

REGULAR MEETING OF THE BILLINGS CITY COUNCIL
November 9, 2015

The Billings City Council met in regular session in the Council Chambers located on the second floor of the Police Facility, 220 North 27th Street, Billings, Montana. Mayor Thomas W. Hanel called the meeting to order at 6:30 p.m. and served as the meeting's presiding officer. Councilmember Pitman gave the invocation.

ROLL CALL: Councilmembers present on roll call were: Cromley, Yakawich, Pitman, Cimmino, McFadden, McCall, Swanson, Crouch, and Brown. Councilmember Bird arrived to the meeting after the Proclamations section of the agenda.

MINUTES: October 26, 2015: Councilmember Crouch moved for approval, seconded by Councilmember Yakawich. On a voice vote, the motion was approved 10-0, with Councilmember Bird absent at the time of the vote.

COURTESIES:

- Mayor Hanel noted that a Billings Firefighter received an award of Firefighter of The Year from the Downtown Exchange Club, and that Fire Chief Paul Dextrus would formally recognize the award at the November 23 meeting.
- Councilmember Cromley mentioned a recent article in the *Montana Lawyer* publication that discussed an award given to former Deputy City Attorney Kelly Addy. Mr. Addy was awarded the Brad Bailey Award from the International Municipal Lawyers Association. The award is given to one Deputy City Attorney in the country each year for excellence in practice of law, outstanding service to the public, the highest ethical standards, and the balance of passion for professional excellence and the joy of family and friends. Councilmember Cromley noted that Mr. Addy has entered a full time ministry in Big Fork, and that the award speaks well for Mr. Addy as well as for the entire City Legal Department. Mayor Hanel stated that Mr. Addy did exceptional work for the City. City Attorney Brent Brooks stated that Mr. Addy focused primarily on civil law for the City, and always did great work. Mr. Brooks spoke highly of the International Municipal Lawyers Association, and stated that he believed that this was the first time an attorney from Montana had been recognized with this award. Mayor Hanel called for a round of applause for Mr. Addy.
- Councilmember Pitman welcomed three newly elected Councilmembers who were in attendance in the audience: Chris Friedel, Ryan Sullivan, and Dick Clark. Mayor Hanel asked for the newly elected Councilmembers to stand, and a round of applause was given. Mayor Hanel congratulated the newly elected Councilmembers, and stated that he looked forward to working with them.

PROCLAMATIONS: There were no proclamations.

Councilmember Bird arrived to the meeting.

Mayor Hanel moved to add "Election of Deputy Mayor" as Regular Agenda Item 7, seconded by Councilmember Pitman. City Administrator Tina Volek noted that the City Charter, section 3.05, was distributed to Council prior to the meeting, and requires election of a Deputy Mayor at the first regular meeting following an election. On a voice vote, the motion was unanimously approved.

ADMINISTRATOR REPORTS - TINA VOLEK

Ms. Volek noted that the bid award for the South Park Splash Pad Development, Item 1A1, was still in negotiation with the apparent low bidder. As a result, staff requested that the item be removed from this evening's Consent Agenda and postponed until the November 23 meeting.

PUBLIC COMMENT on "NON-PUBLIC HEARING" Agenda Items: #1, 5, 6, and 7

ONLY. Speaker sign-in required. (Comments offered here are limited to one (1) minute. Please sign in at the cart located at the back of the council chambers or at the podium. Comment on items listed as public hearing items will be heard ONLY during the designated public hearing time for each respective item. For Items not on this agenda, public comment will be taken at the end of the agenda.)

The public comment period was opened.

- **Tom Zurbuchen, 1747 Wicks Lane, Billings, MT**, commented on Item 6 and stated that there is no cost of living increase by any standard. Mr. Zurbuchen stated that City employees should not receive any cost of living increases in pay. Mr. Zubruchen stated that if cost of living increases were approved, the City would be put on track to declare bankruptcy. Mr. Zurbuchen stated that Council needs a reason to spend tax dollars and needs to be frugal with spending. Mr. Zurbuchen urged Council to deny approval of Item 6.
- **Kevin Nelson, 4235 Bruce Avenue, Billings, MT**, stated that the Legislative Fiscal Division in Helena conducted an analysis for FY16 and FY17 and determined either .67 or .176 as a cost of living increase to be applied to legislative budgets. Mr. Nelson asked Council to apply the same cost of living increases. Mr. Nelson stated that cost of living increases were much less than 3%.
- **Terry Odegard, 2101 Lake Hills Drive, Billings, MT**, stated that he is a big believer in the Billings Police Department. Mr. Odegard stated that he has worked with police officers in the past and knows what it is like to come upon an officer who has been injured. Mr. Odegard stated that he has knowledge of budgets and working with unions. Mr. Odegard stated that his concerns lie in the potential need for a future levy. Mr. Odegard mentioned that Social Security recipients, Veterans, and Federal employees did not receive cost of living adjustments. Councilmember McFadden asked for clarification on whether Social Security recipients received any adjustments in their payments. Mr. Odegard replied that Social Security recipients did not receive adjustments.

There were no further speakers, and the public comment period was closed.

1. CONSENT AGENDA --

A. Bid Awards:

- 1. South Park Splash Pad Development.** (Opened 10/27/15.)
Recommend Diamond Construction, Inc., \$417,290. [REMOVED FROM AGENDA AND POSTPONED UNTIL 11/23/2015]

B. Conveyance of Developer Contribution: to Montana Department of Transportation for Bench Boulevard construction; \$64,788.05.

C. Amendment #1, W.O. 15-38, Solid Waste CNG Fueling Station.
Professional Services Contract, HDR Engineering: \$12,150.

D. Bills and Payroll:

1. July 1, 2015 through September 30, 2015 (Municipal Court)
2. October 13, 2015
3. October 19, 2015

Councilmember Yakawich separated Item 1C.

Councilmember Pitman separated Item 1A1.

Councilmember Cimmino separated Items 1C and 1D3 in order to abstain.

Councilmember Pitman moved for approval of the Consent Agenda, with the exception of Items 1A1, 1C, and 1D3, seconded by Councilmember McCall. On a voice vote, the motion was unanimously approved.

Councilmember Yakawich separated Item 1C for clarification. Councilmember Yakawich asked whether the City was being efficient with the resales and costs of trucks and installing the CNG fueling station. Public Works Director Dave Mumford stated that the fueling station will be installed at the Billings Operations Center, and the equipment for the station was purchased from MDU. The equipment was previously used at an MDU fueling station. As for the resale of trucks, Mr. Mumford stated that, on resale, the City typically receives \$7,000-\$20,000 for vehicles that cost \$250,000 to purchase. Mr. Mumford stated that over 30% of all refuse trucks produced in the United States run off of CNG. Mr. Mumford stated that Republic Services, the largest refuse company in the country, already has 2,200 trucks that operate on CNG. Republic

Services is anticipating changing its entire fleet over to CNG vehicles. Mr. Mumford stated that CNG is much more efficient. Vehicles remain in better operating condition when using CNG; less breakdowns have occurred with the City's CNG vehicles. Mr. Mumford stated that the new CNG fueling station will lead to a savings on fuel of approximately \$12,000 per vehicle per year. Mr. Mumford stated that operators of the CNG vehicles have stated that the vehicles run much more quietly and smoothly than the diesel vehicles. Mr. Mumford stated that the CNG trucks typically receive about two days of operation from one tank, and that using CNG will lead to long-term savings. Councilmember Brown stated that MDU is moving away from using CNG in its vehicles and asked Mr. Mumford if he knew why this was the case and why the City was moving toward using CNG. Mr. Mumford stated that MDU is moving away from using CNG because it only operated one fueling station, which was located on an out-of-the-way MDU property. This led to a difficulty in creating additional commercial customers. The operation of the fueling station was not efficient for MDU. Mr. Mumford stated that he hopes to see more CNG fueling stations in the future. Mr. Mumford stated that MDU will likely eventually move back into the CNG market as the customer base expands. Councilmember Brown clarified that MDU did not stop using CNG because it wasn't cheaper to operate its vehicles, but because MDU did not make money back from the station itself. Mr. Mumford stated that Councilmember Brown's comments were correct; there were not enough vehicles and customers using CNG in Billings for MDU to justify operating the station. Councilmember Yakawich moved to approve Item 1C, seconded by Councilmember Pitman. On a voice vote, the motion was approved 10-0, with Councilmember Cimmino abstaining.

Councilmember Pitman moved to delay Item 1A1 for two weeks, seconded by Councilmember McCall. On a voice vote, the motion was unanimously approved.

Councilmember Pitman moved for approval of Item 1D3, seconded by Councilmember McCall. On a voice vote, the motion was approved 10-0, with Councilmember Cimmino abstaining.

REGULAR AGENDA:

2. PUBLIC HEARING AND RESOLUTION repealing the vacation of a portion of right of way on Mountain View Boulevard. Staff recommends approval. **(Action: approval or disapproval of staff recommendation.)**

Ms. Volek stated that staff did not have a presentation for this item, but was available for questions. Mayor Hanel stated that this matter had been previously discussed, and that Council had received information explaining the need to repeal the vacation.

The public hearing was opened.

There were no speakers, and the public hearing was closed.

Councilmember Yakawich moved for approval of Item 2, seconded by Councilmember Cromley. Councilmember Yakawich stated that he appreciated staff and Council working on this project, and that it is exemplary of the City working with the local community. On a voice vote, the motion was unanimously approved.

3. PUBLIC HEARING AND RESOLUTION FOR ANNEXATION #15-10: 40 acres located at 5640 Grand Avenue at the southwest corner of the intersection of Grand Avenue and 56th Street West. Billings School District #2, owner and petitioner. Staff recommends approval. (Action: approval or disapproval of staff recommendation.)

Wyeth Friday, Planning Division Manager, began a PowerPoint presentation for Annexation #15-10. Mr. Friday gave an overview of the property and mentioned that the site will be the future location of the Ben Steele Middle School. Mr. Friday noted that this property was within the Red Area on the City's annexation map, and that the City is able to adequately provide services to the property. Mr. Friday also stated that the condition to approval listed in the proposed resolution is that the City and the School District enter into a development agreement to clarify and identify improvements and to waive all future rights to protest Special Improvement District creations. Mr. Friday stated that the School District is also submitting a zone change request for this property.

Councilmember Bird mentioned the fourth item under the "Consistency with Adopted Policies or Plans" section of Mr. Friday's staff report: "All property owners within the area to be annexed must sign a Waiver of Right to Protest future Special Improvement Districts. The proposed condition of annexation in the Resolution that the property owner enter into a Development Agreement with the City will ensure that the waiver is signed." Councilmember Bird asked if there were property owners other than the School District that would be impacted. Mr. Friday stated that the school property is the only property under consideration, so no other properties and property owners would be impacted.

The public hearing was opened.

- **Pat Davies, Sanderson Stewart – civil engineer for the project,** stated that he was available for questions.

There were no further speakers, and the public hearing was closed.

Councilmember McCall moved for approval of Item 3, including the stated criteria and the condition that a development agreement be created between the City and Billings School District 2, seconded by Councilmember Swanson. On a voice vote, the motion was unanimously approved.

4. PUBLIC HEARING AND RESOLUTION FOR ANNEXATION #15-

11: approximately 16 acres located east of the southeast corner of the intersection of E. Bench Boulevard and Barrett Road in the Billings Heights. Billings School District #2, owner and petitioner. Staff recommends approval. (Action: approval or disapproval of staff recommendation.)

Mr. Friday began a PowerPoint presentation for Annexation #15-11. Mr. Friday gave an overview of the property, and stated that a zoning application is also being submitted for this property. Mr. Friday stated that staff is also recommending executing a development agreement as a condition to approval for Annexation #15-11.

Councilmember Yakawich asked whether any communication was received by the City from neighbors of the property. Mr. Friday stated that no communication was received after the petition for annexation was received.

The public hearing was opened.

- **Kevin Nelson, 4235 Bruce Avenue, Billings, MT**, mentioned the joint City/County/School District meeting that recently occurred. Mr. Nelson asked whether there was an update or consensus on who will be paying for the improvements on Barrett Road. Mr. Mumford stated that the costs of the section of Barrett Road next to the school will be split between the City and the School District. Mr. Mumford stated that one small section of Barrett Road is gravel and is still within the City. The County strip-paved its portion of the road. Mr. Mumford stated that the City hopes to strip-pave its remaining portion in the spring.
- **Pat Davies, Sanderson Stewart – civil engineer for the project**, stated that he was available for questions.

There were no further speakers, and the public hearing was closed.

Councilmember Pitman moved for approval of Item 4, seconded by Councilmember Cimmino. Councilmember Pitman stated that he was disappointed that the City's portion of Barrett Road would not be paved within this month, but that he would accept Mr. Mumford's commitment that the project will be complete in the spring. On a voice vote, the motion was unanimously approved.

5. PROPOSAL FOR WAIVER of EBURD Demolition Disposal Fees (continued from 10/26/15). Staff recommends tabling the proposal. (Action: approval or disapproval of staff recommendation.)

Ms. Volek stated that staff did not have a presentation, but was available for questions.

Councilmember Cimmino stated that staff recommended tabling the proposal, and asked why Council would table the proposal when there was a request submitted to

waive EBURD demolition fees. Ms. Volek stated that indefinitely tabling the proposal causes action to cease on the item. Assistant City Administrator Bruce McCandless explained that once an item has been added to a Council agenda, the Council must take action, such as approving or indefinitely tabling an item. Councilmember Cimmino asked whether there is a definitive conclusion that Tax Increment Funds may be used for demolition fees. Mr. Brooks stated that he did not find any language that would prohibit a City from allowing Tax Increment Funds to be used for demolition fees.

Councilmember Swanson stated that he would like to see an incentive program for development in the urban renewal areas. Councilmember Swanson stated that he would like for staff to create a sort of pilot program to apply to the BIRD project. Ms. Volek requested that Council bring this item forward in the form of an initiative.

Councilmember Yakawich stated that the EBURD team has made commendable efforts to improve blighted buildings in the area.

Councilmember Pitman stated that he and Councilmember Brown met with staff and came to the realization that, in addition to the EBURD's withdrawal of its application, the resolution as proposed was not adaptable, and tabling it would be the appropriate action. Councilmember Pitman stated that a future Council could possibly discuss and develop a City-wide incentive.

Councilmember McCall moved to indefinitely table Item 3, seconded by Councilmember Cimmino. On a voice vote, the motion was unanimously approved.

6. APPROVAL OF 2015-2018 CONTRACT, Montana Public Employees Association, Billings Police Chapter. Staff recommends approval. (Action: approval or disapproval of staff recommendation.)

Ms. Volek began a verbal presentation for Item 6. Ms. Volek noted that, if approved, the contract would be retroactive from July 1, 2015 and would continue through June 30, 2018. Ms. Volek gave an overview of changes in the proposed contract. Ms. Volek referenced a CNN article that she distributed prior to the meeting; the article discussed pay increases across the country. Ms. Volek discussed justifications for the contract and for the pay increase. Ms. Volek also discussed possible consequences of not approving the contract.

Councilmember Brown asked for Ms. Volek to address the fact that the CNN article mentioned corporate wages. Ms. Volek stated that she is aware that corporate wages are different than government wages, but that she believed the article set the tone for national wage increases. Ms. Volek noted that corporate wages typically do not involve negotiating with unions. Ms. Volek reminded Council of the fair bargaining requirements that are in place with the unions. Councilmember Brown asked whether the projection of not needing a funding source increase until 2020 included hiring the additional public safety personnel. Ms. Volek stated that the projections did include the public safety personnel hiring.

Councilmember Yakawich asked whether the median wage for a Billings police officer was \$53,000, and whether the median wage for a police officer was \$48,000 nationwide. Councilmember Yakawich asked for the median wage for police officers in Bozeman. Karla Stanton, Human Resources Director, stated that she did not have information on median wages in Bozeman, but that she had information on base wages and starting pay. Ms. Stanton stated that Bozeman officers are paid \$24.46 per hour as a starting wage. Billings officers would be paid \$23.20 per hour as a starting wage under the proposed contract. Councilmember Yakawich stated that he had a document that mentioned \$25.50 per hour as a wage in Billings. Ms. Volek stated that \$25.50 per hour would likely be a median wage rather than a starting wage. Councilmember Yakawich stated that the median wage for a police officer in the United States is \$48,000. Councilmember Yakawich asked for the median wage for a police officer in Bozeman. Ms. Stanton stated that she did not have median wage information for police officers in Bozeman. Councilmember Yakawich stated that he had information indicating that the total median wage with benefits for a police officer was \$73,000. Ms. Volek asked whether that figure was a median wage across the country. Councilmember Yakawich stated that the figure was the median wage for Billings. Ms. Volek stated that national median wages include police officers from all types of communities including small cities and large cities like New York and Los Angeles; officers face different types of challenges that are not necessarily reflected by median wages. Ms. Volek stated that there is quite a difference in the challenges that Billings officers face today versus what they would have faced ten years ago. Councilmember Yakawich stated that he is looking at the numbers as someone who is responsible for the money being allocated to the City. Ms. Volek stated that in the ten years she has been working for the City of Billings, the City has gone from a "B" bond rating to an "A" bond rating as a result of increasing reserves. Ms. Volek stated that supplemental budget requests in excess of \$1 million were routinely approved; in her ten years with the City, only one supplemental budget request exceeded \$500,000. Ms. Volek stated that she is extremely conservative with spending taxpayers' money. Ms. Volek stated that the proposed police contract is a fair contract that has been bargained with the police union. Ms. Volek reminded Council that the police union accepted a 0% cost of living adjustment four years ago when the City reserves were low. Ms. Volek stated that the City's financial situation has improved both due to an increase in reserves as well as a result of the State's new two year property appraisal cycle. Ms. Volek stated that the contract is fair, and she recommends its approval.

Councilmember Cimmino mentioned page 10 of the proposed contract and asked why Section B states July 1, 2015 while Section C states July 1, 2014 as the effective date. Ms. Stanton stated that the July 1, 2014 date could be removed, but the provision was not changed. Councilmember Cimmino mentioned page 21, Section B, and asked whether the section could read to show that the health insurance committee was already previously established. Mr. Brooks stated that the section could be amended. Councilmember Cimmino mentioned page 22, Section E, and the monthly health insurance premium effective date and asked whether a date needed to be added. Ms. Volek stated that the information could be added.

Mayor Hanel clarified that all terms of the proposed contract would be retroactive to July 1, 2015 if approved.

Councilmember Brown asked for an estimated cost of mediation if the contract were not approved by Council. Ms. Stanton replied that mediation is provided by the State, so there are not necessarily any fees associated with mediation; however, fees for arbitration can run from \$7,000-\$10,000 per side. Ms. Volek reminded Council that the decision of the arbitrator is binding upon both sides.

Councilmember Yakawich asked whether the increase would be \$250 per month for the 113 employees covered under the proposed contract. Councilmember Yakawich also asked if non-command staff is covered under this contract. Ms. Volek stated that any person who is ranked as a Sergeant or above is considered to be a non-represented employee, and non-represented employees are generally recommended to receive the same pay increases as awarded in represented employee contracts. Ms. Stanton stated that the cost increase per employee would be an average of \$119 per month on starting wages.

Councilmember Cimmino stated that the other two union contracts would be brought forward in November along with a proposal for non-represented employees. Councilmember Cimmino asked Ms. Volek if there were enough funds in reserves to pay for the cost of living adjustments for all of the unions and non-represented employees as well as paying for the additional public safety personnel. Ms. Volek replied that the City can afford all of the aforementioned expenses. Councilmember Cimmino asked if there would be a healthy balance remaining in reserves after these expenses. Ms. Volek stated that there would be.

Councilmember Bird moved for approval of Item 6, seconded by Councilmember McCall. Councilmember Bird stated that she was honored to bring forward action on this item. Councilmember Bird stated that she has noticed significant improvements in negotiations between Administration and public safety unions. Councilmember Bird noted that public safety employees put their lives on the line every day when they go to work. Councilmember Bird stated that the people of Billings deserve the best in terms of law enforcement, and that she would be voting in favor of the motion. Councilmember Brown stated that he would also be voting in favor of the motion, but cautioned that police officers are aware of the risks of the job when they select that career. Councilmember Brown also cautioned that the Council will need to be cognizant of spending money in the reserves. Mayor Hanel acknowledged that the pay increase was a large amount of money, but that the City of Billings employees are worth the money that they are paid and "you get what you pay for." Mayor Hanel stated that Billings is the star of Montana. Mayor Hanel stated that rejecting the contract would have devastating effects. Councilmember Crouch stated that he participated in a ride-along with a police officer, and that the calls were non-stop throughout the day. Councilmember Crouch stated that he has the utmost respect for the Billings police officers. On a voice vote, the motion was unanimously approved.

7. [ADD-ON ITEM] ELECTION OF DEPUTY MAYOR

Councilmember McCall nominated Councilmember Cromley for Deputy Mayor, seconded by Councilmember Crouch. Councilmember Pitman nominated Councilmember Yakawich for Deputy Mayor, seconded by Councilmember McFadden. Councilmember Cimmino stated that she was unaware that the Deputy Mayor election would take place at this meeting until the earlier in the afternoon. Councilmember Cimmino nominated herself for Deputy Mayor. Councilmember McCall stated that she believed that a second was not required for Deputy Mayor nominations. Mr. Brooks stated that a second was not required for Deputy Mayor nominations, but that a second may be offered. Mayor Hanel stated that the process is to elect the Deputy Mayor at the next meeting after a general election.

Mayor Hanel called for a roll call vote for Councilmember Cromley. On a roll call vote, Councilmember Cromley received six votes in favor and five votes in opposition, with Councilmembers Cromley, Bird, McCall, Swanson, Crouch, and Mayor Hanel voting in favor and Councilmembers Yakawich, Pitman, Cimmino, McFadden, and Brown voting in opposition.

Mayor Hanel stated that Councilmember Cromley had received a majority of the votes, and asked Councilmembers Yakawich and Cimmino if they would like to conduct a roll call vote for their nominations as well. Councilmember Yakawich stated that he conceded and wished the best to Councilmember Cromley. Councilmember Cimmino congratulated Councilmember Cromley. Councilmember Cimmino stated that in her experience, nominees would make statements regarding their background and interest in the position. Mayor Hanel stated that the decision to do so would be up to him, as he conducts the meetings. Mayor Hanel stated that he did not require any statements from the nominees, and asked if Councilmember Cromley would like to make a statement. Councilmember Cromley stated that he would prepare a statement for the November 23 meeting. Mayor Hanel congratulated all three nominees and stated that all three would be able to effectively execute the position of Deputy Mayor. Mayor Hanel wished the best to Councilmember Cromley.

PUBLIC COMMENT on Non-Agenda Items -- Speaker Sign-in required. (Restricted to ONLY items not on this printed agenda. Comments here are limited to 3 minutes. Please sign in at the cart located at the back of the council chambers or at the podium.)

The public comment period was opened.

- **Kevin Nelson, 4235 Bruce Avenue, Billings, MT**, stated that he previously spoke of striping Calhoun Lane and that Mr. Mumford stated that he had not received any complaints. Mr. Nelson stated that staff and Council were aware of complaints. Mr. Nelson referenced a Community Conversations meeting in which he mentioned bicycles on Calhoun Lane. Mr. Nelson stated that Public Works replied that striping would proceed as scheduled. Mr. Nelson stated that Mayor Hanel should have been leading the Community Conversations meetings, and

that the bureaucrats and department heads should not have been speaking at the meetings. Mayor Hanel asked Mr. Nelson if Calhoun Lane was wide enough for parking before the bike lane was installed. Mr. Nelson stated that the street was not wide enough for parking. Mayor Hanel asked Mr. Nelson if he thought Calhoun Lane was wide enough for parking after the improvements have been made. Mr. Nelson stated that if the center turn lane were removed and the bike lanes were eliminated, then there would be enough room for parking on the street. In response to Mr. Nelson's comments about the Community Conversations events, Councilmember Yakawich stated that Mayor Hanel was asked to sit in the back of the room for those meetings to allow for Councilmembers from the respective wards to lead the meetings. Councilmember Yakawich stated that he heard positive feedback from other Community Conversations attendees. Mr. Nelson stated that Councilmember Yakawich was leading all of the meetings rather than different Councilmembers from each ward. Councilmember Yakawich stated that he offered to facilitate the meetings and conversations with assistance from other Councilmembers. Councilmember Bird stated that she felt it was important to distinguish the Tuesday evening public hearing for Orchard Lane from the Community Conversations meetings. The public hearing meeting was a required formal meeting for the area, and it was not a Community Conversations meeting. Councilmember Bird encouraged concerned citizens to remain apprised of the progression of the project.

- **Tom Zurbuchen, 1747 Wicks Lane, Billings, MT**, stressed the importance of open, honest, and transparent government. Mr. Zurbuchen mentioned the police union contract discussed earlier in the meeting. Mayor Hanel stated that this public comment period was only for discussion of non-agenda items, and that the police contract had been voted on and the decision was final.

There were no further speakers, and the public comment period was closed.

COUNCIL INITIATIVES

- Councilmember Swanson moved to direct staff to create a two year pilot project offering Tax Increment Funding in the EBURD for demolition of blighted buildings, and to create a committee of Administration and board members, seconded by Councilmember Bird. Mr. McCandless stated that the City has agreements with entities in each of the Tax Increment Districts. The entities process and review applications for funding for demolition fees. Mr. McCandless stated that if the entity approves the application, generally staff will recommend that Council approve a development agreement for the project. The agreement will outline details of the demolition work to be completed and the details of the fee reimbursement. Mr. McCandless stated that incentives for demolition currently exist, but that if Council would like to create something new or different, staff would be willing to explore the options. Mayor Hanel asked Mr. McCandless to confirm that the incentive program was used recently. Mr. McCandless stated that there have been recent active cases within the EBURD. Mr. McCandless

also discussed development agreement examples with The Northern Hotel and with the Stockman Bank building. Councilmember Bird stated that she seconded the motion so that Council could have discussion on this topic. Councilmember Bird stated that Mr. McCandless clarified the topic. Councilmember Bird asked Councilmember Swanson whether he was satisfied with Mr. McCandless's explanation, or whether there was something else that he hoped to accomplish with his initiative. Councilmember Swanson stated that he would like to see more public relations and marketing around the program. Councilmember McFadden stated that he is in agreement with the idea of Councilmember Swanson's motion, but that he would like to avoid redundancy. Councilmember Swanson withdrew his motion, and Councilmember Bird withdrew her second to the motion. Councilmember Cimmino asked whether a version of Councilmember Swanson's initiative already existed. Mayor Hanel stated that there is currently an opportunity available to those in Tax Increment Districts to apply for a subsidy or reimbursement of demolition disposal fees, and that the program has been used.

- Councilmember Crouch moved to use \$25,000 from the Council Contingency Fund to support a second year for Resource Officer Joel Simpson as soon as his second year begins, and to use \$50,000 from the General Fund for hiring a second Resource Officer as soon as possible in the Community Innovations program, seconded by Councilmember McCall. Councilmember Pitman stated that he felt this would be a topic better suited for the next Council, rather than the current one. Councilmember Pitman stated that he did not believe that the funding needs of the program were urgent, and he urged Councilmembers to vote in opposition of the initiative. Councilmember Bird stated that the \$25,000 is an important issue because the Community Innovations program has been successful so far. Councilmember Bird stated that she would support the initiative; hiring a second Resource Officer would allow for coverage in the evening and night shifts. Councilmember Crouch stated that the City itself has spent less than \$2,000 on the program and that the program is looking for grant money. Councilmember Cimmino stated that Council allocated \$15,000 in 2014 to fly in representatives from San Antonio and San Diego to share information about their similar programs. Councilmember Cromley stated that the initiative was too specific for him to support. Councilmember Cromley stated that he would rather receive additional information at a future work session. Councilmember Cromley stated that he would support an initiative for receiving additional information at a work session. Councilmember Crouch stated that the \$15,000 was spent to learn more about the program, and that it was not an investment in the City itself. Councilmember Crouch stated that he spoke to Lisa Harmon, Downtown Billings Alliance Director, who stated that the program was in need of funding. Ms. Volek stated that she has spoken with Ms. Harmon and with Ms. Kosovich from the Rimrock Foundation. Ms. Volek stated that Rimrock Foundation is funding \$35,000 for Mr. Simpson's position and that Ms. Harmon and the Downtown Billings Alliance is funding the remaining \$15,000 for the position, along with office space. Ms. Volek stated that Rimrock would be willing to commit to a \$15,000 contribution in the future if the City were willing to contribute \$25,000. Ms. Volek stated that the Downtown Partnership would be in

attendance at the November 16 work session. Ms. Volek also stated that this topic could be scheduled for discussion at another work session as well. Councilmember Cimmino stated that Rimrock Foundation is making an investment in itself by contributing to the Community Innovations program. Ms. Volek stated that Rimrock Foundation provides services for a fee, but that many participants are outpatient clients rather than inpatient clients for Rimrock Foundation. Councilmember McCall asked Councilmember Crouch if he would be willing to modify his motion to include a future work session discussion on this topic. Councilmember Crouch stated that he would be willing to do so, and Councilmember McCall stated that she would be willing to follow up with a second. Mayor Hanel stated that this would need to take place in the form of an amendment to the original motion. Councilmember Crouch amended his original motion and moved to discuss the motion at a work session, seconded by Councilmember McCall. Councilmember Cimmino asked whether the amended motion included a discussion on funding allocation. Councilmember Crouch stated that his original motion included funding allocation discussion. Mayor Hanel stated that he is not opposed to the funding mentioned in the original motion, but that he leaned toward the comments of Councilmember Cromley and would like to learn more about the funding situation at a future work session. Councilmember Bird made an amendment to the amended motion, and moved to discuss the initiative, including the finances, at the November 16 work session. Councilmember Bird asked if her amendment to the amendment passes, would the original motion and amended motion be negated. Mr. Brooks stated that no, the previous two motions would not be negated; Council votes on each amendment and works backward to the original motion. Councilmember Crouch seconded Councilmember Bird's amendment to the amended motion. Councilmember Cromley made a substitute motion to set a future work session date to discuss all aspects of this topic, including potential funding, seconded by Councilmember Cimmino. Councilmember Bird asked Councilmember Cromley if he would like to be more specific on setting a date for a work session discussion. Ms. Volek reminded Council that the two remaining work session dates for the year are November 16 and December 7. Councilmember Cromley stated that he was willing to leave the date open for staff to schedule the discussion. Councilmember Cimmino stated that she was in agreement. Councilmember Pitman stated that unless the discussion was pushed back until the new Council took office, he would not support the motion. Mayor Hanel stated that the funding would take place in 2016, after the new Council had taken office. Councilmember Cimmino stated that she understood Councilmember Pitman's reasoning, but that the previously approved budget would still have to be amended in the future. Councilmember Brown asked if the Community Innovations program was in need of the funding by the end of 2015. Ms. Volek stated that she believed that Mr. Simpson had already entered his second year of employment. Councilmember Yakawich stated that even without the motion, the Community Innovations program would still be coming before Council for a quarterly update during the November 16 work session. Ms. Volek stated that a more thorough discussion regarding funding would be more appropriate for the December 7 work session,

and would include the Downtown Billings Alliance and the Rimrock Foundation. On a voice vote, the substitute motion was approved 8-3, with Councilmembers Cromley, Cimmino, McFadden, Bird, McCall, Swanson, Crouch, and Mayor Hanel voting in favor, and Councilmembers Yakawich, Pitman, and Brown voting in opposition.

- Councilmember Crouch moved to direct staff to make a presentation to Yellowstone County Commissioners to place a \$.02 gas tax on the ballot next year, seconded by Councilmember Bird. Councilmember Cimmino asked for Councilmember Crouch to explain the benefits of a \$.02 gas tax. Councilmember Crouch stated that a gas tax allows for improvements within the City, such as Grand Avenue improvements. Councilmember Crouch stated that there are many projects within the County and City that could receive funds from a \$.02 gas tax. Councilmember Cimmino asked Mr. Brooks whether the State would need to grant permission for the gas tax to be placed on the ballot next year. Mr. Brooks stated that he believed that a gas tax was a statutorily authorized, so it is specifically permitted by the State legislature. Mayor Hanel stated that the gas tax would be allowed, but that there were restrictions on how the funds could be used. Mr. Brooks clarified that the funds must be used for costs related to transportation. Councilmember McCall stated that she was interested in this possibility, but that more information was needed prior to making a decision. Councilmember McCall stated that now would be a good time to start obtaining additional information. Councilmember Pitman stated that he opposed the initiative. Councilmember Pitman noted that the joint City/County meeting recently took place, and that meeting would have been a good opportunity to have this discussion. Councilmember Pitman stated that he felt that asking the Commissioners to place the gas tax on the ballot was not appropriate and was premature at this point. Councilmember McFadden asked how much the cost would be to put this item on the ballot. Ms. Volek stated that the City itself could not put this item on the ballot, and that the County would be the entity to put the item on the ballot. Ms. Volek stated that the cost would be relatively small since the item would be included in a general election ballot, but that the County would need to confirm the exact amount. Councilmember McFadden stated that he opposed this initiative. Councilmember Cromley clarified with Mr. Brooks that Council could not direct staff to go to the County Commissioners, and that Council could only direct staff to report back to the Council. Mr. Brooks stated that Council cannot direct staff to direct the County Commissioners to take a certain action. Mr. Brooks stated that Council can direct staff to seek additional information and to report back to Council. Mayor Hanel clarified with Councilmember Crouch that his initiative was to direct staff to discuss this issue with the County Commissioners. Councilmember Bird reminded Council that the City Charter specifically directs Council to seek out alternative sources to fund City services. Councilmember Bird stated that it is important to discuss alternative funding sources, and noted that infrastructure and MET Transit could possibly benefit from a gas tax. Councilmember Bird stated that she supported beginning conversations with the County Commissioners, but that staff should conduct research and develop a plan prior to beginning those conversations.

Councilmember Brown clarified that the original initiative was to make a presentation to the County Commissioners regarding the gas tax. Councilmember Brown stated that he would support the initiative if it called for researching additional information. Councilmember Brown stated that much more information was needed prior to having conversations with the County Commissioners. Mayor Hanel stated that asking staff to make a presentation to the County Commissioners may be asking too much, and asked whether Councilmember Crouch would be willing to change the language in his initiative to direct staff to have discussions with the County Commissioners. Councilmember Crouch stated that he was willing to do so. Councilmember Crouch withdrew his motion, and Councilmember Bird withdrew her second. Councilmember Crouch moved to direct staff to begin conversations with the County Commissioners regarding placing a \$.02 gas tax on a future ballot, seconded by Councilmember Cromley. On a voice vote, the motion was approved 7-4, with Councilmembers Cromley, Bird, McCall, Swanson, Crouch, Brown, and Mayor Hanel voting in favor, and Councilmembers Yakawich, Pitman, Cimmino, and McFadden voting in opposition.

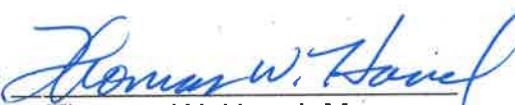
Ms. Volek reminded the audience that two additional Community Conversations events would be taking place: one on Tuesday, November 10 at Lewis and Clark, and the other on Thursday, November 12 at St. John's Campus. Ms. Volek also reminded the audience that City offices would be closed on Wednesday, November 11 in observance of Veterans' Day.

There was no further business, and the meeting adjourned at 8:34 pm.



CITY OF BILLINGS

BY:


Thomas W. Hanel, Mayor

ATTEST:

BY:


Billie Guenther, City Clerk