

REGULAR MEETING OF THE BILLINGS CITY COUNCIL
June 8, 2009

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 Ron Tussing called the meeting to order at 6:30 p.m. and served as the meeting's presiding officer. Councilmember Brewster gave the invocation.

ROLL CALL – Councilmembers present on roll call were: Ronquillo, Gaghen, Pitman, Brewster, Veis, Ruegamer, McCall, Astle, Clark. Councilmember Ulledalen was excused.

MINUTES – May 26, 2009, approved as presented

COURTESIES – None

PROCLAMATIONS – None

ADMINISTRATOR REPORTS – Tina Volek

- Ms. Volek referenced an email regarding additional information on park maintenance districts for Item #10. She noted that the document was placed on the councilmembers' desk that evening and available for public viewing in the ex-parte notebook in the back of the room.
- Ms. Volek referenced a letter from the Billings Chamber of Commerce regarding the FY2010 budget that had been placed on the councilmembers' desk that evening and filed in the ex-parte notebook in the back of the room.
- Ms. Volek referenced information provided by John Brewer about the Tourism Business Improvement District that had been placed on the councilmembers' desk that evening and filed in the ex-parte notebook in the back of the room.
- Ms. Volek referenced a memo from Pat Weber with a revised Exhibit A and Attachment C for Item #11. She noted that the document was placed on the councilmembers' desk that evening and available for public viewing in the ex-parte notebook in the back of the room.

PUBLIC COMMENT on “NON-PUBLIC HEARING” Agenda Items: 1, 7a, 7b, and 7c ONLY. Speaker sign-in required. (Comments offered here are limited to 1 minute per speaker. Please sign up on the clipboard located 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.)

(NOTE: For Items not on this agenda, public comment will be taken at the end of the agenda. Please sign up on the clipboard located at the back of the room.)

- **Joe White, Billings, MT** said he was not familiar with Item #7, but suggested a precise process in the agreements. *The remainder of Mr. White's testimony was inaudible.*

CONSENT AGENDA:

1. A. Bid Awards:

(1) General Aviation Taxi Lane Rehabilitation (Opened 5/26/09) (Delay of Award 5/26/09) Recommend Knife River-Billings; \$1,004,237.10.

B. Declaring surplus property and authorizing the City Clerk to release older-model, non-working HP Color LaserJet 4550 Printer to Automated Office Systems to be used for parts in exchange for the \$45 service call fee.

C. (1) Approval of Unified Planning Work Program Amendment to fund Alternative Modes Coordinator Services and **recommendation** of the amendment to the PCC on 6/9/09.

(2) Contract with Active Transportation Alternatives, LLC, for alternative modes coordinator services; 6/9/09 – 9/30/09; not to exceed \$5,667 per month (pro-rated in June 2009).

D. Mutual Aid and Assistance Agreement for Intrastate Water/Wastewater Agency (Emergency) Response Network for the State of Montana and **designation** of the City Administrator as the Authorized Official under the agreement.

E. Vehicle Lease Agreement with Underriner Motors for use by the Montana Internet Crimes Against Children (ICAC) Task Force Coordinator/Forensic Examiner; 6/1/09 - 5/31/2010; \$4,500 total, budgeted through ICAC Continuation Grant.

F. Vehicle Lease Agreement with Underriner Motors for six vehicles for the City County Special Investigation Unit (CCSIU); 7/1/09 - 6/30/2010; \$28,800 total, budgeted through FY 2010 Drug Forfeiture Fund.

G. Amendment #8, Engineering Services for Airport Improvement Program (AIP 37) Taxiway East Rehabilitation Project funded with American Recovery and Reinvestment Act Funds; Morrison Maierle, Inc., \$187,126.

H. Acceptance of Federal Aviation Administration Airport Improvement Program (AIP) Grant 37 funded with American Recovery and Reinvestment Act Funds to be used for the Taxiway "A" East End Rehabilitation Project, \$1,134,559.

I. Supplemental Amendment #5, W.O. 02-10, 6th Avenue North to Bench Boulevard, Phase 1, Professional Architectural and Engineering Services Contract; Morrison-Maierle, Inc., \$597,921.

J. Amendment #7, W.O. 04-12, Alkali Creek Road Slope Stability, Professional Services Contract; Kadrmas, Lee & Jackson, Inc., \$197,424.

K. Resolution #09-18820, Proposed Fee Increase for Mountview Cemetery.

L. Street Closures:

(1) **Reporter Big Sky Office Relay for Life Car & Motorcycle Show;** North 14th Street between 1st and 2nd Avenues North, 9:00 a.m. to 3:00 p.m., 6/20/09.

(2) **Billings Clinic's Classic Street Party;** N. Broadway between 3rd and 4th Avenues N. from midnight, August 28, 2009, through 5:00 p.m., August 30, 2009; the N. 27th/28th alley between 3rd and 4th Avenues North from 9:00 p.m., August 28, 2009, through 5:00 a.m., August 30, 2009; and N. 28th/29th alley between 3rd and 4th Avenues North from 6:00 a.m., August 29, 2009, through 2:00 a.m., August 30, 2009.

(3) **Chase Hawks Association Burn the Point Parade and Street Dance,** September 4, 2009 – Parade: standard downtown parade route, 7:00 p.m.; Street Dance: North 28th Street from 1st Avenue North to 2nd Avenue North, 4:30 p.m. until 1:00 a.m.

M. Resolution of Intent #09-18821 to create Special Improvement Lighting Maintenance District 307: Shiloh Road from Rimrock Road to Pierce Parkway; and setting a public hearing date for July 13, 2009. (Original Resolution of Intent to Create #09-18813 was passed on 5/11/09 and rescinded with Resolution #09-18818 on 5/26/09.)

N. Final Plat of Whitetail Square Subdivision.

O. Bills and Payroll

(1) May 8, 2009

(2) May 15, 2009

(Action: approval or disapproval of Consent Agenda.)

Mayor Tussing separated Item C. Councilmember Astle separated Item O1.

Councilmember McCall moved for approval of the Consent Agenda, excluding Items C and O1, seconded by Councilmember Ruegamer. On a voice vote, the motion was unanimously approved.

Councilmember McCall moved for approval of Item C1, seconded by Councilmember Pitman. Mayor Tussing advised he would recuse himself from Item C because of his wife's involvement. Councilmember Brewster asked why the position was necessary. Ms. Volek advised that the position was responsible for examining new subdivisions for trails and it was also important to receiving transportation funding. Planning and Community Services Director Candi Beaudry explained that the position was valuable and brought in more grant money than it cost. She said several grant applications were outstanding and there was no other staff available to write those grants or to pursue new ones. She added that the position would also provide other services related to the trail network. Councilmember Clark asked if the item was bid.

Ms. Beaudry said it was and a single bid was received. On a voice vote, the motion was approved 9-0.

Councilmember McCall moved for approval of Item C2, seconded by Councilmember Ruegamer. Councilmember McCall referenced Section 6 of the contract and asked if it included travel expenses for the contractor. Ms. Beaudry advised those expenses would be paid only if they were for transportation-related activities and approved by the Federal Highway Administration and Montana Department of Transportation. She said the City would only pay the portion it was required to pay through the local match. On a voice vote, the motion was approved 9-0.

Councilmember McCall moved for approval of Item O1, seconded by Councilmember Ruegamer. Councilmember Astle asked about the compensation agreement payment to Emmanuel Baptist Church for \$67,000. Public Works Director Dave Mumford explained it was compensation for the City's responsibility for water and sewer extensions completed by the church along Shiloh Road. On a voice vote, the motion was unanimously approved.

REGULAR AGENDA:

2. PUBLIC HEARING ON ENERGY EFFICIENCY & CONSERVATION BLOCK GRANT APPLICATION AND ENERGY EFFICIENCY & CONSERVATION STRATEGY. Action scheduled for 6/22/09 City Council Meeting.

Planning and Community Services Director Candi Beaudry explained that the Energy Efficiency and Conservation Block Grant was an appropriation authorized by the American Recovery and Reinvestment Act, and the allocation was based primarily on population. She noted that a public hearing would be held that evening, and action on the proposed grant application and the Energy Efficiency Conservation Strategy would be requested at the June 22, 2009, meeting. Ms. Beaudry explained that the objectives of the act were to create and preserve jobs and stimulate the economic recovery. She said the program specifically targeted green jobs and projects that improved energy use.

Ms. Beaudry announced that Billings was eligible for \$1,003,000, and five projects were proposed by staff. She noted that the Energy Efficiency Conservation Strategy could be included with the submittal or within 120 days of the submittal. She said that even though the grant funds could be used to develop that strategy, staff did not recommend that so all the grant funds could be used for the projects.

Ms. Beaudry advised that the following five projects met the eligibility criteria and were recommended by staff and the Energy Conservation Commission for funding through the Energy Efficiency and Conservation Block Grant:

1. 2009 International Energy Conservation Code Program Development - \$100,000
2. Swords Park Trail II - \$400,000
3. Energy Performance Contract for City-owned Facilities - \$100,000
4. Energy Star Challenge - \$53,000
5. Hybrid Bookmobile - \$350,000

Ms. Beaudry provided a brief review of each project. She then reviewed the goals of the Energy Efficiency and Conservation Strategy and advised that each of the five projects met one of those goals. She said the strategy also had to include a description of how that plan worked with the local jurisdiction, how it coordinated with the State, how benefits would be sustained and how the progress would be monitored. Ms. Beaudry advised that the application had to be submitted online by June 25, the funds had to be committed within 18 months of the grant award and spent within 36 months. She noted that departments could use up to 10% of the project cost for administration. She explained the Made in the USA provision for purchases that would affect the trail construction or bookmobile, and said staff did not anticipate a problem finding U.S. made materials.

Councilmember McCall asked if the Planning Department had framed any energy strategies prior to the American Recovery and Reinvestment Act. Ms. Beaudry said it had not, but that was a framework to build on. Ms. Volek commended Ms. Beaudry for the time she spent on the project. She said Ms. Beaudry shared the information with the Mayor's Energy and Conservation Commission and the Conservation Roundtable.

Councilmember Pitman asked about the cost of the bookmobile. Ms. Beaudry advised that the total cost would be \$350,000. Councilmember Pitman asked if the City was obligated to meet the goals if the grant funds were accepted. Ms. Beaudry responded that they were goals and even though there was no obligation, the City should strive to meet them. Councilmember Gaghen asked if the Library's Equipment Replacement Plan had to fund the remainder of the cost of the bookmobile. Ms. Beaudry said there would not be any additional cost for the bookmobile since the grant request was \$350,000 and that was the estimated cost of the bookmobile. She noted that the cost of the bookmobile was not known when the staff memo was prepared.

Councilmember Veis asked how the final list of projects was determined. Ms. Beaudry explained that all the projects on the draft list were excellent, but in the case of the retrofit of the lights in the parking garage, staff felt it was better to wait until the energy audit was complete so projects could be prioritized.

Councilmember Veis stated he thought the City was preparing to enter into an energy performance contract. Ms. Beaudry explained that if the money was used to pay the contract up front, the consultant would not have to be repaid from the energy savings, but instead the energy savings could be used to reduce operational expenses. Ms. Volek added that a request for proposals was nearly complete. She explained that the performance auditing contracts enabled the City to bond for projects and the guarantee from the firm that accepted the project was that the bonds would be repaid by energy savings. She stated that the price that came with that was that the engineering firms almost doubled their fees for that process. Councilmember Veis asked if that meant that the engineering fees were reduced. Ms. Volek said the fees were not reduced, but were paid up front and not over the life of the contract. Councilmember Veis asked if that took away the incentive from the engineering firm to make sure it worked. Ms. Volek said that would only put a dent in the project. Ms. Volek advised that there was a requirement that if the city chose not to proceed with a project, the engineering firm had to be paid for the study on that project. Councilmember Veis asked if it was to be done in one area, or if it was going to be expanded to include all city facilities. Ms. Volek said past minutes were reviewed and there was no concrete

direction from the Council to proceed with just a single department. She said the RFP was written so it could be done for a single department, but they could look at what was available across the City and a recommendation would be presented to the Council.

Councilmember Veis referenced the Energy Star Challenge and asked if spending \$53,000 on LED lights would get more bang for the buck. Ms. Beaudry explained that the Energy Star Challenge was an attempt to get the whole community involved. She said a web site would be available that provided all the energy funding opportunities, energy efficiency information, as well as the ability to build and monitor an energy portfolio. She said they hoped to get major facilities to participate. Councilmember Veis said that had to be done anyway as part of the technical audit. Ms. Beaudry said the data would be collected through the energy audit and could be used to input into the portfolio. She said the grant required some accountability and the portfolio would help demonstrate the energy savings. Councilmember Veis said he thought that information was on the Web already. Ms. Beaudry said it would be targeted to the local area.

Ms. Volek referenced Councilmember Veis's statement about LED lights and explained that a manufacturer indicated that LED lights and sodium vapor lights had different spacing issues and because of that, it was not possible to put LED fixtures into sodium vapor lights without redesigning the system. Mr. Mumford added that the City was working with Northwestern Energy to change all the traffic signal heads to LEDs.

Councilmember Pitman asked when the Library bookmobile was scheduled to go through the Equipment Replacement Plan. Ms. Beaudry said it was already behind schedule and \$350,000 had been set aside for it. She noted that the money came from the Library and it could be reallocated for other uses. Mayor Tussing asked if it could have been replaced this year without the grant money. Ms. Beaudry said it could. Councilmember Pitman asked how the grant was reflected in the budget. Financial Services Manager Pat Weber explained that it was not presently in the budget, but after the grant was received, Ms. Volek had the authority to amend the budget to include it. Councilmember Pitman said he wanted to make sure it was reflected in the Equipment Replacement Plan.

Councilmember Ronquillo stated he agreed with Councilmember Veis about the energy audits. He said that information was already available and he wondered why the City had to pay someone else to do it. Ms. Beaudry responded that it was tailored for Billings and all of the information would be in a single place. She added that the project came directly from the Mayor's Energy and Conservation Committee. Ms. Volek advised that the Energy and Conservation Committee would attend a future work session to discuss the Energy Star program. Councilmember McCall stated that she supported the Energy Star Challenge because it was about long-term change.

Councilmember Astle asked what happened to the funds already set aside in the budget to purchase a bookmobile. Ms. Volek explained that the Equipment Replacement Plan was funded by department contributions over time for the purpose of equipment purchase or replacement. She said the money for the bookmobile came from the Library and could be used for other Library vehicle needs. She said she did not believe the bookmobile purchase was approved in the current ERP. Mr. Weber confirmed that a bus purchase was not in the FY2010 budget and the funds for it were in the ERP fund awaiting the approval by the ERP Committee. Mayor Tussing asked if

anyone knew the payback for that type of vehicle and what kind of mileage was expected from it. He said he would like to know that before he voted on it. Ms. Volek said the information would be provided prior to the June 22 meeting.

The public hearing was opened.

- **Theresa Keaveny, 2005 Clark**, stated that Ms. Beaudry and Ms. Volek presented the plan and the energy reduction strategy to the Billings Conservation Roundtable. She said the groups present were supportive of the plan and strategy, especially the Energy Star Challenge and the bookmobile. She said she personally questioned the energy performance contracting, but believed those questions had been answered that evening. She said that although the Billings Conservation Roundtable preferred more time for the Energy and Conservation Commission to review the plan and seek more public input, the members were comfortable with adopting it that evening rather than waiting 120 days because it made more sense.

Ms. Volek advised that the Energy and Conservation Commission meeting scheduled earlier that day was canceled due to lack of a quorum. Mayor Tussing clarified that action was not scheduled on the item until June 22, 2009.

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

3. PUBLIC HEARING AND RESOLUTION #09-18822 FOR LIMITS OF ANNEXATION MAP AMENDMENTS. Annexation Committee recommends approval. (Action: approval or disapproval of Annexation Committee recommendation.)

Planning Manager Wyeth Friday advised that the Annexation Committee recommended amendments to the Limits of Annexation Map. He explained that the Committee did not receive any requests from property owners to amend the map so the policy and the map were reviewed. He noted that a presentation regarding the proposed six amendments was made to Councilmembers at a previous work session. He said that evening's recommendation only concerned amendments to the map, and the code and policy amendments would be presented at a future meeting.

Mr. Friday reviewed the four recommendations as follows: 1) make no changes to the Red Area on the 2009 Limits of Annexation Map; 2) eliminate the time line of the Orange Area and call it the *Long Range Urban Planning Area*; 3) eliminate the Yellow Area from the map; and 4) make two adjustments to the Orange Area on the map to reflect service limitations and to address the impact of the proposed Inner Belt Loop. Mr. Friday provided a PowerPoint presentation that displayed the current Limits of Annexation Map and the proposed changes.

The public hearing was opened.

- **Joan Hurdle, 210 Nall Avenue**, said she wanted to address County islands south of downtown along the river and the freeway. She said those islands were in the Red Area and had been since the policy was adopted in 2004. She urged the Council to make plans to accomplish that goal. She said the Yellowstone

River was important to the City and there was a natural connection to the river from downtown from Broadway, south to State Avenue, to Sugar Avenue, to Garden Avenue. She stated that instead of being part of an attractive corridor that led to the river, Sugar Avenue was one of the dirtiest and most dangerous places in Billings. She said Sugar Avenue was owned half by the City and half by the County, had no shoulders, and was heavily traveled by trucks and buses. She stated that if the City did not annex the islands south of downtown, only industrial development would continue in that area.

Mayor Tussing asked if the area Ms. Hurdle spoke about would remain in the Red Area even with the recommended changes. Mr. Friday responded that it would. Councilmember Clark asked if a request would have to be made to annex that area since it was not surrounded by City property. Mr. Friday said it would.

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

Councilmember Ruegamer moved for approval of Item #3, seconded by Councilmember McCall. On a voice vote, the motion was unanimously approved.

4. PUBLIC HEARING AND RESOLUTION #09-18823 creating SID 1387: Zimmerman Trail Subdivision Sanitary Sewer Improvements. Staff recommends approval. (Action: approval or disapproval of staff recommendation.) Ms. Volek advised that staff did not have a presentation but was available for questions.

The public hearing was opened.

- **Jim Bos, Billings, MT**, said he was a homeowner and president of the association for the area being considered for the SID. He said the association voted to create the SID, and it was a culmination of the efforts to get sewer services after being annexed into the City several years ago. He said the sewer would eliminate the risk of the common drain field system currently used. He urged approval of the SID.

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

Councilmember Veis moved for approval of the resolution creating SID 1387, seconded by Councilmember Astle. Councilmember McCall commented that it was a good project and she encouraged Council support. On a voice vote, the motion was unanimously approved.

5. PUBLIC HEARING AND SITE DEVELOPMENT ORDINANCE VARIANCE #CC-09-01: A variance from Section 1208(h)(5) allowing one additional curb cut onto Frontier Drive from Lot 2, Block 1, of Riverfront Pointe Subdivision. Dan Marsich, property owner/developer; Sanderson Stewart, agent. Staff recommends approval. (Action: approval or disapproval of staff recommendation.) Ms. Volek advised that staff did not have a presentation but was available for questions.

The public hearing was opened. There were no speakers and the public hearing was closed.

Councilmember Brewster moved for approval of the site development ordinance variance #CC-09-01, seconded by Councilmember Pitman. On a voice vote, the motion was unanimously approved.

6. PUBLIC HEARING AND RESOLUTION #09-18824 vacating a portion of Zimmerman Trail abutting Lot 5, Scott Subdivision, for a value of \$4,176.26. James and Jenica Buker, petitioners. Staff recommends approval. (Action: approval or disapproval of staff recommendation.) Ms. Volek advised that staff did not have a presentation but was available for questions.

The public hearing was opened. There were no speakers and the public hearing was closed.

Councilmember Pitman moved for approval of the resolution vacating a portion of Zimmerman Trail abutting Lot 5, Scott Subdivision for \$4,176.26, seconded by Councilmember Brewster. On a voice vote, the motion was unanimously approved.

7. (a) RESOLUTION #09-18825 approving a revised and restated Interlocal Agreement for Montana Municipal Insurance Authority Membership. Staff recommends approval. (Action: approval or disapproval of staff recommendation.) Ms. Volek advised that Council had three documents related to the item. She said staff did not have a presentation, but Assistant City Administrator Bruce McCandless was available for questions.

Councilmember Veis asked if the name change required a new interlocal agreement. Mr. McCandless advised that the primary change was that the term “insurance” and related terms were changed to an interlocal authority, which was the way it was legally structured. Councilmember Veis asked what prompted the changes. Mr. McCandless explained that the changes were prompted by an adverse District Court ruling concerning coverage for the City of Dillon and whether it was an insurance company regulated by insurance rules. He noted that the case would probably be appealed to the Supreme Court. Councilmember Veis asked if it would have any effect on pending items with MMIA. City Attorney Brooks said he could not provide a definite answer to that.

Councilmember Gaghan moved for approval of the resolution to adopt the revised and restated MMIA Interlocal Agreement, seconded by Councilmember Astle. On a voice vote, the motion was unanimously approved.

(b) RESOLUTION #09-18826 approving and adopting the Montana Municipal Interlocal Authority Amended and Restated Liability Coverage Program Agreement. Staff recommends approval. (Action: approval or disapproval of staff recommendation.) Councilmember Veis asked for more information on the changes. Mr. McCandless explained that the change in the liability program agreement was similar to the interlocal agreement in that it moved away from use of the terms related to

insurance. He said the primary financial change was elimination of the references to the bonds taken out by the six major cities in Montana to underwrite MMIA's loss pool because those bonds were terminated in 2007. He said the final change was the provision of coverage up to \$500,000 per claim for land use and employment practice claims. He said defense services would be provided in addition to that coverage amount and noted that the previous agreement provided only defense coverage for those types of losses. Councilmember Veis asked if the change would result in increased premiums. Mr. McCandless responded that there would not be a change in premium at the current time, but there was no guarantee that there would not be a long-term impact. Councilmember Veis asked if that was driven by the membership. Mr. McCandless explained that it was an effort to provide the same type of coverage for employment practices and land use claims as other items.

Councilmember Gaghen asked if the premium was based on population. Mr. McCandless advised that the premium was based on payroll, and then the rate was modified by the loss history. He noted that the City of Billings had a low loss rate for items covered by the policy.

Councilmember Gaghen moved for approval of the resolution approving and adopting the MMIA Amended and Restated Liability Coverage Program Agreement, seconded by Councilmember Astle. On a voice vote, the motion was unanimously approved.

(c) RESOLUTION #09-18827 approving and adopting the Montana Municipal Interlocal Authority Amended and Restated Workers' Compensation Coverage Program Agreement. Staff recommends approval. (Action: approval or disapproval of staff recommendation.)

Ms. Volek advised that Mr. McCandless was available for questions. Councilmember Veis asked if there were significant changes to the program. Mr. McCandless advised there were a few changes, but there was still an outstanding bond issue in the workers compensation program, so the effective date of the program agreement was September, 2010. He said the City would remain in the old program through the coming fiscal year. He explained that the City could withdraw from the new program but would have to do so by March, 2010, and there would be a short period of time when the City had coverage by the bond issuance before the new agreement took effect. He noted there could be financial penalties for withdrawal.

Councilmember Gaghen moved for approval of the resolution approving and adopting the MMIA Amended and Restated Workers' Compensation Coverage Program Agreement, seconded by Councilmember Pitman. On a voice vote, the motion was unanimously approved.

8. PUBLIC HEARING AND RESOLUTION #09-18828 assessing residential/commercial collection, disposal, and landfill fees for Fiscal Years 2010, 2011, and 2012. Staff recommends approval. (Action: approval or disapproval of staff recommendation.)

Mr. Mumford advised that a rate increase had not been requested since 1999, and one was needed now due to significant cost increases. He noted that some reserves had been used during the past few years to avoid a rate increase. Mr. Mumford reviewed the rate increase that would be implemented over the next three years for residential, commercial and landfill fees. He

pointed out that Billings was still lower than other cities in the region even with the proposed increases.

Mr. Mumford advised that a new surcharge on landfill fees would be added for non-Billings residents who used the landfill. He said Yellowstone County residents would pay a 10% surcharge and non-Yellowstone County residents would pay a 20% surcharge. Mr. Mumford said the fees provided long-term benefits for preservation and expansion options for the landfill. He noted that other communities have requested use of the landfill.

Councilmember Clark asked if the yard waste program was included in those fees. Mr. Mumford said it was included, but it would take approximately two more years to implement the program throughout the whole city. He added that a full curb-side recycling program would significantly increase fees, so the City supported the private sector in that endeavor instead.

Councilmember Ruegamer commented that he would rather have small increases every year or every other year instead of a 25% increase over the next three years. He added that hearing that Billings had lower rates than other cities did not mean a whole lot. Mr. Mumford said Public Works preferred small increases every year because it took so long to catch up after an increase when there was a long period between them. Councilmember Ruegamer suggested developing a formula to do that. Mr. Mumford said they would be asking for regular increases in the future.

Councilmember McCall reported that she received an email from a constituent who commended the service of the Public Works staff and said that even though she was on a limited income, she felt the increase was reasonable.

Councilmember Astle commented that the increase would cost a resident about 59¢ more each month. He said he appreciated the service.

Councilmember Gaghen asked if it would be appropriate to schedule an ongoing increase that followed the three-year increase. Mr. Mumford said that had been discussed and was an option. Councilmember Gaghen asked if the resolution could be revised to include that measure. Ms. Volek said she did not know if it could be accomplished in time with the number of rates involved. Councilmember Brewster stated that since the public notice only included the proposed increase, he felt it was better to address that in the next budget cycle. Councilmember Clark noted that it should be included in the business plan.

The public hearing was opened.

- **Tom Zurbuchen, 1747 Wicks Lane**, said he had previously suggested rate increases due to the high cost of fuel, but the Council kept saying an increase was not needed. He pointed out that funds were borrowed from Solid Waste reserves to build the new fire station on the west end and Council still felt increases were not needed. He said the 30% increase was ridiculous. He noted that if grocery prices went up 30%, it would be questioned as well.

Councilmember Gaghen referenced Mr. Zurbuchen's remarks about grocery prices and said those costs rose when fuel prices went up, but she had not seen the prices reduced when fuel prices went down. Mr. Zurbuchen said everyone's grocery and fuel prices went up, including the City's, but until this

year, the City did not need more money for its gas bills. He said when his SID was paid off he expected his tax bill to go down, but it did not. He said a little increase was easy to take, but when the increase was 30% after being told the City was in good shape, it was hard to take. He said Councilmember Ruegamer had the right idea.

- **James Knox, 661 Garnet Avenue**, said the City had done a great job keeping the rates low over the years. He said garbage service cost about \$1.30 each week, and anywhere else in the country, it would be at least twice that amount. He said he understood people being upset with the percentage of the increase, but dollar for dollar, it was not that much and it would take care of the landfill.

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

Councilmember Ronquillo moved for approval of the resolution assessing residential/commercial collection, disposal, and landfill fees, seconded by Councilmember McCall. On a voice vote, the motion was unanimously approved.

9. PUBLIC HEARING AND RESOLUTION #09-18829 setting FY2010 mill levy rates for General, Transit, Library, and Public Safety I. Staff recommends approval. (Action: approval or disapproval of staff recommendation.) Ms. Volek advised that the mill levy rates had remained the same since 2001 and approval of them was recommended. She noted that the mill levy rates for Parks, Recreation and Public Lands, Streets, Ballpark, and Public Safety II would be established when the certified taxable valuation information was received from the Montana Department of Revenue. She said those notices would be delayed until about the end of August, so Council would see them later than normal.

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

Councilmember Clark moved for approval of the mill levy rates for General, Transit, Library and Public Safety, seconded by Councilmember McCall. On a voice vote, the motion was unanimously approved.

10. PUBLIC HEARING AND RESOLUTIONS setting annual FY 2010 assessments for Park Maintenance Districts #09-18830; Light Maintenance Districts #09-18831; Fire Hydrant Maintenance #09-18832; Street Maintenance #09-18833; Storm Sewer #09-18834; Arterial Construction #09-18835; Business Improvement District #09-18836; and Tourism Business Improvement District #09-18837. Staff recommends approval. (Action: approval or disapproval of staff recommendation.) Ms. Volek advised that park and light maintenance district rates reflected actual costs and would be modified as in other years. She said the street maintenance, storm sewer, arterial rates, and fire hydrant maintenance fees remained the same. She explained that the Tourism Business Improvement District recommended an increase from \$.75 to \$1.00 per occupied hotel/motel room per night. She said approval of the items was recommended. Councilmember Veis asked if an

amendment was needed for the TBID resolution since a revised one was provided in the Friday Packet. Ms. Volek said she believed an amendment was necessary.

Mayor Tussing asked if the park maintenance district fees were what was discussed in Ms. Volek's email. Ms. Volek said the email was placed on the Council desks that evening and in the Ex-Parte Notebook. She explained that 12 of the 37 park maintenance districts had been underfunded for a variety of reasons and those items had been increased, but the remaining districts were not increased over the past year.

Councilmember Brewster stated that during the budget discussion, Council was told that reserves would be maintained at 15%, yet the undesignated fund balance was higher than 15%. Parks, Recreation and Public Lands Director Mike Whitaker explained that there were separate funds for all the districts and some had more reserves than others. He said the goal was to maintain 15% in each fund. Councilmember Brewster asked if there would be no increase in the reserves for those funds until the reserves were reduced to the 15%. Mr. Whitaker responded that was correct.

The public hearing was opened.

- **Bruce Simon, 217 Clark**, said there were two street maintenance districts in the City -- downtown and everything else. He said the "everything else" district contained 600 million square feet, and downtown was less than 4 million square feet, yet downtown was charged six times as much per square foot. He said he understood that the street maintenance funds were largely spent on arterial streets for snow plowing, street sweeping, striping and those types of activities, and that residential areas paid into the street maintenance just as commercial areas paid into it. He said he requested information on the cost allocation for the downtown district from Public Works and Mr. Mumford's research indicated that it was not tracked separately so they did not know. He asked the Council to consider letting the downtown property owners pay the same assessment as the rest of the city. He noted that he was not representing any group. He said the downtown property owners did not want any service reductions and agreed the services were essential. He urged a plan that had everyone on par.

Councilmember Brewster stated that Mr. Mumford informed him that the downtown streets were swept four times each week, compared to collector streets that were only swept twice each year. He asked how the assessments could be equal given that information. Mr. Simon said there were things involved in street maintenance that he questioned whether they should be charged to property owners. He mentioned striping and asked if that was really the responsibility of the property owners. He noted that the State paid the City to provide maintenance for several streets and several of those streets bisected the street maintenance district but the property owners were assessed for the total maintenance of the district. He said he felt it was unfair that the downtown area was not credited for the amount being paid by another source.

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

Councilmember Astle moved for approval of the resolution setting the annual assessment for FY2010 for Park Maintenance Districts, Light Maintenance Districts, Fire Hydrant Maintenance, Street Maintenance, Storm Sewer Maintenance, Arterial Construction, Business Improvement District, and Tourism Business Improvement District, seconded by Councilmember Veis.

Councilmember Veis moved to adjust the Tourism Business Improvement District assessment from \$.75 to \$1.00 per room per night, seconded by Councilmember Ruegamer. On a voice vote, the amendment was unanimously approved.

Councilmember Brewster asked if the rates for the downtown district included the payment from Montana Department of Transportation to maintain certain streets in that district. Mr. Mumford said the streets were 27th Street and Montana Avenue so it was not a large amount. He explained that it was not broken down separately, but they took into consideration the general cost to maintain those streets, and what work was done and how often it was done. He added that they knew when staff was in that area and what work was performed. He said they were working on a better accounting system for that process.

On a voice vote, the amended motion was unanimously approved.

A recess was taken at 8:25 p.m.

The meeting resumed at 8:35 p.m.

11. PUBLIC HEARING AND RESOLUTION #09-18838 approving and adopting the FY 2010 Budget. Staff recommends approval. (Action: approval or disapproval of staff recommendation.) Ms. Volek stated that adoption of the annual budget was a policy statement that emphasized the services the City Council wished to provide and instructed staff how to provide those services. Ms. Volek began her PowerPoint presentation by reviewing the budget policies. She noted that that this was the ninth year of 0% of general Operating and Maintenance increases, and supplemental budget requests had to be submitted for all items other than budgeted personnel matters and utilities that were just estimates. Ms. Volek reviewed budget practices and pointed out that the amount of vacancy savings deducted from the current budget was \$620,000. She reviewed total projected revenues and expenditures and compared them to the current year. She noted that the major reduction in revenue was \$9 million in capital expenditures.

Ms. Volek reviewed the following Major CIP projects/initiatives included in the budget: Heights water storage expansion; water line to Staples Reservoir, water main and sanitary sewer main replacements, Lake Elmo (Hilltop to Wicks), and the Airport car rental carwash facility. Ms. Volek explained that the car rental carwash facility would be bonded for an extended period of time and paid by a customer facility charge to car rental users. Councilmember Ruegamer asked why that project cost was so high. Ms. Volek explained that it was a car wash, a fueling facility, a maintenance facility and parking for the rental cars. Ms. Volek advised that the facility had been requested by the car rental agencies. Councilmember Ruegamer asked about the annual revenue. Ms. Volek advised the first year revenue was estimated to be \$276,000, with \$267,000 in expenses. Councilmember Ruegamer said people had a lot of questions about the facility and the cost of it.

Aviation and Transit Director Tom Binford explained that the \$8.5 million figure was a master plan estimate. He described the project as a quick turnaround facility that was used in many airports. He reiterated that the project cost was only an estimate, and explained that the amount of the customer facility charge would not be determined until the cost of the facility was known. Councilmember Ruegamer said the important thing was that the project would be paid for by the car rental companies and the car rental users. Ms. Volek said she understood that the new facility at the airport would allow all the car rental agencies to be located at the airport, something that was not currently possible due to space limitations.

Ms. Volek reviewed the major ERP replacements/additions included in the budget as follows: 12 police cars; five waste collection trucks; one solid waste dozer; one street paver; one street maintenance sweeper; and one snow blower for the Airport. She noted that some items would be purchased with Enterprise funds.

Ms. Volek reviewed staff changes for the year – three new police officers, as part of the last year of the public safety levy; a half-time Parking Division building services worker funded with Enterprise funds; an Environmental Coordinator who was recently hired; and an Account Clerk II for Municipal Court that would be offset by the reduction in overtime and temporary staff costs from that department.

Ms. Volek reviewed proposed taxes and fee changes as discussed earlier in the evening's meeting.

Ms. Volek reviewed financial projections for the General Fund that indicated revenues would meet expenditures in FY2010; there would be a slight surplus in FY2011 and FY2012; and by FY2013 the surplus would decline and a deficit would occur by FY2014. She pointed to the data which indicated a steady decline in ending fund balances and a serious financial situation would exist by FY2014. She said business plans would be completed for each department that would address how to deal with the budget issue.

Ms. Volek announced that this was the last year of the public safety levy increase and from now forward the City would receive \$8.2 million. She reviewed the improvements made over the five years in both the Police and Fire Department.

Ms. Volek reviewed items included in the budget that would be part of it if Council approved the budget as presented. She listed those items as: a maintenance fee for agenda management software; a reduction in audit services expense, a reduction of Teamster overtime; a hybrid car for the Police Department; a reduction of Library software, a reduction of COT Joint Library allocation; and a reduction of the Heights Library branch site evaluation.

Councilmember Ronquillo asked if a long-term study was done on the payback for the hybrid vehicle proposed for the Police Department. Mayor Tussing asked why that vehicle would be \$15,000 more. Mr. Weber advised that the hybrid vehicle was intended for use by a detective and would not incur excessive miles. He said the best payback estimate was that some point it would be worth it. Mr. Weber said the detective vehicles were typically about \$18,000 and a hybrid was about \$32,000-33,000. Councilmember Ronquillo stated that he did not see the cost savings in spending that much more for a vehicle. Councilmember Veis stated it did not seem like a hybrid car would be \$15,000 more than a standard vehicle. Mr. Weber said that was the difference in the amount in the ERP and what was needed to purchase a hybrid car.

Mayor Tussing said he recently learned that the hybrid vehicles were high-end and fully equipped and he could not justify spending that much more on a car even though he supported energy saving measures. Councilmember Veis said he did not want the ERP Committee to get the message that the Council asked for something and then turned it down, but he did not expect a hybrid vehicle to cost that much more. Councilmember Veis asked if it would be a workable solution to take the time to get a more accurate price. Mr. Weber said that was doable.

Ms. Volek reviewed questions that were raised during the budget process that needed Council consideration as follows: 1) a recommendation from the Parking Committee to eliminate or reduce the \$233,000 annual transfer from the Parking Fund to the General Fund; 2) whether to eliminate or reduce the \$65,000 appropriation for Council Contingency; 3) whether to eliminate the \$12,000 item to pay for task force mailings; 4) a request for a \$25,000 increase in the Police Department budget for jail charges related to additional arrests; 5) an increase of \$20,000 in the Mayor and Council budget for calendar year 2010 strategic planning. Councilmember Ruegamer asked how many times the entire \$65,000 Council Contingency was used. Ms. Volek stated that she was not aware it had ever been used entirely during her tenure. Ms. Volek advised that Police Chief St. John indicated that the actual jail costs for the current year were not as much as anticipated and he believed his department could get by with the same budget for another year if it was not added to the budget.

Councilmember Astle asked about the task force mailings. Ms. Volek said members were given the option to receive the newsletter by mail or email. Councilmember Astle asked about attendance at the task force meetings. Ms. Volek reviewed the attendance information provided by the task forces. Councilmember Veis asked if a reduced amount would be sufficient. Ms. Volek stated was concerned about a reduction or elimination due to increased mailing costs and that many participants in the task forces did not have the means or ability to get the newsletters electronically. Ms. Beaudry explained that the object of the request was to get the task forces to become more sustainable so that if they wanted to continue the mailings, they could pay for them. She said it was hoped that the task forces would write and mail the newsletters themselves. Ms. Beaudry said about \$15,000 was actually being spent on the mailings. Councilmember Ronquillo suggested leaving enough in the budget to send the newsletter to the chair of each task force. Ms. Volek suggested reducing it by half and reconsidering it next year. She expressed concern that task force members who had other commitments and who were trying to make a civic commitment would not have time to produce a newsletter. She added that there were benefits to the newsletter to allow the City to provide information.

Ms. Volek said staff recommended approval of the budget at that evening's meeting, or it could be acted on at the June 22, 2009, meeting. She said it was Council's practice to adopt the budget prior to the new fiscal year.

The public hearing was opened.

- **Tom Zurbuchen, 1747 Wicks Lane**, suggested an increase to \$20,000 in the task force mailing funding. He said the newsletter was all they had to advertise the meetings and people did not show up without getting the newsletter to remind

them. He noted that the task forces provide great input. Mr. Zurbuchen suggested reducing the fee to broadcast the Council meetings to increase the task force mailing budget. He said the exorbitant cable tv franchise fee should not be provided to Channel 7.

Councilmember Gaghen asked how the task forces determined who received the mailings. Mr. Zurbuchen said the people who attended the meetings should get the newsletters.

- **Bruce Simon, 217 Clark**, said he was a member of the Parking Advisory Board. He referenced the parking transfer to the General Fund and explained that the figure was an average of the last twenty years. He advised that the addition to the parking garage could have been accomplished with the cash funds, but instead the money was borrowed because of the transfer. Mr. Simon stated that additional parking would be needed when the new federal building was built. He noted that the parking fund was the only Enterprise Fund that transferred money to the General Fund, which was a practice that began when parking garages were paid for with tax increment money. He said he recognized the City's budget problem and suggested the elimination of the transfer over a three-year period. He stated that was a tax on people who parked downtown and the money then went to the General Fund and was spent for anything in the City. He noted that parking fees may not have had to be raised as much if the transfer was not made each year.
- **Kevin Nelson, 4235 Bruce Avenue**, suggested having the rental car companies build the car wash facility since they desired and needed it, rather than have the City take the risk on it. He stated that he wanted the task force newsletters to continue because they were a vital link to keep people connected.
- **Joe White, Billings, MT**, stated he was not familiar with the budget policy but suggested a decrease in the police budget and an increase in social workers, the planning office, public health, and building tests. He added that he agreed with Mr. Nelson's testimony about the car wash.

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

Councilmember McCall moved for approval of the resolution approving and adopting the FY2010 budget, seconded by Councilmember Ruegamer.

Councilmember Ronquillo stated that he wanted the \$25,000 in the Police Department budget for jail charges.

Mayor Tussing moved to amend the motion to move the \$15,000 for the hybrid vehicle to the Police Department budget for increased jail costs, seconded by Councilmember Ronquillo. Councilmember Veis asked Mayor Tussing if he preferred that the Police Department not look for a hybrid car. Mayor Tussing said he preferred they look for a hybrid that did not cost an additional \$15,000, and he preferred it was handled with a budget amendment when the cost was known. Councilmember Clark stated he understood that the Police Department did not ask for a hybrid vehicle. Ms. Volek said she believed the ERP Committee asked the Police Department to consider a hybrid vehicle. Mayor Tussing commented that as part of the Energy Efficiency and Conservation program, he wanted to see the whole City develop a plan regarding

appropriate hybrid vehicle usage. Councilmember Veis said the Mayor's motion moved funds from the Police Department's contribution to the Equipment Replacement Plan to the Police Department budget. Councilmember Veis said he thought the Police Department allocated a certain amount for equipment replacement and now the Council was putting it toward jail costs that may not be needed. Councilmember Brewster stated that the money came from the same budget but was just allocated differently. Councilmember Pitman suggested that either of those items could be paid from the Council Contingency fund as needed. On a voice vote, the amendment failed 8-2. Councilmembers Gaghen, Pitman, Brewster, Veis, Ruegamer, McCall, Astle, and Clark voted 'No.'

Councilmember Brewster moved to eliminate the \$65,000 Council Contingency Fund and allocate \$45,000 of that to strategic planning and jail charges, seconded by Councilmember Veis. Councilmember Brewster stated that rather than using the Council Contingency Fund as a slush fund, budget amendments could be brought forward and a public hearing held so the public had an opportunity for comment. He said the two items he suggested were typical expenditures for those funds. He commented that the information received from the citizen survey should drive changes to the strategic plan. Ms. Volek stated that one item funded with the Council Contingency fund was the City's new website. She advised that a resolution and public hearing were required for any expenditure from the Contingency Fund.

Mayor Tussing stated he did not think the Council Contingency Fund should be totally eliminated and he would not support the motion. He said he did not agree with allocating \$25,000 to the Police Department if it was not needed and \$15,000 could have been a reasonable compromise. He added that he did not agree that \$20,000 was necessary for strategic planning. He explained that he was not against strategic planning, but felt that it could be done for less without hiring an outside facilitator.

Councilmember Brewster advised that the Council Contingency fund had never been spent entirely and the remaining funds went back into the reserves for reallocation the next year. He said he felt it was more appropriate to allocate the funds through budget amendments.

Councilmember Gaghen said she would like to see the other kinds of expenditures from the Council Contingency Fund. She said she felt it was important to share information about past expenditures.

Ms. Volek reviewed budgeted amounts and expenditures of the Council Contingency Fund from 2005 through 2008.

Councilmember McCall stated she disagreed with eliminating the fund, but would support reducing it. Councilmember McCall made a second amended motion to reduce the Council Contingency Fund to \$45,000, seconded by Councilmember Pitman. Councilmember Veis stated that he felt the fund was for emergency situations and that it would have been spent for clean up after the October snow storm had it not been for creative thinking on the part of the Public Works Department. He said that was his understanding of how the fund would be used, and just because it had not been spent in the past, it did not mean it would not be needed in an emergency situation in the future. He said he was comfortable with the fund remaining at \$65,000. Councilmember Brewster commented that spending the funds through budget amendments made it a more public process.

Councilmember Gaghen stated that she was not in favor of eliminating the fund and did not see any problem with leaving it at \$65,000. She noted there had been valid expenditures in the past.

On a roll call vote, the second amendment to reduce the Council Contingency Fund to \$45,000, failed 6-4. Councilmembers Gaghen, Brewster, Veis, Ruegamer, Astle and Clark voted 'No.' Councilmembers Ronquillo, Pitman, McCall and Mayor Tussing voted 'Yes.'

Councilmember Clark said he preferred to eliminate funds and then budget for other items rather than moving the funds around. Councilmember Ruegamer stated he agreed with Councilmember Clark.

On a voice vote, the first amended motion to eliminate the Council Contingency Fund and allocate \$25,000 to the Police Department and \$20,000 for strategic planning failed 7-3. Councilmembers Gaghen, Pitman, Veis, McCall, Astle, Clark and Mayor Tussing voted 'No.'

Councilmember Brewster moved to allocate \$20,000 for strategic planning, seconded by Councilmember Veis. Councilmember Brewster stated that he felt to ignore that said that Council did not care about the direction of the City based on that public input. He said the vote would determine whether or not more strategic planning would be done.

Councilmember Astle asked if that item was already in the budget. Ms. Volek explained that of the list of items for Council consideration, the top three items were in the budget and the others could be added with Council action. Councilmember Veis said he understood that to mean the parking transfer was already eliminated. Ms. Volek advised that it was not and went on to review the list of items for Council consideration as follows: the \$65,000 for Council Contingency was in the budget; the \$233,000 transfer from Parking to the General Fund was budgeted as an expense in the Parking Division and a revenue in the General Fund; and there was a line item amount of \$12,000 in the non-departmental division of the General Fund budget to fund task force mailings. She said the items related to additional funding for the Police Department of \$25,000 and \$20,000 for strategic planning were not in the budget and would have to be added through Council action.

Councilmember Ruegamer moved to eliminate the \$233,000 Parking fund transfer. Mayor Tussing advised that any motion or amendment had to be related to the motion already on the floor. Councilmember Ruegamer stated the items should have been considered one at a time, so he would wait.

Councilmember Ruegamer moved to amend the motion on the floor to fund \$10,000 for strategic planning, seconded by Councilmember Veis. Councilmember Brewster said he would support that because something was better than nothing. Councilmember McCall stated she would support it as well because she felt \$10,000 was more than adequate to do that. She said there were still funds in the citizen's survey item and they were trying to link those two together. Mayor Tussing asked where those funds would come from. Ms. Volek advised they would come from the General Fund revenue. She pointed out that at the conclusion of the current budget year, any money left in the strategic plan would not be carried forward unless specific direction was given by Council. Councilmember Pitman said he would not support either of the options at this point because he felt a lot of money was spent on the citizen

survey and it was already married to the strategic plan at that point. Mayor Tussing stated he would not support the motion because he did not think more money should be spent on strategic planning until the meetings with constituents were held and since the Council Contingency Fund was not eliminated, there would be sufficient money there to do that later. Councilmember Astle said he would not support it because business plans were expected from the departments and strategic planning could be done after that. Councilmember Brewster said that everything being discussed came out of the strategic plan and the whole idea was to fold it back into the strategic plan and move forward with that guidance. He said if it was budgeted for the year 2010, then it was available to use.

On a roll call vote, the motion to allocate \$10,000 for strategic planning failed on a tie vote. Councilmembers Ronquillo, Pitman, Astle, Clark and Mayor Tussing voted 'No.' Councilmembers Gaghen, Brewster, Veis, Ruegamer, and McCall voted 'Yes.'

On a voice vote, the motion to allocate \$20,000 for strategic planning failed 9-1. Councilmembers Ronquillo, Gaghen, Pitman, Veis, Ruegamer, McCall, Astle, Clark and Mayor Tussing voted 'No.'

Councilmember Ruegamer moved to eliminate the Council Contingency Fund, seconded by Councilmember Brewster. On a voice vote, the motion failed 8-2. Councilmembers Ronquillo, Gaghen, Pitman, Veis, McCall, Astle, Clark and Mayor Tussing voted 'No.'

Mayor Tussing moved to eliminate the \$15,000 for the Police Department hybrid vehicle, seconded by Councilmember McCall. Mayor Tussing said he did not want to spend that money until a study was done to determine which vehicles were most appropriate for hybrid usage. On a voice vote, the motion passed 8-2. Councilmembers Brewster and Ruegamer voted 'No.'

Councilmember Ruegamer moved to increase the Police Department budget by \$15,000 per year for additional jail time, seconded by Councilmember Ronquillo. Chief St. John explained that the additional funds requested were for jail charges incurred for City code violations. Councilmember Ronquillo stated there were problems with transients in the parks and when programs were held in the parks, Police had to be called on to remove those individuals. He noted that the City was charged \$60 per day for individuals who were jailed and the extra money could help with the efforts to clean up the parks. Councilmember Astle asked Chief St. John if the Police Department had enough money or if the \$15,000 was needed. Chief St. John responded that they over estimated for the current year and did not spend all that was budgeted, which was about \$100,000. He said they were willing to live with the same budget another year, but could spend the additional funds if granted. He noted that Municipal Court Judge Knisely made every effort to impose City code violation sentences in concurrence with State violations to lessen the cost to the City since the State paid the jail charges related to State code sentences. Councilmember Ruegamer asked if it was true that if the additional funds were added to the budget but not spent for the jail charges, that they would not be spent for other things. Chief St. John said that was correct. Mayor Tussing asked where the \$15,000 would come from. Ms. Volek advised that it would be taken from the General Fund revenues since the planned revenues exceeded budgeted expenditures. Ms. Volek referenced Councilmember Ronquillo's remarks about vandalism in the parks and advised that graffiti in the parks was an upcoming work

session topic. Ms. Volek pointed out that State Statute prohibited transiency itself from being a crime and a public offense had to occur before an individual could be charged with a violation.

Mayor Tussing confirmed that Chief St. John indicated the department could get by without the additional funds, but could also use them if allocated. Chief St. John said that was correct. Councilmember Gaghen noted that additional funds could be taken from the Council Contingency fund if they were not added to the Police Department budget. Mayor Tussing asked Chief St. John about expenditures for jail charges during the current fiscal year. Chief St. John explained that \$100,000 was budgeted and about 80% of that had been spent to date. Ms. Volek pointed out that a code court was currently under consideration which would decriminalize a number of offenses but she was not certain how many of those offenses resulted in jail time. On a voice vote, the motion to increase the Police Department budget by \$15,000 passed 9-1. Councilmember Veis voted 'No.'

Councilmember Clark commented that he had trouble with parts of the budget and was not sure this was the right way to go. He pointed out that some departments relied on reserves and the projections for the next three years indicated that at the end of those three years, the City would be in a deep hole, and if steps were not taken in advance to limit the use of reserves, the City would have to come up with a lot of extra money. He noted that the Chamber's comments indicated the same concerns.

On a voice vote, the motion to approve the budget, as amended, passed 7-3. Councilmembers Ronquillo, Brewster and Clark voted 'No.'

12. PUBLIC COMMENT on Non-Agenda Items -- Speaker sign-in required. (Restricted to ONLY items not on this printed agenda; comments limited to 3 minutes per speaker. Please sign up on the clipboard located at the back of the Council Chambers.)

There were no speakers.

Council Initiatives

Councilmember McCall referenced a letter from Dave and Elaine Kinnard regarding the condition of the land along the rims on the south side of Highway 3, immediately to the east of Sky Ranch Condos. She said the letter indicated that it was the only area west of N. 27th Street where vehicle access was not blocked by sandstone blocks or other means. Councilmember McCall moved to direct staff to review Lot 5 of Skyline Heights Subdivision, east of the Sky Ranch Condominiums, to identify ways to improve the condition of the property, seconded by Councilmember Pitman. Councilmember Veis asked Mr. Mumford if a brief presentation could be made at the next work session regarding what was and was not possible. Mr. Mumford advised that he had already visited with Ms. Volek about the issue and would do further checking. Ms. Volek noted that the first thing was to verify whether it was City-owned property. On a voice vote, the motion was unanimously approved.

Councilmember Ruegamer moved to allow no more than two representatives to attend the National League of Cities and Towns convention in San Antonio, TX,

November 10-14, 2009, seconded by Councilmember Brewster. Councilmember Ronquillo asked what would be accomplished by sending two people to the conference. Mayor Tussing commented that it was possible no one would attend the conference. Councilmember Ruegamer said that both he and Councilmember Gaghen had attended that conference in the past and gained valuable information and had opportunities to network with other City representatives from across the country. Councilmember Veis agreed with Councilmember Ruegamer's comments, but asked how it would be determined which councilmembers were allowed to go. Councilmember Ruegamer stated that the councilmembers who went to Washington D.C. should not go, but anyone else could consider attending as long as no more than two went. Councilmember McCall commented that those experiences were valuable. Councilmember Ruegamer said it was helpful to find out the answers other communities had for the same problems Billings had. On a voice vote, the motion was approved 9-1. Councilmember Brewster voted 'No.'

Councilmember Ruegamer stated that redistricting would start through the Legislature at some point, although no one seemed to know when. He said he was advised that instead of a Council group attending the meetings, they should work through the League of Cities and Towns. He said he would get in touch with Alec Hansen to suggest a subcommittee to attend those meetings because it was important to have a voice in that process. He said it was his intent to be on the subcommittee and if the League did not pay his expenses to attend the meetings, he would ask the City to pay them. Councilmember Veis stated he did not believe any redistricting would happen until after the 2010 Census results. Councilmember Clark commented that as long as Billings was broken up and parts of it were put into the rural districts, it would be difficult to pass any items through the Legislature.

Councilmember Astle stated he would like to hear more about city-wide park maintenance districts and what it would take to get it before the voters. Ms. Volek advised that the Parks Board was still investigating a park maintenance district and an update could be provided. She said that was one of many options that would be considered as part of the business plan review process. Councilmember McCall stated she thought that was a good idea, but premature. She said the citizen survey indicated interest in that, and the survey discussions would take place in the next few months.

ADJOURN – The meeting adjourned at 10:15 p.m.