

City Council Work Session

August 7, 2006
5:30 PM

Community Center

ATTENDANCE:

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

CONVENE TIME: 5:30 P.M.

ADJOURN TIME: 7:23 P.M.

Agenda

TOPIC #1	PUBLIC COMMENT
PRESENTER	
NOTES/OUTCOME	
• CHARLIE HAMWEY OF 1010 GRAND AVE. spoke on the public safety levy. He said he has concerns about losing the levy and the impact the loss would have on his insurance rates. Mr. Hamwey stated that he is not in favor of the Fiscus and Brown referendum. He said he wants to see individual and maybe professional association support.	
• GARY BUCHANAN OF 3214 GREEN TERRACE said he is a part of the organized effort, "Yes Billings" and supportive of the 2004 levy. He said the referendum was politically motivated and about out of control. Mr. Buchanan urged the Council to unanimously support the public safety levy.	
TOPIC #2	Board & Commission Reports
PRESENTER	None
NOTES/OUTCOME	
TOPIC #3	December Meeting Schedule
PRESENTER	Interim City Administrator Tina Volek
NOTES/OUTCOME	
• Interim City Administrator Tina Volek said the City Clerk is receiving requests concerning the December Council Meetings scheduled for December 11 th and the 26 th . Councilmember Veis suggested the work session be held on December 4 th and the Council meetings on December 11 th and December 18 th . The other Councilmembers present were agreeable to this change.	

TOPIC #4	Downtown Wayfinding Sign Project Update
PRESENTER	Greg Krueger
NOTES/OUTCOME	
<ul style="list-style-type: none"> Executive Director Greg Krueger of the Downtown Billings Partnership said the wayfinding sign project is progressing. He said Billings will be the first city in the United States with signage other than the federally required green rectangle sign with white lettering. Mr. Krueger said they have to acquire the coordinates of every sign and submit those to the state to make sure that they do not interfere with any other signage. The next step is to actually have the signs constructed and installed. The signs can be constructed in-house. The sign project will be within the \$162,000 projected budget and is strongly supported by the downtown entities. Councilmember Ulledalen asked if there would be signs for the different parking structures. Mr. Krueger said there would be directional signs to the parking structures. Councilmember Stevens asked if the signs would direct visits to the less expensive parking. Mr. Krueger said the signs are more destination-oriented and will <u>not</u> contain the price of parking. Councilmember Gaghen said this has been a long process. She congratulated Mr. Krueger on pushing this project forward and the fact that Billings will be the first city in the nation with this signage. Mr. Krueger said he went to an International Downtown Association Leadership Conference in Brooklyn. The whole theme was communication. When he showcased what we are doing in Billings, they voted to hold the conference in Billings next year. Note: A copy of the handout is included at the end of these minutes. 	
TOPIC #5	Public Safety Mill Levy
PRESENTER	Interim City Administrator Tina Volek
NOTES/OUTCOME	
<ul style="list-style-type: none"> Interim City Administrator Tina Volek said a successful initiative has placed the public safety mill levy on the ballot to rescind it. Ms. Volek said the consequences of the repeal would be dire to the City. Note: Copies of all handouts are included at the end of these minutes. Financial Services Manager Pat Weber gave handouts to the Council regarding financial projections. He said the FY07 budget is adjusted without the fire station, trucks and personnel. Mr. Weber noted that FY08 will be the first year of the shortfall. He said the General Fund transfer is the same as shown earlier, even if the public safety levy survives. Mr. Weber showed the Council a graph from April 2004, prior to the public safety levy, which showed the need for the levy just to maintain services. The graph showed the deficit and declining General Fund reserves as they were being transferred into the public safety fund. Mr. Weber said that, "down the line without the public safety fund the continual drain on the General Fund would break the bank." Councilmember Ronquillo asked if in 2011, \$18 Million would need to be transferred from the general fund. Mr. Weber said "yes" and that includes the public safety levy amount. Councilmember Ronquillo asked where the City would be without the public safety levy. Mr. Weber said in 2011 the revenue from the mill levy would be \$8.2 Million. The public safety levy is necessary to fund the current operational expenses plus add a fire station, police officers and firefighters. 	

- Councilmember Veis asked if the General Fund projections took out the money needed for the public safety levy. Mr. Weber said he did not adjust for the public safety levy and he did not make any projections. The City would need to borrow money if it does not have the reserves.
- Ms. Volek said the City cannot continue to go into debt, so it must reduce expenses which mean real cuts in service. Fire Chief Marv Jochems said the dept. has fewer firefighters than in 1974; twice as many square miles to cover; 11,000 calls vs. 1500 calls; and response times have gone to 4 minutes. Chief Jochems said the fire dept. would need to reduce its budget by \$2,133,000. He said the only way to reduce the budget by millions of dollars is lay off firefighters. He noted that the dept. cannot sell fire stations or fire trucks. To meet the budget, Chief Jochems said the dept. would have to cut 37 firefighters. He said they would have to close at least one station because he would not have the manpower to staff the station and may even have to close two stations and at least one ladder truck. Chief Jochems said if a captain is demoted to driving a truck, he still would receive the captain wages. Chief Jochems said he had a call from an individual saying that he couldn't get insurance for a multi-million dollar house because it is outside BUFSAs. He said if one station is built it will help the entire city because it would redistribute the response time. The citizens will pay one way or the other, either through taxes or through high insurance rates. Any household more than 5 1/2 miles from a fire station will pay a fire insurance rate of \$3656/year.
- Chief Jochems said he has five firefighters that will retire this year. Councilmember Ruegamer asked how many firefighters the City currently employs. Chief Jochems said there are currently 110 firefighters. Councilmember Ruegamer asked how laying off one-third of the dept. would affect the remaining firefighter's safety. Chief Jochems said laying off that many firefighters would make it more dangerous for everyone in the dept. He said that ISO will probably rate the City as a 4 or 5 even if the City builds station #7. Mayor Tussing asked when he would make the layoffs. Chief Jochems said July 1, 2007. Mayor Tussing asked what the response time would be after the layoffs. Chief Jochems said with four stations, the response time would be 12-13 minutes.
- Councilmember Ronquillo asked if the City would reduce EMS. Chief Jochems said he would not recommend reducing EMS. He said his calculations showed a savings of \$80,000 per/year, which is equivalent to one firefighter salary. Councilmember Clark asked if the 110 firefighters include those recently hired. Chief Jochems said there are 6 new hires that would be laid off along with 37 others. Councilmember Veis asked if the dept. was scheduled to hire 6 more firefighters this year. Chief Jochems said they are scheduled to hire 6 more in November.
- Councilmember Boyer asked if the insurance rates increase would be felt citywide. Chief Jochems said the rates depend on your insurance company and the distance between your house and the fire station. Councilmember Stevens asked which stations would be closed. Chief Jochems said that has not been determined, but he would guess station #1 or #4.
- Councilmember Jones said he does not remember hearing in 2004 that the City would lose 37 firefighters if they didn't pass the mill levy. Chief Jochems said they were looking at a 10% reduction and decided then to try and pass the public safety levy. Chief Jochems said they did hear the City would have to lay off firefighters without the levy. Mr. Weber said the City did collect the public safety levy for the past two years and that has helped to forestall cuts.
- Captain Tim O'Connell of the Billings Police Dept. said operations and maintenance (O&M) is 25% of the police dept. budget. He said some cuts are possible but not much. Capt. O'Connell said the police dept. would need to lay off 40 officers starting from the most recent hires and affecting some officers that have been with the dept. for seven years. He said it could affect School Resource Officers, special task forces. Ms. Volek asked how many officers would remain after the layoffs. Capt. O'Connell said the dept. would have 90 officers left after the cuts.

- Councilmember Boyer asked how many officers there were in 1995. Capt. O'Connell said he's not sure, but it would be less than 100 officers. Mayor Tussing asked how the layoffs would affect the police dept.'s response time. Capt. O'Connell said it would be a significant increase in their response time, but he didn't know exact numbers. The cuts would require 7-8 officers on a shift instead of the current 11-12 officers. Councilmember Clark asked what the numbers would be with sick leave and vacation time. Capt. O'Connell said that would reduce the officers to 5-6 on a shift. Councilmember Gaghen asked how many were involved in military reserves. Capt. O'Connell said the dept. only has 1 or 2 officers in the reserves.
- Chief Jochems reminded the Council of the plans to put a police substation at station #7 which would help response time but without station #7 the substation would also be lost. Capt. O'Connell said the dept. has already cut a lot of services that the volunteers are doing. There are not a lot of services left to be cut. The officers now only take "hot calls".
- Deputy City Administrator Bruce McCandless said proponents of the referendum use the justification that there is \$49 Million of unrestricted funds that could be used to fund public safety. Mr. McCandless gave the Councilmembers a handout showing the reserve funds and how they are used by the City. The \$49 Million that the proponents are referring to is part of the City's assets and more than half the assets are in buildings, land, etc. The potential cash is in fund balances or working capital, and recommended reserves. Many of the funds have restrictions; some funds are legally required to hold reserves. Some funds are being held for identified specific projects, which the Council has committed to funding (i.e. Capital Improvement Plan, Technology Replacement Plan, and Equipment Replacement Plan). The total of unrestricted funds is a negative number. Councilmember Clark asked where the necessary funds are for closing the landfill. Mr. McCandless said there is \$1.5 Million in the Solid Waste Fund that is annually adjusted by a variety of factors.
- City Attorney Brent Brooks gave the Councilmembers a memo regarding the restrictions on an elected public officer's support or opposition of ballot issue. Mr. Brooks' brief guidelines included:
 - The Mayor, City Council and City Staff should avoid using public time, facilities, equipment, supplies, personnel or funds for the purpose of advocating their personal opinions as to a pending ballot issue.
 - The Mayor, City Council and City Staff may provide factual information, which includes the impact of the passage or failure of a ballot issue as that impact relates to local City government operations.
 - The Mayor, City Council and City Staff may express their personal political beliefs away from the workplace so long as they are not using public time, facilities, equipment, supplies, personnel or funds in the expression of such personal political beliefs. Pursuant to 51 AG 1 (2005), public officials may use their official title, in the expression of their personal political beliefs so long as restrictions against public resources are followed as noted above.
- Councilmember Boyer said she is not on "public time" all the time. Mr. Brooks said 51 AG 1 is the Attorney General's interpretation of the law. Councilmember Clark said elected officials should not be all lumped together because some elected officials are full-time and some are part-time. Councilmember Stevens referred to the emphasis added on the next to the last page of the handout which states that personal beliefs are ok, but the use of public resources in expressing those beliefs are not to be used.
- Councilmember Boyer asked "what if" a motion were made at a Council meeting to support the

public safety levy and the Council vote was unanimous. Mr. Brooks said the AG would consider that action improper and in violation of the statute. He added that this has been a bitterly disputed statute and may have further challenges. Councilmember Veis asked if the City would defend a councilmember if that were to happen. Councilmember Stevens asked for the rationale and intent behind this statute. Mr. Brooks said the “bottom line” revolves around a person or group using public funds to express individual or a group’s belief. Councilmember Stevens said it gives an unfair advantage to one side. Councilmember Veis asked if the Governor can make requests for campaign contributions from his office. Mr. Brooks said the Commission of Political Practices would also rule on that issue.

- Councilmember Boyer said her concern is that the citizens hear clearly the options and consequences of the ballot issues. She also said the Council is “hamstrung” by these rules and not able to speak out clearly on some issues. Councilmember Veis asked if the information that Mr. Brooks shared with the Council would be okay to share with any group without consequences. Mr. Brooks replied “yes”.
- Councilmember Ulledalen asked if the Council could create a speakers’ bureau to present information. Ms. Volek said there is a separate community committee that is being organized to publicize Cobb Field. The Staff is starting to put together an educational presentation to present to service groups. Councilmember Ulledalen said it would be good for Councilmembers to make those presentations. Mr. Brooks said as long as the Councilmember does not use public money, time, facilities, etc., it is fine to present one’s personal opinion. Councilmember Veis said they are really on public business only on a limited time.
- Mr. Brooks said factual information can be given to the public using City equipment, but a City employee cannot give a personal opinion in the same setting. Councilmember Gaghen suggested that Councilmembers refer to the AG opinion but would share personal beliefs at a separate time.
- Councilmember Veis said he hoped the Council will be active in educating the public and sharing the facts.
- Ms. Volek said Staff was not excited about making this presentation tonight. If the referendum passes, Staff will have a budget plan ready by January 1st. She said Staff will ask for comments on the presentation. Mayor Tussing said the Council needs answers to predictable questions. Ms. Volek said any questions from constituents should be emailed to her and she will try and get the answers. Councilmember Clark it is imperative that the public is aware of what a “yes/no” vote means. Councilmember Gaghen asked Staff for a fact sheet for Council distribution. Ms. Volek said Staff will put together an information sheet on the impact of the public safety levy.

Additional Information:

- Interim City Administrator Tina Volek had two public announcements:
 - The first of the Council department visits will be Thursday, August 10th at 3:30 p.m. at Cobb Field. There will be additional department visits every second Thursday of the month throughout the year.
 - Ms. Volek gave copies of additional applications for the Energy and Conservation Committee, which will be on August 14th Council Agenda. Mayor Tussing asked if the applicants can live in the county. Mr. Brooks said he will check on the ordinance that formed the board.
- Councilmember Veis asked Mr. McCandless when the Council could start interviewing the City Administrator applicants. Mr. McCandless said the Council is split on the dates for the interviews.

He said Mr. Mercer would be available on both dates. Councilmember Gaghen said she does not think there is merit in interviewing six candidates. Councilmember Ruegamer said interviewing 3-4 candidates would be sufficient. Councilmember Gaghen said the Council could interview four candidates in one day. Councilmember Jones said the more time spent with a candidate, the better for the City.

- Mayor Tussing asked for a show of hands asking how many candidates to invite. The consensus was for 3 candidates to be interviewed. Councilmember Veis asked if the Council can get their choices down to 3-4 candidates. Mr. McCandless said he assumes that Mr. Mercer is recommending 6 candidates because he may expect some of those to decline the interview. Councilmember Veis asked the Councilmembers to email their 3-4 candidates to the Mayor and Council. If there is a consensus on 4, those four will be invited, but if everyone wants to interview different candidates, then the Council will interview all 6 candidates.
- Mr. Brooks suggested interviews should probably be done in an open meeting. Councilmember Boyer asked if the Council could meet ½ hour early on August 14th, the date of the next Council meeting. Mayor Tussing said the Council would meet in special session at 6:00 p.m. on August 14th. Councilmember Veis said the Council needs to set a date for the interviews. He suggested September 15th as the primary date with September 16th as the alternate date.
- Ms. Volek said Election Administrator Duane Winslow has contacted the City about the title on the Cobb Field ballot. He would like “Cobb” or “baseball field” included in the title. Mr. Winslow also suggested other minor text changes. She said this item will be added to the Special Meeting agenda for August 14th.
- With all discussion completed, the meeting was adjourned at 7:23 p.m.

Respectfully submitted
Tami Greeley, Deputy City Clerk