

CITY OF BILLINGS
CITY OF BILLINGS VISION STATEMENT:

**“THE MAGIC CITY – A VIBRANT, WELCOMING PLACE WHERE
PEOPLE FLOURISH AND BUSINESS THRIVES.”**

AGENDA (Revised)

COUNCIL CHAMBERS **March 11, 2013** **6:30 P.M.**

CALL TO ORDER: Mayor Hanel

PLEDGE OF ALLEGIANCE: Mayor Hanel

INVOCATION: Councilmember Crouch

ROLL CALL: Councilmembers present on roll call were:

MINUTES: February 25, 2013

COURTESIES:

PROCLAMATIONS:

- AmeriCorps Week - March 9-17, 2013
- National Service Recognition Day - April 9, 2013

ADMINISTRATOR REPORTS - TINA VOLEK

PUBLIC COMMENT on “NON-PUBLIC HEARING” Agenda Items: #1 & #2 ONLY. Speaker sign-in required. (Comments offered here are limited to one (1) minute. Please sign in at the cart located at the back of the council chambers or at the podium. Comment on items listed as public hearing items will be heard ONLY during the designated public hearing time for each respective item. For Items not on this agenda, public comment will be taken at the end of the agenda.)

1. **CONSENT AGENDA** -- Separations:

 A. **Bid Awards:**

1. **W.O. 10-19 Shiloh Conservation Area Wetland Plant Procurement.** (Opened 2/26/2013)
Schedule I: Recommend The Confederated Salish & Kootenai Tribal Forestry; \$98,300. **Schedule II:** Recommend Westscape Wholesale Nursery; \$6,350.
2. **W.O. 12-44 WTP High Service Pump Station H2-3 Pump Replacement.** (Opened 2/26/13) Recommend Star Service; \$757,021.
3. **Correction of Award for Two (2) - 2013 37,000 GVW Axle Trucks with Dump/Sander Spreaders.** (Opened 1/29/2013). Recommend I-State, \$291,110 (includes two (2) \$2,585 5-year warranties).

- B. **Approval** of the lease for real property for the Miller Building, located at 2825 3rd Avenue North, for the Planning, Building, Code Enforcement and Community Services Departments **and Commitment** to an annual City general fund transfer for the Community Development Division.
- C. **Empire Parking Garage**
 - 1. **Empire Garage Materials Testing Services Agreement** with Tetra Tech, Inc.; estimated maximum price, \$75,700.
 - 2. **Approval** authorizing the City Administrator to sign the Empire Parking Garage parking unit purchase agreements and all subsequent documents necessary to transfer the units.
- D. **Acknowledging Receipt of Petition to Annex #13-02:** one parcel totalling approximately 64 acres, generally located on the west side of Mullowney Lane just south of the Southern Empire Emporium Restaurant and addressed as 1228 and 1236 Mullowney Lane; Elizabeth Zeiler, owner and petitioner, and setting a public hearing date for 3/25/13.
- E. **Resolution of Intent** to construct W.O. 13-02, Miscellaneous and Developer Related Improvements, (curb, gutter, and sidewalks) at various locations in the City, and setting a public hearing date for 4/8/13.
- F. **Resolution** fixing the form and terms of the Department of Natural Resources and Conservation (DNRC) Series 2013 bond for the construction of a sanitary sewer lift station in Billings Heights.
- G. **Second/Final Reading Ordinance** amending text to Section 2-207, of the Billings, Montana, City Code providing that the Office of Mayor or Councilmember shall be forfeited under certain circumstances.
- H. **Second/Final Reading Ordinance** establishing new boundaries for the City of Billings five election wards.
- I. **Bills and Payroll:**
 - 1. February 4, 2013
 - 2. February 11, 2013
 - 3. February 19, 2013

REGULAR AGENDA:

2. **FY 2014 GENERAL FUND AND PUBLIC SAFETY BUDGET DISCUSSION.** Staff recommends City Council answer the six questions listed in the Problem/Issue Statement and allow staff to proceed to the annual budget presentation on May 6 while using Priority Based Budgeting as Council directs. (Action: approval or disapproval of staff recommendation.)

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

COUNCIL INITIATIVES

ADJOURN

Additional information on any of these items is available in the City Clerk's Office.

Reasonable accommodations will be made to enable individuals with disabilities to attend this meeting. Please notify Cari Martin, City Clerk, at 657-8210.

Regular City Council Meeting**Meeting Date:** 03/11/2013**TITLE:** Bid Award: W.O. 10-19 Shiloh Conservation Area Wetland Plant Procurement**PRESENTED BY:** David Mumford**Department:** Public Works**Information****PROBLEM/ISSUE STATEMENT**

W.O. 10-19 Shiloh Conservation Area Wetland Plant Procurement will provide a contract for growing wetland plants for the Shiloh Conservation Area. This contract is only for growing wetland plants. These plants must be started soon in order for them to be mature enough to be permanently planted later in the season. A separate contract will be issued in the future for installation of the plants.

This project was advertised on February 7th, 14th, and 21st in the Billings Times and on the City's website. Bids were opened February 26, 2013, and four contractors submitted bids. Three of the contractors bid Schedule I and three contractors bid Schedule II. The Confederated Salish & Kootenai Tribal Forestry submitted the lowest responsible bid for Schedule I and Westscape Wholesale Nursery submitted the lowest responsible bid for Schedule II.

ALTERNATIVES ANALYZED

The Council may:

- Award Schedule I of W.O. 10-19 Shiloh Conservation Area Wetland Plant Procurement to The Confederated Salish & Kootenai Tribal Forestry in the amount of \$98,300.00 and award Schedule II to Westscape Wholesale Nursery in the amount of \$6,350.00; or
- Not award a contract for either schedule and reject all bids. If this project is not awarded, the wetland plants will not have adequate time to grow before installation within the conservation area.

FINANCIAL IMPACT

The following bids were received and evaluated:

Contractor	Schedule I	Schedule II
CSKT Tribal Forestry	\$98,300.00	\$13,000.00
Westscape Nursery	No Bid	\$6,350.00
North Fork Native Plants	\$113,400.16	No Bid
Great Bear Restoration	\$265,303.00	\$24,366.00

The bids received appear to show a large discrepancy between bids. Typically, when this is noticed, the bids are re-evaluated to determine why the discrepancy occurred and to ensure that the low bidder clearly understands the work. In this case, there were bid irregularities due to extension of unit prices. The intent of the bidders actually resulted in very tight bids, however, after correction of the unit price errors, the bids appear to have a wide range. The project team is confident in the low bidders' understanding of the project requirements.

Funds are available for this contract under the Shiloh Conservation Area project funded in FY'13.

RECOMMENDATION

Staff recommends the City Council award a contract for W.O. 10-19 Shiloh Conservation Area Wetland Plant Procurement to The Confederated Salish & Kootenai Tribal Forestry for Schedule I in the amount of \$98,300.00 and Westscape Wholesale Nursery for Schedule II in the amount of \$6,350.00.

APPROVED BY CITY ADMINISTRATOR

Attachments

No file(s) attached.

Consent 1. A. 2.

Regular City Council Meeting

Meeting Date: 03/11/2013

TITLE: Bid Award: W.O. 12-44 WTP High Service Pump Station H2-3 Pump Replacement

PRESENTED BY: David Mumford

Department: Public Works

Information

PROBLEM/ISSUE STATEMENT

The purpose of this project is to replace an existing pump and associated valves at the water treatment plant's high service pump station. The pump will include a new motor and a variable frequency drive (VFD). In addition, the valve used to control the flow out of the High Service Pump Station to the Zone 2 East will be replaced. This project is approved in the CIP.

The project was advertised on January 31, February 7, February 14, and February 21, 2013, in the Billings Times and on the City's Website. Bids were opened on February 26th, 2013, and 5 bids were received. Star Service submitted the lowest responsible bid.

ALTERNATIVES ANALYZED

The Council may:

- Award W.O. 12-44 to Star Service in the amount of \$757,021.00; or
- Not award the contract to Star Service and reject all bids. If this project is not constructed, the present pump may fail due to its age.

FINANCIAL IMPACT

The following bids were received and evaluated:

CONTRACTOR	BASE BID
ACE Electric	\$802,011.00
COP Construction	\$842,000.00
Dick Anderson Construction	\$796,800.00
Star Service	\$757,021.00
CEI	\$798,809.00

The funding for this project is budgeted in FY13 and the source is water system revenues. A summary of the funding is as follows:

Project Budget	\$1,275,000.00
Encumbered Funds	\$ 72,900.00
This Contract	\$ 757,021.00
Project Budget Remaining	\$ 445,079.00

RECOMMENDATION

Staff recommends the City Council award a contract for W.O. 12-44 to Star Service in the amount of \$757,021.00.

APPROVED BY CITY ADMINISTRATOR

Attachments

No file(s) attached.

Regular City Council Meeting**Meeting Date:** 03/11/2013**TITLE:** Corrected Bid Award for Two 2013 37,000 GVW Axle Trucks with Dump/Sander Spreaders**PRESENTED BY:** David Mumford**Department:** Public Works**Information****PROBLEM/ISSUE STATEMENT**

Bids were received by the Street/Traffic Division for the Public Works Department on January 29, 2013, to purchase two, 2013 37,000 GVW Axle Trucks with Dump/Sander Spreaders. On February 11, 2013, City Council approved an award to I-State in the amount of \$288,525. This award included the warranty expense for only one of the trucks. In order to purchase the second warranty, staff is requesting that the Council This purchase was approved by the City Council in the FY13 budget for replacement of existing trucks as part of the Equipment Replacement Plan (ERP). The existing trucks will be traded-in to the company providing the new trucks.

ALTERNATIVES ANALYZED

The City Council may:

- Approve the low bid for two, 2013 37,000 GVW Trucks with Dump/Sander spreaders from I-State for \$285,940, plus 5-year warranties for two trucks in the amount of \$2585 each, or a total of \$291,110.
- Reject all bids and do not award the purchase of the trucks.

FINANCIAL IMPACT

The City received four bids for these dump trucks. In reviewing the bids submitted, two bids did not meet the specifications set forth in the bid documents and as such were not considered. As a result, staff is recommending award to the lowest and most responsive bid to the specifications. The bids are shown below:

Vendor	Bid	Trade-In	Net Bid	Warranty
Peterbilt	\$132,645.00 Ea (x2)	\$10,500 Unit 1186 \$ 9,000 Unit 1187	Does not meet Specs	
Motor Power	\$155,240.00 Ea (x2)	\$10,000 Unit 1186 \$10,000 Unit 1187	\$290,480.00	\$2685.00 Ea (x2)
I-State #1	\$153,970.00 Ea (x2)	\$12,000 Unit 1186 \$10,000 Unit 1187	\$285,940.00	\$2585.00 Ea (x2)
I-State #2	\$125,982.00 Ea (x2)	\$12,000 Unit 1186 \$10,000 Unit 1187	Does not meet Specs	

RECOMMENDATION

Staff recommends awarding the bid for the purchase of two, 2013 37,000 GVW Single Axle Trucks with Dump/Sander Spreaders in the amount of \$285,940 plus warranty cost of \$2585 each to I-State for a total of \$291,110. Staff also recommends trading the existing dump trucks (Unit 1186 & #1187) to I-State.

APPROVED BY CITY ADMINISTRATOR

Attachments

No file(s) attached.

Regular City Council Meeting

Meeting Date: 03/11/2013

TITLE: Planning and Community Services Office Space Lease

PRESENTED BY: Liz Kampa-Weatherwax

Department: City Hall Administration

Information

PROBLEM/ISSUE STATEMENT

The City's Planning and Community Services Department is seeking office space in downtown Billings due to the department's required move from the Library building in 2013. An RFP process was conducted in June 2012. The Council rejected the staff recommendation for a lease and asked that the top five proposers be asked to resubmit their proposals. A new RFP was issued by the City's Purchasing Agent on January 11, 2013. The five offers went to:

- Billings Business Center – 2718 Montana Avenue
- Crowne Plaza – 27 North 27th Street
- Crane Building – 3005 1st Avenue South
- Rocky Mountain Bank Building – 2929 3rd Avenue North
- Miller Building – 2835 3rd Avenue North

Staff received two proposals in response to the new RFP:

- Crane Building – 3005 1st Avenue South
- Miller Building – 2835 3rd Avenue North

In order to achieve consistency in responses, the City proposed a five-year lease with the option to renew for five (5) additional one-year (1) terms, but reserved the right to negotiate with the successful proposer. The City also requested costs for 100 MB fiber installed at each of the locations, as well as any estimated costs outside of the square footage rate.

A selection committee was formed and included Councilmember Ed Ulledalen, Assistant City Attorney Bonnie Sutherland, Planning and Community Services Department Director Candi Beaudry, Chief Information Officer David Watterson, Facilities Manager Saree Couture, and Purchasing Agent Liz Kampa-Weatherwax. The committee reviewed both proposals, met on February 11, toured both buildings on February 12, and has unanimously chosen to begin negotiations with the property broker for the Miller Building. The criteria for selection included, but were not limited to location, price, adequacy of space, quality, appearance, space efficiency, remodeling necessary, parking, technical IT needs, security and schedule for occupancy.

ALTERNATIVES ANALYZED

The City requested proposals for lease of a minimum of 13,700 usable square feet of office space, of which 9,000 square feet could be located on one floor, with the remaining square footage on adjacent floors. The office space should be appropriate to house five (5) primary work areas, which may or may not have separate entries.

Both properties met the minimum square footage requirement. It is the opinion of the selection committee that the Crane building has yet to be configured as office space and the time for remodeling could possibly extend the availability date beyond an acceptable timeframe. Additionally, the City may extend fiber to the Miller Building for approximately \$50,000 with very little or no on-going costs for the five years and beyond. Extending fiber to the Crane building would be cost prohibitive (a minimum of \$200,000) due to the distance from other City-owned fiber in the downtown area. Last, the Crane Building has been vacant and utility costs were estimated by the proposer for an occupied building. These utilities would be at the City's expense and are difficult to predict. The Miller Building lease rate includes all utility costs.

In the first year, the Miller Building lease rate is proposed to cost up to \$204,723, depending upon a decision regarding the communication lines to the building. The Crane Building is estimated at \$205,379 for year one.

FINANCIAL IMPACT

Three of the four Divisions in the Planning and Community Services Department rely on property tax and/or fees for operating revenue. The Community Development Division relies on federal funding that is capped for administrative activities, including rent. Neither of the proposals were affordable to the Community Development Division without a subsidy from the City's General Fund. Therefore, this lease agreement would effectively commit the City and City Council to an annual general fund transfer of up to \$60,000 for the Community Development Division. The other three Divisions have historically paid between \$90,000 and \$135,000 annually in rent. This lease agreement is proposed to cost up to \$204,723 (including an approximate \$3,000 annually for off-site parking), depending upon a decision regarding the data lines to the building.

RECOMMENDATION

Staff recommends that Council approve the Lease for Real Property for the Miller Building, located at 2825 3rd Avenue North, for the Planning and Community Services Department and commit to an annual City general fund transfer for the Community Development Division.

APPROVED BY CITY ADMINISTRATOR

Attachments

No file(s) attached.

Regular City Council Meeting

Meeting Date: 03/11/2013

TITLE: Empire Garage Materials Testing Services Agreement

PRESENTED BY: Chris Mallow - Parking Supervisor

Department: City Hall Administration

Information

PROBLEM/ISSUE STATEMENT

During the construction of the Empire Garage the City needs to have third-party testing conducted on some of the materials being used, specifically concrete, masonry, and steel welds. This third party testing will include geotechnical testing services required for the construction of the 196,000 square foot Empire Parking Garage. Work shall include, but is not limited to, concrete strength, slump, air content, and temperature during placement. The work to be done will also include inspection of curing and placement practices, structural steel inspections in accordance with plans, mortar and grout prisms required for masonry construction, and compaction tests as needed on subgrade prior to concrete placement. All testing will be performed in accordance with all applicable codes and standards.

The City advertised a Request for Proposals (RFP) on February 7th and 14th, 2013. The proposals were received by Staff on February 22nd, 2013, and reviewed by a selection committee on February 26th, 2013. The following proposals were received and reviewed by the selection committee:

1. Dowi HKM
2. Terracon Consultants, Inc.
3. Tetra Tech
4. Rimrock Engineering

The selection committee evaluated all proposals and decided on two proposals that would be good candidates for this project. The submitted price proposal was used to make the final decision. The selection committee choose the Tetra Tech, Inc. proposal based on unit price and their ability to self perform all necessary testing.

ALTERNATIVES ANALYZED

Council can take the following action:

1. Approve the agreement with Tetra Tech, Inc..
2. Reject the agreement with Tetra Tech, Inc. and award to a different RFP respondent.
3. Reject the agreement with Tetra Tech, Inc. and not award a contract. Staff feels that this testing is essential to the Empire Garage construction schedule and any delays will delay all construction activities.

FINANCIAL IMPACT

This work was anticipated and is included in the Empire Garage budget. This service will be paid for through existing funds in the Expanded N. 27th Tax Increment Fund and/or with revenues from the Empire Garage TIF bonds.

The contract amount is estimated to be \$54,128 to \$75,700. The quantity of required testing can vary based on construction schedule and availability of materials. The amount of required testing could be reduced if testing conducted in early stages of construction show a pattern of meeting all requirements.

RECOMMENDATION

Staff recommends Council approve the agreement with Tetra Tech, Inc. for an estimated maximum price of \$75,700.

APPROVED BY CITY ADMINISTRATOR

Attachments

No file(s) attached.

Regular City Council Meeting

Meeting Date: 03/11/2013

TITLE: Authorize City Administrator to Sign Purchase Agreements and Documents Necessary to Transfer Parking Units in the Empire Garage

PRESENTED BY: Bruce McCandless, Asst City Administrator

Department: City Hall Administration

Information

PROBLEM/ISSUE STATEMENT

The City of Billings has worked for over two (2) years to develop the new Empire Parking Garage project, including unit ownership (condominium). The City Council reviewed and approved all of the steps including purchasing the land, agreeing to options, leases, development agreements and the unit ownership documents. The private parties are executing their parking options and desire to enter into purchase agreements with the City for those units. Selling the units requires multiple steps and documents over the next 12-14 months. The City Council is being asked to authorize the City Administrator to sign the purchase agreements and the other documents that will be necessary to eventually transfer the units to the new owners. This approval applies only to the parking options. The private parties also have options to purchase the retail units on Montana Avenue and if they exercise those options or other parties desire to purchase the units, staff will request that the Council approve those purchases and all of the documents that accompany them.

ALTERNATIVES ANALYZED

The Council approved the parking unit options and other agreements when it purchased the land in 2011. There are no practical alternatives to approving the subsequent documents and selling the units, but the Council could require that it review and approve each document, or it can authorize the City Administrator to carry out the requirements of those earlier agreements.

FINANCIAL IMPACT

The parking units will sell for a total of nearly \$950,000. That money is a necessary component of the financing that is required to build the garage.

RECOMMENDATION

Staff recommends that Council authorize the City Administrator to sign the Empire Parking Garage parking unit purchase agreements and all subsequent documents that are necessary to transfer the units to the correct private parties.

APPROVED BY CITY ADMINISTRATOR

Attachments

No file(s) attached.

Regular City Council Meeting

Meeting Date: 03/11/2013

TITLE: Annexation #13-02: Acknowledge receipt of petition and set a public hearing date

PRESENTED BY: Candi Beaudry

Department: Planning & Community Services

Information

PROBLEM/ISSUE STATEMENT

Owner Elizabeth Zeiler has submitted a petition to annex land to the City of Billings under Section 7-2-4600, MCA. The subject property is one parcel totaling about 64 acres. The property is addressed as 1228 and 1236 Mullowney Lane. It is located on the west side of Mullowney Lane just south of the Southern Empire Emporium Restaurant. It wraps around and also has frontage on the South Frontage Road west of the former site of the Big Splash Water Park. The property is mostly vacant and used for agricultural production, however there is a residence and other buildings on the property near Mullowney Lane. The property owner is requesting annexation in order to obtain City services for development of the property. The property is zoned Highway Commercial and Agricultural Open Space. A concurrent zone change application is being processed to change all of the zoning to Highway Commercial. The property is located within the five-year annexation area of the City's Limits of Annexation Map and appears to meet many of the City's criteria in its Annexation Policy. A detailed review and analysis of the Annexation Policy criteria will be provided in the Council's public hearing memo. The City Council's policy is to consider annexations at two separate Council meetings. At the first meeting, the Council acknowledges receipt of a petition and sets a public hearing date. At the second meeting, the Council conducts the hearing and decides if it will annex the property. The zoning and annexation hearings will occur at the same City Council meeting on March 25.

ALTERNATIVES ANALYZED

Section 7-2-4600, MCA, allows owners of more than 50% of the property to petition the City for annexation. The only alternative that is consistent with City Council policy is to acknowledge receipt of the petition and set a public hearing date.

FINANCIAL IMPACT

Analysis by City staff of how City services may be provided to this property, the potential financial implications of developing the property, and a recommendation on the annexation will be prepared and presented at the public hearing.

RECOMMENDATION

Staff recommends that the City Council acknowledge receipt of the annexation petition and schedule a public hearing for March 25, 2013 to consider annexing this property.

APPROVED BY CITY ADMINISTRATOR

Attachments

[Annexation Petition](#)

[Annexation Exhibit](#)

[Annexation Legal Description](#)

Regular City Council Meeting

Meeting Date: 03/11/2013

TITLE: W.O. 13-02 Miscellaneous/Developer Related - Resolution of Intent to Construct Improvements and set a Public Hearing

PRESENTED BY: David Mumford

Department: Public Works

Information

PROBLEM/ISSUE STATEMENT

The proposed project will install curb, gutter, and sidewalk improvements at various locations in the city and consists of two categories of properties. The first category is unfulfilled building permit obligations. The City of Billings Site Development and Subdivision Ordinances require the installation of public improvements in conjunction with the issuance of building permits. A small number of these properties either did not complete the requirements of the right-of-way permits or have requested that the improvements be completed under the City's project. Per Council policy, the uncompleted right-of-way permits are included in the next annual Developer Related Program. The costs of completing these improvements are assessed to the property owner.

The second category represents continuation of the annual improvements project for dealing with tripping hazards, drainage problems, property owner requests, citizen complaints, and other miscellaneous concrete work brought to the attention of the City Engineer's Office. This program proposes a continuation of the Council policy of allocating gas tax funds for reconstruction of side street frontages on corner lots and to cover the cost of curb and gutter repair.

The proposed project also uses additional funding allocations to cover costs not normally assessed to property owners. Storm drain funds are used for repairing defective valley gutters, improperly graded curb and gutter, and substandard storm drain inlets. Water funds are used for minor adjustments of water lines.

These improvements have historically been constructed under the annual Miscellaneous/Developer Related Program. In order to construct this year's improvements, Council must pass a Resolution of Intent and set a Public Hearing for the project in order to allow adjacent property owners to be assessed for this work.

ALTERNATIVES ANALYZED

The Council may:

- Pass the Resolution of Intent and establish a Public Hearing date of April 8, 2013; or
- Do not pass the Resolution of Intent. If the Council does not adopt the Resolution, the property owners cannot be assessed and the work will not occur because there is no other source of financing for the replacement and new construction.

FINANCIAL IMPACT

The proposed project is funded through multiple sources, including direct property assessments, for a total budgeted amount of \$732,500.

FY 13 Budgeted Amounts	
Estimated Assessments	\$425,000
Storm Drain Funds	\$52,500
Gas Tax Funds	\$250,000
Water and Sewer Funds	\$5,000

Funding budgeted in FY 13 is sufficient for the proposed project.

RECOMMENDATION

Staff recommends that Council approve this Resolution of Intent for W.O. 13-02 and set a public hearing date of April 8, 2013.

APPROVED BY CITY ADMINISTRATOR

Attachments

[Resolution of Intent](#)

[Exhibit A](#)

[Exhibit B](#)

Regular City Council Meeting

Meeting Date: 03/11/2013

TITLE: Resolution Fixing the Form and Detail for Series 2013 DNRC Bond

PRESENTED BY: Patrick M. Weber

Department: City Hall Administration

Information

PROBLEM/ISSUE STATEMENT

The City Council authorized an application for the issuance of Department of Natural Resources and Conservation (DNRC) bonds to finance the construction of a sanitary sewer lift station located north of Mary Street and west of Bitterroot Drive near 5-Mile Creek. In its present state, the lift station is undersized for projected future service area demands and is nearing the end of its useful life due to significant corrosion and infiltration problems.

This resolution authorizes the issuance and fixes the terms and conditions of the bond.

ALTERNATIVES ANALYZED

After the council approves the resolution, the bond closing will take place.

FINANCIAL IMPACT

Department of Natural Resources and Conservation, through its State Revolving Fund Program, offers low interest loans that fund water and wastewater projects with no closing costs. The project loan is \$3,100,000 at 3% for 20 years.

RECOMMENDATION

Staff recommends that the City Council approve the attached resolution setting the form and terms for the DNRC bond.

APPROVED BY CITY ADMINISTRATOR

Attachments

Resolution

Regular City Council Meeting

Meeting Date: 03/11/2013

TITLE: Second/Final Reading Ordinance for Amendments to Forfeiture of Office Ordinance, Section 2-207, BMCC

PRESENTED BY: Brent Brooks

Department: Legal

Information

PROBLEM/ISSUE STATEMENT

Pursuant to a Council Initiative by former Council Member Shoots Veis, the staff prepared and Council reviewed and considered amendments to City Code Section 2-207 on forfeiture of office. Amendments were most recently presented to the City Council during the January 22, 2013, work session. The Council directed staff to draft an ordinance and schedule a first reading and a public hearing. Council held the public hearing and approved first reading of the ordinance at its February 25 meeting. The ordinance amendments are based primarily on MCA sections 7-4-4111 and 2-16-501 which provide directions in situations when a vacancy in an elected municipal office occurs for a variety of reasons.

ALTERNATIVES ANALYZED

Retaining the current Forfeiture of Office ordinance in its present form has been considered by this and previous City Councils, however, the Council has determined that the current version does not provide for how to proceed when a Council member is physically unable to discharge his/her duties. The proposed amendments correct that deficiency in section 2-207(2). The City Council may: Approve or Disapprove the amendments on Second Reading. If the Council approves the amendments on Second Reading the amended ordinance will become effective thirty (30) days thereafter (April 11, 2013) as provided by state statute. If the amendments are disapproved on Second Reading, the current version of this ordinance will remain in effect.

FINANCIAL IMPACT

There is no financial impact in amending the current version of the ordinance.

RECOMMENDATION

Staff recommends that the City Council approve the attached amendments to Section 2-207, BMCC, on Second Reading.

APPROVED BY CITY ADMINISTRATOR

Attachments

Ordinance

Regular City Council Meeting

Meeting Date: 03/11/2013

TITLE: Second Reading Ordinance to Establish City of Billings Ward Boundaries

PRESENTED BY: Bruce McCandless, Asst. City Administrator

Department: City Hall Administration

Information

PROBLEM/ISSUE STATEMENT

The City of Billings is required by its Charter to have ten (10) Councilmembers, with two (2) members representing each Ward. The State and Federal Constitutions and case law have established that equal representation requires that governing body members have approximately equal population in the areas that they represent. The 2010 decennial census showed that the City has unequal population in its wards; a total of 33% variance from the ideal, average ward population of 20,800. After studying several ways to adjust ward boundaries, the City Council conducted a public hearing and adopted an ordinance on first reading that will create new ward boundaries and equalize each ward's population to within 3.78% of the ideal number. The Council will consider adopting the ordinance on second and final reading. After 30 days, the City will have new ward boundaries which will be used during the 2013 municipal election cycle.

ALTERNATIVES ANALYZED

The City Council considered several ways to adjust ward boundaries and decided that Plan E best complies with legal requirements. Each plan that it reviewed meets the primary criteria of equal population, compact and contiguous wards, protects minority voting rights and that race does not subordinate any of the criteria.

FINANCIAL IMPACT

There are no direct financial impacts if the Council adopts this ordinance.

RECOMMENDATION

Staff recommends that the City Council approve second reading of the ordinance establishing new ward boundaries.

APPROVED BY CITY ADMINISTRATOR

Attachments

Ordinance

Exhibit A - Plan E

Regular City Council Meeting

Meeting Date: 03/11/2013

TITLE: Payment of Claims February 04, 2013.

PRESENTED BY: Pat M. Weber, Finance Director

Department: City Hall Administration

Information

PROBLEM/ISSUE STATEMENT

Claims in the amount of \$995,845.64 have been audited and are presented for your approval for payment. A complete listing of the claims dated February 4, 2013 is available in the Finance Department.

ALTERNATIVES ANALYZED

No other alternatives were analyzed.

FINANCIAL IMPACT

Claims have a varying impact on department budgets, but are submitted by the departments and reviewed by Finance staff before being sent to the Council.

RECOMMENDATION

Staff recommends that Council approve the Payment of Claims.

APPROVED BY CITY ADMINISTRATOR

Attachments

[List of claims greater than \\$2500](#)

Regular City Council Meeting

Meeting Date: 03/11/2013

TITLE: Payment of Claims February 11, 2013.

PRESENTED BY: Pat M. Weber, Finance Director

Department: City Hall Administration

Information

PROBLEM/ISSUE STATEMENT

Claims in the amount of \$784,036.88 have been audited and are presented for your approval for payment. A complete listing of the claims dated February 11, 2013 is available in the Finance Department.

ALTERNATIVES ANALYZED

No other alternatives were analyzed.

FINANCIAL IMPACT

Claims have a varying impact on department budgets, but are submitted by the departments and reviewed by Finance staff before being sent to the Council.

RECOMMENDATION

Staff recommends that Council approve the Payment of Claims.

APPROVED BY CITY ADMINISTRATOR

Attachments

List of claims grater than \$2500.

Regular City Council Meeting

Meeting Date: 03/11/2013

TITLE: Payment of Claims February 19, 2013.

PRESENTED BY: Pat M. Weber, Financial Director

Department: City Hall Administration

Information

PROBLEM/ISSUE STATEMENT

Claims in the amount of \$745000.58 have been audited and are presented for your approval for payment. A complete listing of the claims dated February 19, 2013 is available in the Finance Department.

ALTERNATIVES ANALYZED

No other alternatives were analyzed.

FINANCIAL IMPACT

Claims have a varying impact on department budgets, but are submitted by the departments and reviewed by Finance staff before being sent to the Council.

RECOMMENDATION

Staff recommends that Council approve the Payment of Claims.

APPROVED BY CITY ADMINISTRATOR

Attachments

Payment of Claims 2-19-2013

Regular City Council Meeting

Meeting Date: 03/11/2013

TITLE: FY14 General Fund & Public Safety Budget Discussion

PRESENTED BY: Tina Volek

Department: City Hall Administration

Information

PROBLEM/ISSUE STATEMENT

The City Council was asked to provide guidance to staff about the Fiscal Year (FY) 2014 budget at a March 4, 2013, work session. That meeting lasted longer than anticipated, however, and the Council agreed to postpone the discussion to the business session of March 11, 2013. Documents from that meeting are shown as Attachment A.

The City has been one of the first 35 communities nationally to participate in Priority Based Budgeting (PBB), which now is recognized as a leading practice in local government by the International City/County Management Association's Center for Management Strategies. Through PBB, the City has identified more than 360 City programs and ranked them from a high of 1 to a low of 4 in their support of the City's strategic plan.

FY14 budget preparations have been underway in City departments since a Jan. 16, 2013, pre-budget workshop between the Council and department heads. Finance and Administration are scheduled to begin compiling a recommended budget starting the week of March 11 for presentation to the Council on May 6. Before the finalization begins, Council is asked how it wishes staff to handle the following items:

- Increase revenues or cut services, or both?
- Use reserves to fund 1-time capital projects, or postpone cuts?
- Undertake new strategic planning & program re-evaluation before cuts or revenue requests made?
- Are there any areas that should not be addressed?
- Are there additional, long-term areas that should be addressed?
- What other items does Council wish to discuss?

ALTERNATIVES ANALYZED

The City Council may:

- Answer the six questions listed in the problem/issue statement and allow staff to proceed to the annual budget presentation on May 6 while using PBB as the Council directs;
- Direct the City Administrator to prepare an FY14 budget that keeps departments in the General Fund and Public Safety Fund at the same dollar amount as in FY13, while presenting budgets that allow departments in other funds to adopt increases commensurate with their revenue from other sources, as has been discussed previously;
- Direct the City Administrator to freeze hiring in FY14, as also has been discussed previously. Since the Council has budget authority but the City Charter gives the City Administrator the sole authority to hire and fire employees, research would have to be done to determine how this was achieved in the past; or
- Direct the City Administrator to review other cost-saving measures which, depending on their scope, could delay the budget adoption past the July 1, 2013, start of the FY14 budget year. While State law permits some latitude in this area, it is considered poor budget practice.

FINANCIAL IMPACT

Due to conservative fiscal practices in past years, the City Council and staff at the end of FY12 had met the General Fund's required reserve of \$9,276,000 and had an unassigned General Fund balance of \$10,284,980. Much of the unassigned money has been saved to offset the effects on revenue of a Charter mill levy cap, slower growth because of the economy, and the impacts of Statewide reappraisal. Council and staff also are aware that, unless other revenue sources are found, there soon may need to be significant reductions in future years' expenditures to sustain current operations and to meet future needs. One of the major reasons for engaging in PBB has been to provide a balanced method for judging the relative merits of existing programs with others that currently are being offered and with those that might be suggested in the future while dealing with limited funds.

Since the March 3 work session, staff has devoted considerable time to identify more exact costs of a reduction and their impact on service, as outlined in Attachment B. A direction to present General Fund and Public Safety Fund budgets for FY 14 financed at the same level as in FY13 would result in a savings of \$87,946 in the General Fund after the loss of cost allocation fees are taken into account, and a savings of \$1,068,272 in the Public Safety Fund, for a total savings of \$1,156,218. However, it also would result in additional lost revenues, reductions in service and layoffs or furloughs. These occur in part because the City has kept increases in general operations and maintenance funds flat for more than a decade, leaving little to cut. A flat-line budget also will create significant challenges in contract negotiations that are scheduled to begin in April with all 3 existing bargaining units. It may significantly encourage trained employees to seek work elsewhere in Billings' growing economy. Finally, it clashes philosophically with the concepts of PBB.

A direction to freeze hiring will have an unknown savings, since it is unpredictable in any year how many employees will leave the City for various reasons. This also raises questions of what happens if critical services or mandates require an employee be hired. Attachment C outlines some of those impacts.

RECOMMENDATION

Answer the six questions listed in the problem/issue statement and allow staff to proceed to the annual budget presentation on May 6 while using PBB as the Council directs.

APPROVED BY CITY ADMINISTRATOR

Attachments

- [Attachment A](#)
- [Attachment B](#)
- [Attachment C](#)
