Non-Departmental	\$ (30,000)
▪ New Exhibit A in Friday Packet based on new changes today	

- Yakawich: Define Contract Amendment.
- Pat Weber: Weather delays and other things that have happened that costs in the contract are an increase. Asking to justify that Contract Amendment.
- Bruce McCandless: Had a rough winter. There were a number of delays (about 4 months) on completion of the Empire Garage. That delay is under a design/build contract. The builder and the owner, in this case, the City of Billings share in some of that cost. Have made a proposal to Sletten Construction to cover their winter losses. Haven't accepted or rejected. If they accept what staff has worked out with OAC's assistance, it would come back to you in the form of a change order. It comes back to the City Council because the total amount of change will exceed what has been authorized to the City Administrator to sign.
- Pat Weber: Handed out to Council completed questions and answers.
- Cimmino: Is the \$918,000 for the fire truck for FY15 monies in reserve?
- Tina Volek: We will be able to buy that truck with cash.
- Mayor Hanel: Mr. Weber, you provided information on the Metra and it appears as if there is approximately 10 ½ mills that is collected for different needs. Found

it interesting with the TBID presentation, they are looking for a \$60,000 subsidy to help float some of the activities. Have a hard time accepting that with a \$3 1/2M budget, you can't come up with \$60,000. I see the big picture of high school events and what they do for our communities.

- Brown: How many officers may retire in this next Fiscal year? Are we prepared or are we budgeting for that amount of money with their comp. and everything that has got to be paid out?
- Pat Weber: We do have an annual budget to cover retirements. Covers the comp., vacation, and sick.
- McCall: We are at about \$37.9M for revenues for Public Safety. Without a Public Safety Mill Levy, we will be able to go to 2016 under current budgeting?
- Pat Weber: \$16-17M without a levy and then at that point we need to make other decisions.
- McCall: When will we discuss the Public Safety Mill Levy and make a decision?
- Tina Volek: I am anticipating July.
- Tina Volek: It would be correct to say that also assumes that we will make no other significant payments out of the GF on budgeted reserve. It assumes the unbudgeted reserve will remain at approximately what it is now. Also anticipates that if the Public Safety Levy is adopted, we would be paying that unbudgeted reserve into the costs of that mill levy to help offset the mills in the early years.
- McCall: With the unassigned fund balance, we are looking at \$11.7M?
- Pat Weber: Yes
- Tina Volek: Some of that will be used after the 2015 budget.
- McCall: The one we have on the spreadsheet for 5-12-14 says \$11.22M.
- Pat Weber: When I did that \$11.22M at that time I knew we might have to pay \$500,000 for the drainage at Phipps Park. Not sure now we are going to have to pay that much. They are going to keep changing until we adopt a budget and we finish June. After that I will be able to do more accurate numbers.
- Tina Volek: We had a situation in which a long buried pipe under the railroad was blown out in the September storm by water from Phipps Park. We have been concerned that the situation might incur. We have looked at a solution with the help of the Public Works Dept. Are currently discussing with the developer in that area, and with the engineering firm that worked with the developer, what they would do to assist us with that project. When we get an answer, we will come back to Council.
- Mayor Hanel: The railroad is not going to participate?
- Tina Volek: That is correct.
- Brown: Rock removal, is that still looking at Public Safety Mill or the GF?
- Tina Volek: There are two options: One, the General Fund; Second, would be to use the Park Maintenance District Funds. It is maintenance to an existing park. We are waiting to hear from the contractor for what it would cost. Mr. Mumford has offered to pay \$200,000 out of the Public Works fund. We would need to find the balance which at this point would be \$300,000. Hope it will be less once they evaluate the options.

- Pat Weber: On June 23rd, that is one of the budget amendments you will see. A budget amendment to street traffic for \$200,000. At this point, a \$300,000 budget amendment for the Park District Fund. Then you can have the discussion; should it come out of that fund or GF. Right now I have it coming out of Park District Fund.
- Yakawich: Follow-up with CM McCall, we have until FY17. In the next couple of years, where will that money go?
- Pat Weber: Public Safety. If you look at what it is costing us right now for a 2.9% increase. The transfer to the Public Safety Fund is what eats away at the money.
- Tina Volek: In 2004 the City voters were kind enough to pass a second Safety Mill Levy increase at that time. Capped at \$8.2M. Did pay for additional firefighters and police officers. Also built a new fire station. Anticipated it would continue to pay for the growth in salaries and benefits for ten years. Was very successful. What we now need is to either reduce the staff of the police or fire; second option – to fund at our current level of staffing; third option – which is what the staff recommends, is to take into account our growth and what we are going to need. At this point, we have nine officers on the street at a minimum at any time. The Chief indicated to me that we need two more officers. That doesn't take into account the growth that is occurring. Want to also talk about the overtime at PD. That was affected by the year we had last year, which was the worst year the Chief had seen in his 30 year career in the PD. Numerous, very serious cases with a lot of overtime for our detectives who worked around the clock. Was successful.
- Mayor Hanel: Option two, to remain within the same budget frame we are operating now sounds good. In reality, those reserves are not going to keep up.
- Pat Weber: On the Public Safety Levy, tomorrow the Chief and I are meeting with Todd Buchanan and 12 citizens within the City of Billings to go over the Public Safety Levy.
- Tina Volek: To my knowledge there will be no City Council Members or the Mayor present, so there is no public meeting.
- Pitman: At the last meeting, we were told that \$600,000/year is being assimilated in the water bills to account for the water that is going to the parks and to this building, assuming the Library, any of the GF, fire and police stations, BOC. So if we are going to account for that as far as billing departments for services, how do we start implementing that?
- Tina Volek: You would have to amend the budget.
- Pat Weber: You would have to go out for a levy for the GF. You couldn't do it with the Public Safety Levy. Right now if we implemented that, we don't have \$600,000 extra in the GF. If we do pass a Public Safety Levy, the GF right now with what it has for revenue expenditures, can barely sustain itself. If you add \$600,000 you will take the GF into the hole.
- Tina Volek: The impact will be on the GF. That is what Parks, Police, and Fire are all paid out of.
- Pat Weber: No way for me to find revenue to cover that expenditure. That was a cost savings initiative that was done back in 2003 or 2004 to help the GF survive.

If we can add that expenditure, then you will be short on the Revenue side, the \$600,000.

- Pitman: How does the Council want to address this? When we talk about priority based budgeting, and we talk about going back to where we are getting incurring costs, I think it is an honest discussion to have with people.
- Tina Volek: This could lead to layoffs. At this point, borrowing some additional revenue source again, we can take it out of the reserves for a year. But, that diminishes reserves to apply to continue Public Safety for a period of time until we get the election, or alternatively if we are successful with Public Safety campaign, would diminish the amount that we could feed in to that to help keep the Mill Levy down. There are really few other alternatives.
- Pat Weber: Would be an unfunded expenditure.
- Tina Volek: We can look at it for 2016. Will plan and bring that to you for discussion.
- Pitman: As we go forward into next year's budget, it is a discussion we need to have.
- Mayor Hanel: As it is now, Mr. Weber, the method of collection is working. If it were changed to be reminded that these facilities that have a different form of collection all belong to the public. They can either pay for it with the method that is working via their utility bill, or reduce the utility bill and collect it from another source which would involve the general budget. It is going to be a nightmare for you and staff to make that change and monitor that. Either way, the public is going to pay.
- Brown: This is all open and transparent on how this is getting paid. Is there some way to put it on the water bill, what percentage of your bill is covering these different things?
- Dave Mumford: Gets to be so much on the bill. Very small percent. Could look at something in the future. Do track exactly how much water is used, and know what the collection is.
- Tina Volek: Suggest a Council Initiative that outlines exactly what you would like to see. Could bring it in as a post budget work session.
- Cimmino: The allocated reserve funds of \$11M. Recollection is that we already allocated or committed another \$800,000 for the software that the Police Dept. needed, after we purchased the radios, etc.
- Pat Weber: Already included in the \$11.7M.
- Public Comment: None

TOPIC #2: Council Discussion

- McCall: Item #7 on Agenda for City Council meeting June 9, which is NDO to postpone action. Do not recall any discussion on the date that we were going to move this to the end of the 2015 Legislature.
- Tina Volek: That is a staff recommendation, based on a discussion you were present at, CM McCall, at which outgoing Executive Director Alex Hansen said it is potentially an item that will be heard on the Legislative Session.

- McCall: Even though it is a staff recommendation, Agenda items generally come; particularly an Initiative, comes with the vote of the Council. Therefore, I don't think it is valid. It needs to be redone.
- Cromley: Agree with CM McCall. Don't think we asked for any recommendation from staff.
- Tina Volek: Is traditional and always has been for over 10 years. Prevailing numbers of the last item, would be to put it on the agenda to postpone indefinitely?
- McCall: My opinion is that it needs to be taken off and re-voted as an Initiative again at the next meeting, given that it is incorrectly stated here.
- Tina Volek: Postpone it to a meeting in July?
- McCall: Would be up to CM Brown. Assume he would want to bring it forward again.
- Tina Volek: The item is being advertised with the Initiative language that was from the Council meeting.
- McCall: Concern is that a date was inserted into this and the Council did not vote for that. Not a valid agenda item. It needs to come back to the Council again at a formal meeting in the future. If CM Brown wants to make a motion again, he can clarify that.
- Cimmino: I specifically remember our City Attorney was the one who made the recommendation for reviewing this on the June 9 Agenda. We voted on that.
- McCall: That is correct, but the item as it is written, says it will be delayed until after the 2015 Legislative Session. Was not part of the original Initiative. That was language that was added. We didn't vote for that.
- Cimmino: I agree with you, however, as Mrs. Volek indicated, this was part of the staff recommendation. We did just receive this agenda today. Those of us, who get paper copies, get it the week before, but it is posted online the Monday before the Monday meeting. You are correct in saying that we didn't agree to that language, but this was the language that was offered from staff based on the recommendation. We either vote to recommend approval or not. Simple motion.
- Cromley: We are set for hearing next meeting. It has been advertised and that is what the motion was, and we can't take action tonight. I think we should proceed next meeting.
- Mayor Hanel: I agree with you CM Cromley. It does not mean that you as a Council have to accept it and revise it. Certainly not going to accomplish anything this evening. Is printed, publicized and we will move on with it.
- Pitman: So we can amend the motion and that would be acceptable on Monday night?
- Tina Volek: There is no motion. It is a staff recommendation. The motion is at the discretion of the Council.

- McCall: I respect the decision of the Council on this, but when we have had mistakes on other agenda items, or there has been some sort of an issue, they are postponed.
- Mayor Hanel: Next Monday if you as a Council based on your comments, CM McCall, wish to change or postpone, that can certainly happen.
- Brent Brooks: As CM Cromley mentioned, we could move to strike or delete that as a consideration from the agenda item, then simply make the appropriate motion to delete that from consideration.
- Bird: Would like to go on record supporting what CM McCall is saying. What we see in print of that item for June 9th, completely changes the whole flavor of what CM Brown offered to the Council. I think it has some potentially significant ramifications. It is not the same Initiative that was offered.
- Brent Brooks: You could direct staff to send out an amended staff memo that deletes or omits that particular item. That is an option that might be easier to deal with.
- Mayor Hanel: Yes, there is a consensus to do that.
- Pitman: One of my Initiatives was to assign a name to the inner belt loop and bring it back to Council with three for them to pick. Came back with agreement of staff as Skyway. The other options were Trail Drive and Street. Staying with Skyway, everybody seems to be okay with that. Skyway Drive would be the preferred name. Unless there are any objections, it will be named Skyway Drive.
- Tina Volek: Normally the Council is not involved in the naming of a street, unless the Council wishes at a request, to rename something. It doesn't require Council action.
- Pitman: Looking at June 13th for a ribbon cutting and then they will officially open up the road.
- Mayor Hanel: Mrs. Volek, please have Code Enforcement follow up with the intersection on 8th St. W and Grand. Would be the SE corner. Weeds are about 3-4' tall.
- Public Comment: None

TOPIC #3: Public Comment on Items not on the Agenda

The following testified in **favor** of the Non Discrimination Ordinance:

Ms. Harris (Did not sign in)	2909 Harold Dr.	Billings, MT
Doug Johnson (Did not sign in)		Billings, MT
Martha Rhoades	4820 Sanctuary Tr.	Billings, MT
Walt Donges	941 Constitution Ave.	Billings, MT
Ron Bernhardt	2800 4 th Ave. N	Billings, MT
Kirsten Pett	219 Terry Ave.	Billings, MT
Donald Seibert	1112 Delphinian	Billings, MT
Debbie Shank (Did not sign in)	143 Grapevine Rd.?	Joliet
Charles Clark	707 1 st St. W.	Billings, MT

Elizabeth Artise? (Did not sign in)	707 1 st St. W.	Billings, MT
Hans Abbey	3512 Windmill Cir.	Billings, MT
Liz Welch	225 Ave. D.	Billings, MT
Rob Kirby	408 Alderson	Billings, MT
Aaron Thompson (Did not sign in)	2405 13 th St. W	Billings, MT

The following testified in **opposition** of the Non Discrimination Ordinance:

Lee Llewellyn	1038 N. 30 th St.	Billings, MT
Alfred Poirier	1805 Kampton Ct.	Billings, MT
Janice Bradley	2301 Custer Ave.	Billings, MT
Steve Hubley	368 Camel Place	Billings, MT
Thomas L. Hall	3040 Central Ave.(Apt 201)	Billings, MT
Curt Hughes	1322 W. Beartooth	Billings, MT
Thomas Jones	519 Carriage Cir	Billings, MT
Michael Mattson	2942 Howard Ave.	Billings, MT
Grover Peterson	1025 Evergreen Dr.	Billings, MT
Margie Hughes	1322 W. Beartooth	Billings, MT
Connie Zimmerman	902 Burlington	Billings, MT
Scot Miller	2226 Fairway Dr.	Billings, MT
Erich Geisler	403 Hurdle Cir. #201	Billings, MT
Chrissie Reinhart	511 Lewis Ave.	Billings, MT
Dick Pence	4307 Palisades Pk Dr.	Billings, MT
Carol Smith (Did not sign in)	1828 Alderson	Billings, MT
Vicki Miller	123 Rolling Meadow Dr.	Billings, MT

Did not specify in **favor or opposition**:

Joe Baum ? (Did not sign in)	124 N. 24 th St.	Billings, MT
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ADDITIONAL INFORMATION:

ADJOURN TIME: 10:17 pm