

City Council Work Session

Tour of Empire Garage – 4:30 PM

5:30 PM
Council Chambers
October 21, 2013

ATTENDANCE:

Mayor/Council (please check) x Hanel, x Ronquillo, x Cromley, x Cimmino, x Pitman, x McFadden, x Bird, x Ulledalen, x McCall, x Astle, x Crouch.

ADJOURN TIME: 8:30 P.M.

Agenda

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| TOPIC #1 | Zimmerman Trail Reconstruction |
| PRESENTER | Dave Mumford, Public Works Director; Stefan Streeter |
| NOTES/OUTCOME | |

- Dave Mumford: Gave presentation updating Council on status and asked Council whether to move forward. Funding equal to \$7.2 million; retaining about \$650,000 for overruns. Reviewed proposed scope of construction work. Existing grade and alignment will not change. MDT's engineering staff and City's engineering staff worked together to maximize what can be accomplished within the funding sources. Project has been divided into 3 sections. Rock removal. Will know how much of the budget is left once rockwork is completed. Maybe \$500,000 to \$1 million to clear the rock on the slope face. Widen bottom section to 2-12 foot lanes and 2-4 foot shoulders, with storm drain improvements. Middle section would have an overlay only. Too cost prohibitive to widening the middle section. Will replace concrete barriers and guardrails and add reflectors. Top section would be widened to 2-12 foot lanes and 2-4 foot shoulders. New signage, reflectors and pavement markings for the entire roadway. Alternate for the project may be a round-about at Hwy 3, depending on cost. Currently, Zimmerman Trail has 2-13 foot lanes with no shoulders. City's responsibilities on this project: water and/or sanitary sewer relocations and upgrades; all costs for the project above the initial funding, and maintenance of Zimmerman Trail once it is completed. MDT is responsible for the design, development and construction; preparation and administration of all consultant contracts; advertising, bidding and awarding construction contracts; working with utility companies on agreements; and public involvement in 2 public forums and at smaller group meetings.
- Mayor Hanel: Assuming this project moves forward, what is the approximate timeline from start to finish? Would there be a passible lane during the construction?
- Dave: There would be a complete shutdown during construction.

- Stefan Streeter, Montana Department of Transportation: Approximately 2-3 years to get to final design; 12 months for rock removal. Probably completely shut down during construction during 1 or 2 seasons.
- Ronquillo: Where is the rock removal?
- Dave: Entire face and some on top that is loosening. Probably not around the corner as there is no rock slide there.
- Ulledalen: Prior instruction was do the best you can with the money and make sure that it is the base for further future improvements.
- Dave: In the future, as additional funding becomes available; it can still be widened more. But this gives some shoulder for pedestrians
- McCall: Thanked Dave for project outline. Attended the Rimrock Neighborhood Task Force on Wednesday meeting and disclosed plan. Felt it was favorably received.
- Pitman: Any utilities buried?
- Dave: No City utilities, only gas and telecommunications.
- Pitman: Are we looking to add any water or sewer while this is under construction?
- Dave: No. City's route is to come up, over and through the rims by the checkered water tower for water and sewer.
- Mayor Hanel: Is there any chance for dead tree clean up?
- Dave: Yes, would do during the construction period; needed for good drainage.
- Public comments:
- **Lyle Gabrian, 3142 Zimmerman Place, Billings, MT, President of Rimrock Neighborhoods Task Force and Piney Dell Homeowner's Association representative.** Hope safety is improved. Wish to preserve the beauty of historic trail and gateway into the City. Asked that City provide info to all interested in this project and answers to questions before reconstruction begins. Will work with City on communications.
- Astle: For safety reasons, the road needs to be closed for the duration of the construction. There is no other way to do it. When 27th Street was being reconstructed, was attempted to keep it open until large boulder(s) fell and made it too dangerous to keep it open. Consensus: Staff was directed to continue working forward with the reconstruction plans.

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| TOPIC #2 | Special Events in Right-of-Way |
| PRESENTER | Debi Meling, City Engineer Lisa Harmon, Downtown Billings Association |
| NOTES/OUTCOME | |

- Debi Meling, City Engineer: Have made some process changes and improved flexibility. Several event applications that didn't receive approval. Haven't had to do that before. Also receiving applications for private use/benefits, i.e. reunions, weddings and private sales. Is it time to make policy changes? Things are changing all around us. Downtown is vibrant, exciting place to be. Need to identify what is changing and whether to go with it. Kudos given to Downtown Businesses and Partnership. Downtown used to be event-driven. Now it is a stand-alone destination spot. Events are now more of an enrichment of a vital downtown. Downtown is experiencing 2-3 or more events every weekend. Need to be more efficient and more discerning about events we approve. Larger cities have town squares where something is always happening. Need to meet "brick and mortar" business

needs. Twenty years ago the businesses were a lot different than they are now. Need to support their successes. They pay a lot to be in the downtown area, but have parking and access issues when there are a lot of events going on and sometimes there are competition issues, i.e., vendor cart in front of a restaurant. But public has needs that require vehicle access. A fine balance between bringing the public downtown for events and driving them away because it is too difficult to get to.

Several different types of events:

- Public at no cost for attendance;
- Private, but open to the Public for a fee;
- Closed to Public, i.e., reunions and weddings;
- Runs;
- Parades / Processions;
- Sales;
- Vendor Carts (looking at a policy for those);
- Block Parties.

Goals: Support downtown; balance use with business needs; feedback from Council on approval criteria that offers flexibility; minimize liability to City, sponsors and stakeholders.

- Ulledalen: Smart to work on this before there are big problems. Need to make allowances for events that bring people downtown in normally “off” hours, days, and seasons.
- Lisa Harmon, *Executive Director, Downtown Billings Alliance*: Proud to stimulate economic development and enhancing the vitality of downtown. Have concerns about special events; need to bolster some of the approval criteria while still promoting downtown/City. Skypoint was created as a defining element in downtown, but to also define a gathering place. Billings doesn’t have a civic plaza / place or a real “green” space to gather downtown. Skypoint is considered a park. Downtown is a mixed-use neighborhood now and it has been a success. Need to consider how residents and businesses are impacted. What kinds of parking issues are created and how can those be remedied? Want improved communication between residents and businesses; want people downtown; want to promote community; want people to enjoy the streets and civic places. Events are often in the right-of-way. For some events cars are towed to allow for street access for events. Permitting requires cleanup process for anyone holding an event. This is an area where criteria could be bolstered for fines or whatever if the sidewalks and streets are not cleaned. Security detail is very important. Sponsors are asked if their security detail is appropriate for the event. Probably appropriate to ask how many people an event is expected to draw. Want to promote downtown, but also want to protect businesses and residences. Pretty complex. Towing impacts residential. There is a noise ordinance to be dealt with and must be done without overregulating to maintain the vibrancy and culture of downtown.

The skate park has helped to keep people from using the right-of-way and the streets for skateboarding. Some areas are still being used, but the skate park has made an impact. It is very supportive of young persons’ interests and an opportunity to exercise.

Street closures? Do we consider closing a street? Broadway, maybe? During the summer tables could go out during the day and at night reopen the street for traffic. In the winter an ice skating rink could be installed for a month. It may encourage people to have some smaller events in a civic place like this.

In Calgary, barricades are bike racks that go on the sidewalk and at night the bike rack barricades are used to close off a street. Or the reverse, and it closes the street for events like the “out to lunch” series or whatever. If this happened on Broadway, the folks that have restaurants could place tables outside and interact.

During the last visioning plan, downtown was criticized for not having enough family events. It’s not safe for some of the folks on the south side to push a stroller into downtown or even the northern neighborhoods. Were criticized for not championing our cultural amenities more. Billings is the largest city in Montana and there are amazing cultural amenities. Was challenged with having events that raise awareness about something about the downtown or bikes and trails or culture. Offering rides for residents and event participants to get to and from parking areas to events or restaurants is a good thing. Definitely need to bolster criteria for events; have better contact information with the City and event providers; secure medical and security details; and provide better communication via letters to residential community. Looking forward to continued conversations with the Council, and Deb Meling and the engineering staff as we continue to build event criteria to enhance the city.

- Ulledalen: There is probably some merit to look at shutting down Broadway for parking for a period of time like for Farmers’ Market, etc. Black mark for towing cars. Need to better manage parking. Don’t have friendly space for people to hang out and eat and don’t have pocket parks yet. May be on the right track in trying to come up with something like that to accommodate those events.
- Lisa: A lot of people think the events occurring downtown are the Downtown Billings Association’s events or that we sponsor them. If their car is towed during the Farmers’ Market, get those calls from furious people. It behooves us to have strategies in place where we can park people or have a better communication strategy. Perhaps a website about event closures so people know where they can park.
- Mayor Hanel: Our police department provides public security. Do some events provide private security?
- Lisa: Yes. Starplex and other security services work really well with our downtown officers. Can also hire the off-duty police officers. Problematic for first-time events because they don’t know what to anticipate. It may be a good idea to meet with the first-time event sponsors after their event to see what worked and what didn’t to prepare for their future events.
- Astle: How many parades are there?
- Lisa: Under a dozen.
- Crouch: Dogs are still a problem, anyway to get out the word?
- Lisa: No dogs are allowed at Downtown Alliance events, but can do better with signage and enforcement. City Administrator signed an Administrative Order recently to make enforcement easier. There could be a tactful public service announcement, too. This is the

first year to have a blanket policy for the dog problem. Receive a lot of complaints about the animals.

- McCall: The City and Downtown Partnership is on the same page and happy they are working together on this. Personally experienced having her car towed because she didn't see the sign that was located at knee level. Was a very good lesson. On the right track with better security, safety and communication. In this City many events have become institutionalized. They are a part of the fabric of the City and we need to do whatever we can and whatever we need to do to secure those events so they can continue to happen. Such as Magic City Blues, the Farmers' Market, the Billings Classic – all are wonderful events. They need to stay.
- Lisa: Absolutely! We are better for them and thanked the event producers. We are very lucky to have those regional draws.
- Pitman: Agreed with all of these comments. Dehler Park could be better to keep promise as a multi-use facility. Not promoted or managed well for that purpose. More needs to be done to encourage more activities. Needs to be brought into the equation.
- Lisa: Good point. Could probably place on the application to direct event producers to consider that beautiful space. It is under-utilized.
- Mayor Hanel: Gave credit to Greg Kruger and Lisa Harmon for bringing the downtown area alive with activity. Area is so much better than a few years ago. These are good problems; need more parking; need more business space; lots of event interest and needing to be selective. *Visitors are encouraged to stay for discussion on budget – item 3.*
- Ulledalen: Struggle rationalizing massive parks we have. Repurposing areas where there was a zoo or rental cabins and now there is just grass. Need to look seriously at repurposing some part(s) of North or South Park to accommodate community events? Should some facilities and infrastructure be put in place in those areas, rather than masses of grass and trees to revitalize an area and repurpose the whole park at the same time?
- Lisa: Brilliant idea. When positive elements are introduced, the negative elements are reduced. Magic City Blues in South Park is amazing. Would like to see more of that, these are beautiful properties. Lots of space and are in the BID.
- Bird: Optimist Park is another beautiful park that offers a lot of space. It's a natural for a community gathering.
- Lisa: Communities need to champion that kind of activity.
- Debi Meling: Need Council feedback on policy changes, or no changes. Public outreach to businesses, event sponsors, event participants, the public, staff, all of these people create the balance of the life we have. Not an easy balance. Need to get ahead of it before we over-talk one way or the other. Public communication vital. As staff, determine where changes are needed, and then a policy would be drafted. Discussions to have: Types of events restrictions, cost recovery, details/requirements for events, noise, location alternatives, and grandfathering present events.
- Bird: Good to hear that Engineering is willing to be more hands-on and involved in day-to-day events. Should City hire an events coordinator? How does City provide support for event sponsors?
- Tina: Had a person, but not certain of their status. Was housed at Dehler Park. Part of the arrangement when the City took on Dehler Park, contracted with the ball club to manage

that organization. Right now not only are they using it, but the various teams and the colleges are using the park and helping to contribute to its maintenance. That takes up most of the dates available within the season where events would be held. Concerned about other events that would detract from the facility by damaging turf, etc. The contract says they are required to give the City a certain number of dates per year. Very often we attempted to use Dehler Park, such as the event a couple of years ago with outdoor concerts, there were no dates that could be matched that were available. Dehler Park is located in a residential neighborhood and adjacent to the hospitals, which raises issues, as well. Those are reasons we have not used Dehler Park as extensively as we would like to.

- Bird: Not sure what the role of an events coordinator is. We are a growing city and love having events downtown and people want to come downtown. That is a big job. How do we provide the kind of support for organizations who want to bring people downtown?
- Tina: Noise ordinance was revised earlier this year, but it was agreed to look at it again after summer season. Right-of-way events are handled by the Public Works Department and events at parks are handled by the Parks Department. It is time to meet with the departments to see how well the Noise ordinance variances worked. There has been more talk about using trails more for runs because they are equipped for that. Other private events at bars go to the Police Department, because they have to have an alcohol permit, as well. Could create an internal committee, but we are not heavily staffed and don't have an individual that serves as an events coordinator.
- Pitman: Costs to City for events – should be part of PBB discussion. What are some of the direct expenses the City is incurring? Consider increasing fees to better match costs.
- Debi: Looked at Bellevue, Washington's fee schedule and couldn't believe what they charge for an event. A race is like \$4,000! It is not where we are going to go here. Have started to look at some of that though. Not sure how Bellevue justifies a fee like that, but we should look at adjusting our \$100 application fee.
- Tina: Saw the use of a power washer to clean sidewalks. That helps to accelerate deterioration of sidewalks. We aren't making the kind of investment to replace that sidewalk down the road.
- Ulledalen: Staff and DBA need to keep working on rules and return to Council with recommendations. Each of you understand the issues and impact on the various players as you meet with them. You understand the fallout.
- Tina: Grandfather present events because they need to book dates and plan for another year.
- Public Comments:
- **Jim Bennett, 2519 Redman Place, Billings, MT, Chair of Billings Clinic Foundation Board:** Told recently that might not be able to obtain a permit for the fundraiser "Classic". Have to get the permits a year in advance because it takes so long to plan this great event. Had a great meeting with Tina a month ago and was invited to come tonight. As the Chair, asked Council to support grandfathering so event can be planned. "Classic" the biggest fundraiser, supports lots of functions at hospital and for the community. Understand the process, but look for the Council's support so this can go on.
- Astle: Wants to know who said that no permit may be obtained?

- Jim Duncan, 2711 Gregory Drive North, Billings, MT, Clinic Foundation president:**
 Lots of people attending tonight's meeting and all from a different aspect. Told by a clerk in July they can have current year permit, but policy may change and be denied permit next year. He proceeded to write a letter to the City Administrator and spoke with her. She confirmed that policy is being reviewed and there may be changes. Suggested: grandfathering for a year, need the time to plan this event. Held event for 18 years and raised millions of dollars to put back into this economy to build new projects and help advance our great medical corridor. Can't just pick a weekend, there is a lot of planning that comes into play. Each week that goes by places the event at risk. Very concerned. Since its inception, the "Classic" has distributed \$67 million back into the Billings Clinic organization. The ripple effect of that is huge. "Classic" creates a mini-City and sets up and tears down as fast as it can. Great relationship with neighboring businesses. When you get a permit you must have all the businesses in the area of the event sign off. They are our partners. Need to have a reliable event date, doesn't work well at Dehler. Not being able to have a calendar that determines available dates, makes it impossible to book an act at Dehler. Have never asked the City to invest costs in a significant way to host our event. Arrangements with Billings Construction Supply and Party Time to rent all street closure signage. Have 14 security officers that donate their time from a local security company; put parking meter bags on the meters and tow away vehicles. The owners of the cars haven't paid a single cent because their car was towed. The owners have been sought out and cars are placed in nearby parking lots. The benefit sets up as fast as possible and it is taken down on Sunday afternoon because have traditionally let the United Methodist Church use it for their annual outdoor church service. Invest in keeping the event safe, efficient and popular.

The idea was unleashed that we might not get a permit this year; we were told that and it was verified in two ways. That's why we are here. That's why you got the emails. We are serious about this.

- Cromley:** Want to get an idea of the status of your event now. Is there a date set for August 2014? When to apply for a permit?
- Jim Duncan:** We do. We reserve our date well in advance with the church, the theatre and the City – Someone could go in and grab that date, but it is unlikely they would pick the same section of North Broadway near the theatre to have their event. Are booked way out in the future with ABT and the church. Don't know the process – it has been a perfunctory process, but will sign up now for a permit if necessary. When applying for a permit the year of, give Engineering the date for the next year.
- Cromley:** Has application for permit been made for 2014 yet?
- Jim Duncan:** No, we were told that the process was under review and we would not be able to be assured of a permit for 2014 until this process took place.
- Cromley:** Typically, how far in advance do you apply for a permit? The year before?
- Jim Duncan:** Probably, but I don't know that. (*From the audience* – it is done in the spring – it is perfunctory – never worried about the permit, not been an issue before.) Hearing what we have heard tonight, will apply for permits as many years in advance as allowed. The "Classic" is always the same date in August. Done this for 18 years and everything is lined out – it is not the City's responsibility to make sure we are penciled in every year – we will take note of that, in all seriousness.

- Astle: Based on what Ms. Volek has said and the presentation you have seen, are you reasonably assured there isn't going to be any movement to chop things off or the fact that she would like to grandfather the ones that are in, including the Blues Festival. Are you reasonably assured that nothing bad is going to happen between now and August of 2014?
- Jim Duncan: I would let all of these folks (*in the audience*) go and say "good". I've asked for that in the meeting Mr. Bennett and I had with Ms. Volek, and she thought it should come here first. That would take away your emails and your pressure. If I can leave here tonight knowing that we are okay for 2014 and the discussion will go on. I can tell you, there is no one better prepared to give other event planners advice than us. Have worked our tails off to perfect the event. I would be good with that. But want to make sure that my colleagues – the Women's Run, the Bluesfest can feel that assuredness as well.
- Astle: Tina, please clarify if asked to grandfather for at least 1 year.
- Tina Volek: Yes, asked that Council grandfather all the events for this year and come back with an ordinance in place effective the first of October, 2014. Asked for Council consensus. There may be others wishing to speak that may have a different view.
- McFadden: Would it help your cause and others with events similar to yours, instead of scheduling for a year in advance if we put your event on the calendar 2 or 3 or 4 years in advance? If our calendar was kept further ahead than it has been?
- Jim Duncan: It would be very nice. That's what we do with the theatre and the church. There is a part of us that said, "Oh my gosh, here is our opportunity," because it is a killer to set up the "Classic" and tear it down all within the course of that weekend. But it is so popular and people love it. It raises a lot of money. Really highlights downtown Billings in a very positive way. Our new doctors that come to town for the first time – usually start around August 1st – they are blown away. People say they don't see this kind of event anywhere in the nation. We are proud of it and that's why you've got what you got here.
- Ulledalen: Has had an office in the US Bank building for 13 years. Monday receive a letter that says, "Wednesday forward, please don't use the parking lot." For those of us working downtown, having a parking lot is a big point of being in the US Bank building. It's an asset to us. On Thursday afternoon or Friday, the street is closed. For those of us that deal with people from a 200 mile radius, we will ask them not to come to town that weekend. I have had people call and ask if they can come see me and I'll advise them that the Classic / Gala is occurring and it is pretty confused in the area – come next week. We can work around that, but part of my thing is that if there are 6, 7 or 8 events at Third and Broadway and we are closing Third and Broadway – the Council would be hearing about it. Some people who will sign off on your permit will privately grumble to us. It is a great event and we support it. Our point is that there is a tipping point where the farmer from Miles City gets to town, is confused and leaves or gets his truck towed or whatever, there is a point where the positives for the community become a negative for other businesses in the area. There is a fine line.
- Jim Duncan: Respects that and try to be good stewards. Try to minimize the disruption and anyone that is towed is not charged. Arrange for backup parking lots to help with overflow for the event.

- Mayor Hanel: Thanked Mr. Duncan for his testimony.
- Jim Duncan: Thanked staff for the recommendation of grandfathering events.
- **Wayne Hirsch, 1161 Amendment Circle, Billings, MT, US Bank.** Brought a different perspective. The event is disruptive to his customer base, but bank supports the event because it's the right thing to do for the community. Billings Clinic is one of the finest community hospitals in this country. As a member of the community and as a business member of the community, it's his responsibility to support those kinds of events that improve the quality of life. Even though it is disruptive, it is imperative to continue supporting it. Billings Clinic Foundation and their staff (is a member of Billings Clinic Foundation Board), do everything possible to limit the disruption, including building just half of the parking lot and then finally closing the other half on Friday evening. The tents use big stakes to hold them down in case of wind; the Clinic does a tremendous job of making sure all the holes are plugged. It is swept and taken care of. It is wonderful – the security is great. The bank is probably never safer than it is that particular night.
- **Ulledalen:** Agreed. If there are several events of that magnitude a year, there will be a problem.
- **William Wood, 4605 Cheyenne Trail, Billings, MT, Director of Alberta Bair Theatre.** Lead partner of cultural partners who support downtown events that are well planned and conducted. Offer to help with new policy and public participation.
- **Mike Smith, 5442 Elysian Road, Billings, MT, Owner of The Soup Place.** Broadway is closed more often than any other street in downtown Billings. Street is closed approximately 24 times per year, maybe 1/3 benefit the business. Recommended finding other street locations, at least part of the time, so impact is spread around. Event layout is important for business operations.
- **Ulledalen:** If 1/3 of the events benefit the business, what is it about the other 2/3 that is not beneficial to the business?
- **Mike Smith:** Oktoberfest just occurred and it was a very good day for us. Part of that is how the event is laid out. People going to the event have to walk down the sidewalks. They see the businesses and shops downtown and will walk in. Farmer's Market on the other hand, has vendor vehicles parked along the sidewalks and everyone walks down the center of the street. The patrons are not looking at the businesses or any other shop.
- **Ulledalen:** Perhaps that can be communicated to Lisa for future discussions and decisions.
- **Mike Smith:** Happy the discussion is occurring. There are a lot of those kinds of things that need to be addressed – how events are laid out.
- **Pat Jaffrey, 918 Delphinium Dr., Billings, MT, Montana Women's Run.** Next year will be 33rd year for event. 2013 event had over 8,000 participants. Over the span of these years, there has been over \$675,000 given back to the community. Event is always the Saturday before Mother's Day. Hope there won't be a policy change that moves run out of the downtown area. Years ago the Women's Run organizers wanted to help the downtown businesses by bringing the run to downtown. Run highlighted the area and the businesses. Planning is done throughout the year to keep it safe and that all permitting is proper. Think the event helps the adjacent businesses.

- **Jackie Hines, 5209 Blackstone Circle, Billings, MT,** Director of surgical services at The Billings Clinic. Surgical services department received proceeds from the 2013 “Classic”. Donation helped with present remodeling and expansion of the operating rooms. Remodel will improve the patient experience, patient and staff safety, as well as incorporate new technology. Would not be possible without supporters of the “Classic”. Thanked Council for its past and future support.
- **Mike Schaer, 1109 N. 32nd, Billings, MT, Farmers’ Market Vendor:** Audience belief is there will be a stop of all street closures for events. Would like to double or triple the number of downtown events. Need good organization. Think private events should be allowed too. Events coordinator needed. Need input from the City, Downtown Partnership, Business Improvement District, and all interested parties. Make rules more liberal and easier to use, rather than focusing on permitting next year or it will kill all events.
- **Robin Hanel, 1723 Iris Lane, Billings, MT:** Finds the discussion about restrictions troubling. Applauded Councilmember Jani McCall’s comments about the events being the fabric of community. Reviewed the presentation with pictures and saw density, but also saw smiles and children and future. This is Billings. A lot of people have spoken, and the word that keeps coming up is “Community”. That’s what events are all about. *Shares personal story and experience.* Have attended all of the events over the years. Events bring people from all over Montana and Wyoming, not just the City and County. Visitors are shopping and touring, supporting our economy. Don’t just stay in the downtown area. Go to west end mall; use the trails at Swords Rimrock Park, etc. Billings is a leader and is a destination. Need to encourage more events and promote City and community. Welcome to Billings.
- Public comment period closed at 7:16 p.m.
- **Dave Mumford:** Knew City has issues with events and there needed to be discussions about revised policies. Told larger events they might not be able to conduct same event, same place and same conditions, subject to discussions with Council. There were changes to the “Classic” and Bluesfest this year. Signage for traffic control need to be improved. Wanted to make sure that when organizers came to obtain a permit there were discussions about whether events could be shortened, including setup and teardown for the big events. Wouldn’t be fair to the events not to let them know these conversations were occurring and that their event could be affected. Coming to Council for direction. No one was told they could not have an event. Said things will change. Had a conversation with the School District and they changed the way they deal with the first day of school. Teachers have closed Broadway just so they could get their package of information and they changed it and did an excellent job of doing it at the Lincoln Center and nothing had to be closed for it. Ms. Meling has worked with running groups to use Shiloh Road, bike trails and trail systems. The Women’s Run is like the “Classic” downtown, have had to have conversations and right in the middle of the run vendors wanted to set up booths. That doesn’t play well with the event. Public Works was starting the conversation. No intention of stopping events that have been going on for a long time. Hope Council understands that when the “Classic” comes in for a permit, there will be changes from this year. New traffic controls are needed and the Fire Department came up with many issues. That’s where it started, it is not the intention to stop any event –like all of them downtown, but there are a lot of events. If there are hundreds of events downtown, there

would be no downtown. If there were 5 3-day events scheduled for different areas in the downtown area, there would be an issue. MDT owns several of the downtown streets and City staff works with them. Public Works does the permitting, but MDT controls their right-of-way, so closures on state routes are not guaranteed.

- Cromley: Not ready to make changes. Need a committee to work on new policy, then come back to the Council with a good solid structure.
- Pitman: Giving a “heads up” created a huge amount of anxiety in the community. A few things that need to be tweaked, but organizations need to be assured their events are wanted. Support Councilmember Cromley’s suggestion. Uncertainty creates a lot of chaos, frustration and anxiety. Need to curtail that now and work at assuring people they have a future in Billings with possible modifications. Need a committee to start talking more about alternatives.
- Ulledalen: Framework is in place. Downtown businesses have the biggest stake in this. They understand the issues and problems. Represented by Lisa Harmon, should work with City staff. There is a mix of things that create problems – one way streets, street closures. Don’t need new committee. Getting good comments from clients about moving his business to west end. Need to be mindful of which event(s) will push business over the edge to where the event(s) is / are a negative to the downtown area.
- McCall: Agreed with Councilmember Ulledalen. Needs to be a stakeholder process. Really good ideas, on the right track. *Sidebar discussion*. Two-year grandfather provision minimum because we are only 9 or 10 months from another major event. Develop a committee with key stakeholders.
- Astle: Downtown businesses and City engineering are represented. Need input from public safety, police or fire departments. Not the intent to scare anyone. Changes need to be made, not to ban events but to clarify what can be done and what cannot. Encouraged ideas to be shared with staff. When organizations charge a fee, tell people what it is used for, i.e. notifications, barricades, etc. and the actual cost. None of these events are going away.
- Ronquillo: Agreed with Councilmember Astle. Have been putting on the Spanish Fiesta for over 60 years in South Park and doesn’t want to see any closures. Enjoys all of them. Some problems are due to communication. Have a lot of construction work coming up and street closures due to construction will affect a lot of people. Liked the idea of getting a committee of downtown people, City staff and a Councilmember or two. Would like to keep ball rolling. A vibrant City has to keep these things going. Thanked the Bluesfest manager for bringing it to South Park. Gazebo has been a wonderful addition. Has been used almost every Friday and Saturday night since its construction.
- Cromley: Not just a downtown issue. There are block parties, etc. that also cause street closures. Encourage that kind of activity. It is good for neighborhoods.
- Mayor Hanel: One reason this community in this region is doing well is because of its citizens and this Council, City staff and its employees. Everyone working together and communicating. Helping each other to solve problems to make this a better place to live. Can work through this and do not want to discourage positive activities. That’s what Billings is all about.
- Consensus: Create an ad hoc committee to work on solutions.

- Tina: Suggested Council adopt an initiative at next regular meeting to create an ad hoc committee. Will work with Debi Meling and Lisa Harmon and return to the Council with a list of suggested individuals to represent many spectrums of the community. Then Council can appoint members to the ad hoc committee.
- McCall: Need to add to that securing the dates for the events that occur on a regular basis as a part of that initiative.
- Tina: Does counsel agree with grandfathering annual events for at least one year?
- McCall: As long as that is clearly stated, but would like Council to consider 2-year grandfathering.
- Tina: Dave Mumford stated he can work with that. With Council’s consensus, events will be grandfathered for 2 years.
- ***Brief Recess at 7:40 p.m.***

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| TOPIC #3 | Public Safety Levy |
| PRESENTER | Bruce McCandless, Assistant City Administrator |
| NOTES/OUTCOME | |

- Bruce McCandless: Councilmembers received information via email on Saturday. Noted there was a table in the report that was incorrect. Provided new copies of the report and attachments. Began discussion about budget and proposed future levy elections schedules. Discussed projections, assumptions and conclusions that went into the report. Public safety agencies have submitted some suggestions and recommendations for budget plans and scenarios. There are 5 property tax supported funds the City operates from: Transit, General, Public Safety, Library and Planning. Planning has a county levy, but it run through the City’s books because Planning is a City department. Tax-like assessments, i.e., street lights, storm sewer, or arterial fees, are not considered in the report -- only property tax formed funds. There are at least a couple of main limitations on property taxes – the State legislature has almost complete control over the property tax system. There are very few decisions the local governments make concerning property taxes. Every reappraisal cycle tries to equalize property values across the state, so there will always be winners and losers when that process is used. Billings has been on the losing end of that more than one time because our property values continue to increase more and at a steadier rate. Unfortunately, Billings gets rolled back to the average of the state. That has hurt Billings’ property tax valuation for taxing purposes.

A mill equates to approximately \$1 per \$1,000 of taxable value. For example, in tax year 2012, the City, County, Schools, and State levied a total of 654 mills. If property’s taxable property value is \$1,000; multiply 654 mills against that; tax is \$654, that’s the property’s real property tax, does not include any assessments. As part of the City’s Charter, adopted in 1976, there are presently 74 mills classified as “all-purpose”. Transit has a 10 mill levy; library has 5; public safety, in the first election that occurred in 1998, over a period of 4 years, increased at 5 mills per year to a maximum of 20 mills and it is still being levied. Public Safety levy #2, approved in 2004, and subject to referendum in 2006, was stated as a dollar amount, rather than as the number of mills. That’s the way the State law was written at the time; had to do it that way. Projections were that it may be up to 60 mills to generate the \$8.2 million. In fact, during the last tax

year, because Billings' taxable value has grown, despite what the State legislature, Billings levied 53 mills in order to generate the \$8.2 million. There are 14 mills for various forms of geo debt -- the library, Dehler Park and for park and street improvements, etc. City levied a total of approximately 176 mills in tax year 2012.

- Tina: For the benefit of citizens attending from home, should point out the assessed value is not the same as the fair market value of property. If want to know the assessed value, should refer to the most recent tax statement. Assessed value is less than fair market value.
- Bruce: For reference, my home has an estimated market value of nearly \$200,000, but after all the calculations of exemptions and multipliers are used, the taxable value is about \$2,500. The number of mills applied to \$2,500 generates the amount of tax I pay on the property I own.
- McFadden: Can this information be obtained from the County Assessor's website?
- Bruce: Yes, that's where I got the information on my own property. It is the County's website. Searchable in several different ways. The website does not disclose the multiplier -- will give the believed market value of the property and then the taxable market value. That's the portion of the true market value that is exempt from property taxes. Amount of taxable market value is not the end of the calculation. The multiplier has to be used, which for tax year 2012 was around 2.54% or 2.63%. The taxable market value is much smaller than what is seen on the County's website. The property tax system in Montana is difficult to explain.

Budget projections and plans were based on a set of assumptions within a specific timeframe -- FY15 to FY19. Assumptions concerning revenue is that taxes will grow slowly, typically property tax at 1% per year; HB124 3.5% this year and 1% each year thereafter. All other forms of revenue increases at the rate of inflation, which has been pretty low the last several years. Assumptions concerning expenses are that personnel costs increase at about 4.5% per year, including wages and benefits. Depending on the type of expense, could see an increase of 1%-4% per year. There are three distressed funds -- the projected amount of revenue is not keeping pace with the projected expense. Planning and Library believe they will operate within their budgets during the 5-year time span. Transit, General Fund and Public Safety will not. By FY17, all three funds have a fair amount of distress. General Fund, Transit and Public Safety have some reserves now that could help to soften a decline, but that will run out by FY17. To remedy the situation, expenses can be cut; revenue can be increased; or some combination of the two. Focused on increasing revenues through a new levy election. By State law and the City's Charter, can only increase the amount of revenue through a new levy to go before the voters. All projections anticipate that the unassigned or uncommitted reserves would be used over a period of years, to either; 1) let the public safety agencies or other agencies down slowly to a fixed dollar amount; or 2) to moderate the amount of levy to charge to make the budgets balance in the future. Have not tried to anticipate using those unassigned reserves for other needs the City may have, public facilities of all kinds, could use those unassigned reserves, if choose to. Have not anticipated what those might be and have not tried to anticipate what other bond elections the City may chose in the future.

There are three public safety budget plans:

1. Freezing revenues and expenses at FY16 level;

2. Adopt a levy or consider asking voters to maintain present personnel and the level of services we have today. Over time service levels would decline, assuming the community grows. Larger area with more people to serve, fixed number of people and service types, everyone would receive a lower level of service; or
3. Tax levy that would keep pace with community growth. Community growth was projected at increased population at about 1.5% per year.

Freezing revenues and expenses as in scenario 1, are looking at a cutback scenario. If anticipating that wages and operating expenses are going to increase, it will happen regardless of how many people you have or what facilities are operated. Means other expenses have to be reduced so this is a cutback scenario. Don't spend much in capital expenses, particularly in General and Public Safety Funds, just talking about operating expense and personnel costs. If anticipate using unassigned reserves to balance the budget, would basically fund through FY16 and in FY17 – looked primarily at the Public Safety fund. Looked at Public Safety because don't believe there is sufficient voter support that would approve a levy increase of any significance for Transit or the General Fund. General Fund is mostly made up of internal support services like Legal, Administration and Finance, etc. Who is going to vote for that? And Parks – just received a pretty significant increase in revenue they have available through the Citywide Park District. We didn't anticipate that there would be levy elections for Transit or General Funds. Focused on Public Safety Fund. Reducing expenses in the Public Safety Fund, some operating expenses can be reduced, but they are not long term solutions. There isn't a lot of operating money in either the Fire or Police Department budgets. If all of the reductions necessary were taken out of personnel in FY17-FY19, it would require reducing employees by about 6-7 in the first year; then reducing another 17-18 the second year; 10-11 employees in the third year. That would reduce the personnel in Fire and Police Departments between 20%-25%.

The second scenario is basically maintaining people and services we have today – status quo. The number of personnel wouldn't increase, but costs, according to the assumptions, would increase. That would require a new mill levy regardless of whether there would be no new personnel. The operating and maintenance expenses would increase modestly. Anticipating Council would be willing to use the unassigned reserves to balance the budget and to moderate the mill levy increase. The transfer from the General Fund to the Public Safety Fund under this scenario remains basically constant. It fluctuates \$2 to \$3 million, but it is always somewhere in the low \$20 million range. Will see a gradual decline due to spending of the unassigned reserves over a 5 to 6 year period to the recommended minimum amount. The Public Safety Fund under scenario 2 shows that by using the unassigned reserves and by levying beginning in FY15 at about a million dollar levy, then going to \$2 million, \$3 million, and \$4 million, etc., the number of estimated mills is a substantial increase when projected 10 years. The 5 year projection is not very different from what has been done in previous levies, but by the time you get to the 10th year, talking about quite a few additional mills and a lot more money.

The third scenario, Community Growth, keeping pace with the projected community growth of people and area, used the operating and maintenance expenses and asked the Public Safety departments to determine how many more people would need to be added to keep pace with community growth. Again, used the unassigned reserves to moderate a mill levy increase that would be necessary to generate that. Police Department projected adding officers each year from FY14's 140 authorized, commissioned officers to 154 officers in FY19 to keep the same level of service with anticipated community growth. Fire Department would eventually need another station to meet the nationally recognized, desired response time of 4-8 minutes. However, if staff is added without building a new station, the plan would be to increase the number of people assigned to each shift/station. Hiring 6 new firefighters would add 2 firefighters to each shift. Additionally, the Emergency Communications Center (911) would need to add 5 new dispatcher positions. The Legal Department and Municipal Court could be impacted by a larger Police Department. With the Police Department expansion, it is anticipated that 1 additional prosecutor and 1 para-legal will need to be added to keep pace with additional misdemeanor crimes and civil infractions. Municipal Court is currently changing some of its operations and it is difficult to determine how many additional personnel would be needed. Some positions are grant funded and should grants not be renewed, the positions may be eliminated and workload and staffing could return to the pre-grant level. Should there be a need to expand the Legal Department and Municipal Court staffing, each has a relatively small work area which would inhibit their ability to add personnel, even if warranted by Police Department expansion.

FY2014 is the most advantageous time to have a levy election. City Council decided earlier in the year it would not hold an election in 2013 to allow the School District to proceed with bond election in November. The School District predicted they will not ask for tax levy increases until FY2016 and FY2018. If the County decides to go to an election, they would do so for a jail and that probably would not happen before 2015. The set election dates are May 6th – school board election; June 3rd – State/Federal primary election; November 4th – State/Federal general election in 2014. City would not have to hold elections on these dates. Could choose to hold an election at any time, but there are greater costs associated with that due to postage and administration. The primary and general election ballots are crowded and a mill levy item can get lost within it. If Council decided to conduct an election in 2014 and it was successful, as long as that election result was available by September 1st, that would allow the City to establish the tax levies under the new program. It would be transmitted to the County Treasurer on October 1st, it would be on the tax bills on November 1, 2014. First half of taxes are collected in December, the second half of taxes are collected in June for FY15. When getting ready to prepare FY15 budget, in the next 3 or 4 months, will need to anticipate there is no money. If the levy election is successful, can choose to amend the FY15 budget and add on additional dollars and start hiring people, or defer a decision on the budget until FY16 and save that money.

- Ulledalen: Thanked Bruce for having the information in a simple format. If Council were to wait until FY15 or FY16 to take to voters and it is unsuccessful, there are zero options. The sooner it goes before the voters, the sooner can learn the response. Then there are 2 to 3 years of easing into the reduction in staff level. There may be another chance to run another levy.
- Astle: Believed the date of the primary election would be best time to have the levy election, too.
- Bruce: Election administrator stated almost the exact same thing. The school election or a stand-alone election would be the best options, but the primary election would be better than the general election.
- Mayor Hanel: There have been a number of citizens who have questioned the usage of the present Public Safety Mill Levy that was enacted in 2004. Briefly explain where those funds have gone and where we are leading up to in FY2014 with that particular mill levy.
- Bruce: The bulk of the Public Safety Mill Levies, both 1998 and 2004, 100% of that money goes into the Public Safety Fund. Public Safety expenses are strictly Fire and Police Department at this time. The Fire Department has dispatch with it, but it is strictly those two departments. There may be a reference made to using a portion of the money that is allocated to the Fire Department to not pay today's wages. It is being based on pay out for wages and benefits that were the topic of a judgment that was made against the City in 2005. The City had to borrow approximately \$4 million for that judgment. Have had to use the Public Safety money to pay what were back wages and benefits for firefighters.
- Tina: In addition to the levies, the City has, on average, supplemented from the General Fund, approximately 52% to 55% in any given year from the General Fund into the Public Safety Fund. So not only has the City devoted all of the revenues that were created through mill levy to the Fire and Police Departments, have added money beyond that. That is proof that the money was not being spent on other things. When she became City Administrator in February of 2004, the City was already underway with that Public Safety Mill Levy. It was not discussed, but known among the staff, that if that levy did not pass, approximately 42 Public Safety officers would have been laid off. We promised with that levy that we would try to stretch it for 10 years, and we are arriving at that 10-year mark. Need to look at adding to that levy to provide security for this community for the coming 10 years. Attended the Chamber meeting today, and there was concern expressed about public safety in the community. There is an active interest as the community grows. Complimented Mr. McCandless, Mr. Weber, and all the employees that worked on this report. Need to put discussions on the fast track as to how to proceed on this election. Last election staff did public education, only. Not allowed under law to advocate for any mill levy. Eighty presentations were given. Staff would be willing to do that again, however, the pattern of elections in the City of Billings has changed. The Library and the School District have twice not relied solely on presentations to groups. They have looked at funding and somewhere in the \$100,000 to \$125,000 range would be the best estimate to conduct a much focused campaign that relies on direct mailing, emailing, phone calls and advertising. It's not the campaign that was done a decade ago. Suggested to Council that a citizen committee to do the fundraising and begin very quickly so can be prepared to go into the next election cycle to have the materials at hand

and have an advocacy group. The election office must have the ballot language 70 days prior to the election date, so by March 15th can meet the June primary election date. Now is the time to begin. This is very sobering information, but asked for Council direction.

- McCall: Agreed with Tina. Need a professional campaign to get this done. She was very involved with the Library's campaign and the usefulness of the professional campaign paid off. The voter turnout right to the very last day, very last hour, is really what made the Library happen. Secondly, there is a lot of concern about public safety, but there is also a reticence from people who were very much involved in the campaign last time. Based on the fact that the firefighters filed the lawsuit immediately following and that is a challenge the City faces. Bruce did an excellent job with the report. On page 2, reference to HB124, the Entitlement Bill or Big Bill, this year the growth factor is 3.5%, which is great. Are correct in being very conservative at 1%, but if the State continues to grow like it is, that percentage is going to be close or it is going to be holding. Keep that in mind. Requested that Mr. Weber provide the reserves grid again.
- Mayor Hanel: Very good report, concise and easy-to-follow.
- Bruce: Intended to thank all department heads of their funds and assistance – could not have put the material together for the Council without their assistance.
- Ulledalen: Be concise and clear. Last levy people thought the levy would go for 5 years and then quit. Didn't understand that it was additive each year and the total amount of the assessment increased. The clearer and cleaner one can be in that presentation, including the consequences of layoffs if the increase isn't received, the better. Be realistic with people about how the Charter works; how we got here and how far you stretched the last levy. It didn't mysteriously disappear; it has been consumed by the most significant part of our budget, police and fire salaries.
- Public comments:
- **Tom Zurbuchen, 1747 Wicks Lane, Billings, MT:** Questioned spreadsheet for status quo scenario. Can understand needing 6 mills in FY15; FY16 – 12 mills and FY17 – 18 mills, are those cumulative or totals? A 6 mill increase in taxes is 3.7%. There are already 176 mills currently, 14 of which don't count for operations. Those 14 are paying for debt already voted upon, like Dehler Park. As an employer, the City is offering its employees only a 2.9% COLA increase this year. How many people can say they got a 3.7% increase in this year's salary or expect to get that? Shouldn't ask the citizens to pay that much. Doesn't fly. City has to cut-back. 3.7% increase EACH year doesn't even match the wage increases for City employees. Those citizens on Social Security may receive a projected increase of only 1.5%. That increase won't cover school and City tax increases. The 3.7% is just to keep the status quo, adding more personnel will increase to 12 mills in FY15 or 7%.
- Mayor Hanel: Thanked Mr. Zurbuchen for his comments and stated that the cost of doing business has increased. A set of tires does not cost what it did 10 years ago. Bottom line is that revenues are not keeping up with expenditures and things need to change. The reduction of services has not been, per community conversations, public safety and quality of life in Billings is the utmost priority to the citizens. They say we want public safety and it is expensive.
- There were no other speakers, public comment period was closed.

- Tina: Suggested adding conversations about public safety to the Nov. 4 work session. This gives Council time to absorb this information and give feedback. Need to talk about a committee if going forward and get the members appointed. Keeps the momentum.
- Ulledalen: May be another political complication going forward and that would be that if the present School bond issue election fails and they come back with a Plan B, they will come back very quickly. Then we may be back in the crowd with them.
- Pitman: Prefers talks beginning on Dec. 2 because the election results will be determined and there will be more answers. Need to know whether the School bond levy passes. If it passes, it puts us in the situation of people’s taxes increasing even more. The new councilmembers need to be included on the conversations, too.
- Tina: Consensus appears to be December 2.

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| TOPIC #4 | Council Discussion |
| PRESENTER | |
| NOTES/OUTCOME | |

- Ronquillo: Could green container pickup be extended a bit longer than Nov. 1st? The nice weather has kept the leaves on the trees a bit longer than expected.
- Tina: Will check with Mr. Mumford and report back.
- McFadden: Why has there been no internet access?
- Tina: Stated they have been working on Wi-Fi access, not sure what the problems are.
- Pitman: Since we are trying to get all councilmembers to go electronic – Wi-Fi is not optional. It is essential for those who only have an I-Pad to refer to for agenda items and staff reports. Please see that IT gets this corrected.
- Tina: Will work on that.
- McFadden: The recent hard rains have torn up the alleys. Some people can only access their garages via the alley, need to grade them before the snow flies.
- Tina: Alley grading has begun; will find out the schedule.
- Pitman: Reminded community conversations begin tomorrow, Tuesday, October 22nd at 7:00 p.m.-8:30 p.m. at The Oasis Water Park; Thursday, October 24th at 11:30 a.m.-1:00 p.m. at Garfield School; and Thursday, October 24th at 7:00 p.m.-8:30 p.m. at Little Horn State Bank.

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| TOPIC #5 | Public Comment on Items not on the Agenda |
| PRESENTER | |
| NOTES/OUTCOME | |

- **Tom Zurbuchen, 1747 Wicks Lane, Billings, MT:** Garbage collection and the bill. It used to be on our taxes as a lump fee. The *CityLink* article stated residents are charged a flat fee per unit for garbage collection. Charge is “per unit”. Not equitable for 90 gal. rollout unit vs. 300 gal. unit for 2-3 families. Not picking up loose material, so alley is hard to maintain. Don’t have green barrel, but others do and everyone is charged the

same. This is a huge discrepancy in services rendered for the dollars collected. It should be billed by what you get, same as water usage and sewer services.

- Mayor Hanel: Can get a green barrel delivered.
- Tina: I'll check on that and get back with Mr. Zurbuchen.
- Mayor Hanel: If there is a pile of loose trash that needs to be picked up and collection is not often enough, call Solid Waste.
- Tom Zurbuchen: Call about every 3 weeks.
- Mayor Hanel: If you call, they will make a special pickup for you.
- Tom Zurbuchen: The service isn't equitable for the bill.
- Mayor Hanel: Just call them and they will take care of you.

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| Additional Information: |
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