

# City Council Work Session

5:30 PM  
Virtually held via Zoom meeting  
August 17, 2020

**ATTENDANCE:**

**Mayor/Council** (please check) ✓ Cole, ✓ Shaw, ✓ Yakawich, ✓ Neese,  
✓ Ewalt, ✓ Joy, ✓ Choriki, ✓ Purinton, ✓ Ronning, ✓ Boyett, ✓ Brown  
**CM excused:**

**ADJOURN TIME:** 9:13 pm

## Agenda

<b>TOPIC #1</b>	<b>Energy and Conservation update</b>
<b>PRESENTER</b>	Louis Engels, Utility Engineer Randy Hafer, Energy and Conservation Board member
<b>NOTES/OUTCOME</b>	

- **Randy Hafer:** PowerPoint presentation.
- **Economically** - Life-cycle cost effective, Operational cost reductions, Build capacity now for future (NPV), Demonstrate returns on investment (\$\$, quality of life), Resilient to future costs, needs, and harms
- **Environmentally** - Avoid resource depletion, Reduce environmental harms, Value natural capital, Wise, innovative use of resources
- **Ethically** - Benefits shared by all, Reduce barriers to social mobility – e.g. quality housing, accessible transportation, new job growth, reduced tax burden, equitable land use planning
- **Commission Purpose:** Coordinate the City of Billings’ current policies and practices regarding energy consumption and resource conservation.
- Consider ways to conserve resources including areas where the city can reduce the amount of money it spends.
- Recommend additional areas where city government could assist citizens in minimizing pollution and energy consumption.
- Conduct an inventory of resource use by city-managed facilities and assets.
- Cost will always be a consideration but not the only one.
- **Building on a strong foundation** - 7 LEED Platinum Certified Buildings in Downtown Billings (Most in MT)
- Biogas collection system at landfill (Only one in MT)
- Conversion of 14 garbage trucks to use CNG; 8 additional projected (\$10k/yr savings)
- Collects enough gas to heat >1500 homes annually
- New Landfill Transfer Center & possible Material Recovery Facility (MRF) (1<sup>st</sup> in MT)

- West End Water Treatment Plant (in design) which is projected to save \$200k per year in pumping electricity costs (Coolest reuse of old mine in MT)
- 72 Electrical Efficiency projects since 2009 (saving \$650,000/yr)
- Equivalent to energy required for 630 homes/yr
- Centennial Park irrigated off of reclaimed ditch water
- City awarded \$25,000 for 6 Level II Electric Vehicle chargers in downtown Billings
- 2020 Energy Efficiency Project at Wastewater Plant (saving \$54,000/yr)
- Composting facility (in design) at the Landfill to reuse nutrients and divert waste from the landfill
- Upgraded energy management system at airport
- Changed 1,800 lights to LEDs - reduces energy and improves safety with brighter lighting and integrated lighting controls
- Airport renovations are focused on maximizing energy & water savings
- 40kW in solar installations: Fire Stations, Parks & Rec, Met Transfer, Library
- Areas of priority focus – building efficiencies, water and wastewater, solid waste and transportation
- **Louis Engels:**
- **Cities monthly bills:** Utilities \$596,000, electricity \$250,000. Breakdown of liquid fuels, natural gas, water, winter vs summer water bill, solid waste,
- **Initial Assessments and opportunities:** Billings has built a great foundation
- Need to tell our story better and more often
- Move into next phase of sustainability for the community
- **Opportunities:** Continue expanding electrical and CNG fueled fleet
- Reduce potable water going to parks
- Support composting and the Material Recovery Facility (MRF) at the Landfill & Wastewater Plant
- Support biogas reuse at the Wastewater Plant
- Support ReCode changes that encourage sustainability
- New Buildings/Remodels should incorporate energy efficient design strategies
- Complete the West End Reservoir and Water Plant
- Continue with NWE rebate programs
- Utilize life cycle costing for capital investments
- Evaluate fee structures for solid waste
- **Resolution details:** The Commission will coordinate the City of Billings' current policies and practices regarding energy consumption and resource conservation, to make recommendations to the City Council and City Administrator for future action.
- The purpose of the Commission will be to consider ways to conserve energy including areas where the city can reduce the amount of money it spends on energy and ways to limit the city's impact on the environment.
- The Commission may also recommend additional areas where city government could assist citizens in minimizing pollution and energy consumption.
- The Commission will be responsible for conducting an inventory of water and wastewater consumption, waste removal and disposal, pollution and energy efficiency of city-owned and city-managed facilities, vehicles and equipment.

- The cost of implementing energy conservation strategies will always be a consideration but should not necessarily limit the discussion, which could include water conservation, recycling, alternate fuels, alternate transportation, alternate energy sources, building and road construction, etc.
- **Neese:** how can we save? Louis: move intake upstream - West End Reservoir will be huge savings.
- **Ronning:** save money by putting native plants that don't need as much water in parks? Randy: reduce water usage by using untreated instead of treated water and using more native plants that require less water.
- **Mayor Cole:** when will Council see stage 2 – road map? Randy: 6-8 months preliminary direction, Council and staff input phase. Public input at a later date.
- **Ronning:** new design for Airport to be more energy efficiency? Randy: designs were too far along, some design recommendations made, but most plans were already complete.
- **Public Comment:**
- **Kevin Nelson, 4235 Bruce Avenue, Billings, Montana:** Shiloh trees are dead and have been removed. Now planting trees in front of REI store. Need to learn from mistakes.
- **Louis:** Copy of PowerPoint presentation available to public on website and City Hall.

<b>TOPIC #2</b>	<b>Founders Park Urban Renewal Analysis</b>
<b>PRESENTERS</b>	Wyeth Friday, Planning Director
<b>NOTES/OUTCOME</b>	

- **Wyeth Friday:** PowerPoint presentation - Founders Park Area located corner of 2<sup>nd</sup> Avenue and 32<sup>nd</sup> Street
- Property owner inquiry for Urban Renewal District, Russ Fagg and Architect Jeff Kanning Petition submitted to City to expand or create an Urban Renewal District
- City staff coordinates with Downtown Billings Partnership to complete an Urban Renewal Analysis report
- Report finds area meets minimum requirements for urban renewal
- **Conclusions:** The CDS analysis found: study area meets the State requirements to justify downtown district expansion or a new district
- Conditions of blight in area mainly revolve around: functionally obsolete buildings, decline in number of housing units and more vacant housing units in last decade, underutilized land (parking lots, vacant lots). Some infrastructure improvement potential including two way street conversions
- Stakeholder Input: seeking support for the URD concept from Chamber, DBP, SD2. Council received letters from 8 property owners expressing opposition. City staff in contact with commercial realtors and one property owner.
- **Council options:** Expansion of the Downtown District – Creation of new district OR No further action
- **Jeff Kanning:** received public comments regarding area being identified as blight – blight was identified (not as a judgement but as a growth opportunity).

- Tax base in the area peaked in 2016 and has since declined. Creation of TIF District or joining existing district will not increase taxes.
- **Shaw:** letter from 8 property owners in the area stating TIF District raising taxes. What is DBA perspective? Mehmet Casey, Downtown Billings Partnership (DBP): will approach board now that letter is public. Many items in letter can be clarified.
  - **Yakawich:** do not see the area as blighted. How beneficial if TIF District? Wyeth: State has challenges due to limited tools to support economic redevelopment. TIF one of the only choices, can help with development. Very effective tool.
  - **Chris Kukulski, City Administrator:** properties in the area do not typically sell for taxable values. Property is overvalued - may hinder development.
  - **Mayor:** if area is added to TIF, will it take away from existing increment or treated separately? Chris: if loses value, it will have negative affect on district.
  - **Brown:** do not see area as blighted. May be overusing TIF tools. Wyeth: meets minimum requirements to qualify for urban renewal but different from extreme blight.
  - **Ronning:** asked Andy Zoeller comparison chart for taxable value of this area and other TIF districts. Look at numbers in addition to viewing area. Infrastructure losing value qualifies as blighted.
  - **Choriki:** combine with other district? Jeff Kanning: downtown properties have different characteristics than other districts.
  - **Neese:** do not see area meeting minimum requirements. 1000 foot access area clarification? Wyeth: not a fixed distance but law allows for adjacent improvements. Neese: Utilize downtown TIF funds for street conversions. Wyeth: would need to look closely at rules.
  - **Joy:** area in State opportunity zone? Wyeth: uncertain. Jeff: yes, within opportunity zone. Joy: Area must be redeveloped, could opportunity zone help? Jeff: met with business owners in the area, opportunity zone discussions have begun. Financing favors larger areas. Working on public and private financing options.
  - **Boyett:** DBP opinion on area joining TIF District? Mehmet Casey: DBP favors standalone district for area.
  - **Public Comment:**
  - **Chris Friedel, former Councilmember:** \$6 million goes to TIF Districts, \$2 million would go to City general fund if TIF's did not exist. Some of the business's in the area do not pay property taxes (due to non-profit status), do not look to government to improve personal/business property.
  - **Neese:** direct staff not to proceed with Founders Area TIF District, Purinton 2<sup>nd</sup>
  - **Choriki:** TIF Districts increase money coming into community. Need to incentivize development in older areas. Empty parking lots are not considered blight, but do not add to a vital downtown. Need more information.
  - **Shaw:** Friedel's comment (\$2 million back to City) would not do that much for Public Safety. Founder's is deal area for housing and redevelopment.
  - **Ronning:** local developers wanting to develop and help tax values. Council needs to send good message to them.

- **Brown:** what does more information mean? Wyeth: provided information tonight, would need Council direction if more information is needed.
- **Purinton:** next step - ask for property owners' opinions? Wyeth: correct. Purinton: how long would it take to recoup money from TIF standalone district? Wyeth: would need to see sizable development to help values.
- **Mayor:** see blight in the area. Not meeting potential to add value to City. Will likely decline so could be proactive. Opportunity to generate green space in area. Do not support creating district currently due to lack of development interest and staff time. Need to see local support.
- Joy: environmental and safety issues in the area.
- Ewalt: do not see issue with empty parking lots.
- Council vote: Motion to not proceed – Approved 7-4: Ronning, Joy, Shaw and Choriki opposed
- Recess at 8:00 pm
- Reconvene at 8:10 pm

<b>TOPIC #3</b>	<b>2021 City of Billings Legislative Agenda</b>
<b>PRESENTERS</b>	Chris Kukulski, City Administrator Kevin Rietz, Summer intern for Chris in City Administration
<b>NOTES/OUTCOME</b>	

- **Chris Kukulski:** PowerPoint presentation
- **Kevin Rietz,** Summer intern for Chris in City Admin, Assisted in drafting legislative agenda for this session
- Introduces Crowley Fleck team - Ami Grmoljez & Greg Dorrington
- Contract through December 2020, intend to extend through 2022, \$40,000 legislative years and \$24,000 off years
- MT State Legislature meets on odd numbered year for 90 days
- Start of 67<sup>th</sup> Legislative session - Monday, January 4<sup>th</sup>, 2021
- Session typically ends in April, Rumors of a short session
- Montana League of Cities and Towns (MLCT) — Board Member
- Montana Infrastructure Coalition (MIC) - advocates for infrastructure development in MT – Billings is a full voting member
- Montana Economic Development Association partnership – economic tools analysis and recommendations
- Local Partners - Yellowstone County, SD2/MSUB/Rocky, Business'
- Coalitions are critical to success
- **Chris: Begin dialog – Council's 2021 DRAFT Legislative Agenda**
- Enhance public safety and security; Support self-governing powers; Facilitate sustainable economic development; Protect funding to reduce the burden of COVID-19 on city residents; Increase investments in critical infrastructure to support our local economy; and Lower the tax burden on property owners, supporting programs where users of government services pay for those services

- Next step: Relationships/Relationships/Relationships; Legislators who represent Billings & surrounding area; Influence and review adopted MLCT Resolutions
- Resolutions committee meets this Thursday 8-20-20; MLCT Board is expected to adopt 1<sup>st</sup> week in October
- Review MIC legislative agenda over the next 90 days
- Neese: funding PS through insurance premiums? Chris: need to research further to see options. Neese: should Councilmembers find their own legislators to get help? Chris: typically Council can bring ideas to him.
- Shaw: need support from legislators re: tax diversity/local option authority, substance abuse and mental health.
- Ronning: join forces with other cities to find common issues. Billings needs to be a leader in economy and Council needs to build economy.
- Choriki: Gas tax
- Mayor: learn more about 406 impact district. Support MSU-B and how it can help the community.
- **Public Comment:**
- **Kevin Nelson, 4235 Bruce Avenue, Billings, Montana:** Interim Revenue Committee having sales tax proposal Zoom meeting on August 25. Council may be unaware but great opportunity.

TOPIC #4	Council Discussion	Co
PRESENTER		
NOTES/OUTCOME		

- Joy: has asked Legal question about ballots being dropped off – able to drop off relatives, and others ballots. More information in Council emails.
- Mayor: constituent question about Postal service requirements to pick up ballots. They are not required to pick up mail, only deliver.
- Ewalt: Castlerock Park \$1 million budgeted to PD1 clarification. Chris: assessments will be going up.
- Yakawich: would like to get back to in person meetings. Chris: signed contract for work at Library, but Covid creating production issues. Looking into First Interstate room, which is larger.
- Mayor: hybrid option with large screens for Councilmembers that want to continue Zoom.
- Ronning: Library has new temporary hours.
- Shaw: as long as schools are offering remote learning, will want virtual option.
- **Public Comment:**
- **None**

<b>TOPIC #5</b>	<b>Public Comment on Items Not on the Agenda</b>
<b>PRESENTER</b>	
<b>NOTES/OUTCOME</b>	

- **Kevin Nelson, 4235 Bruce Avenue, Billings, Montana:** underpass painting is going to have vandalism and graffiti. Needs solution. Fugitive stole gun from his house and is out of prison. Giving more money for Public Safety but not confident it will help.