



VISION STATEMENT:
"The Magic City: A diverse,
welcoming community
where people prosper and
business succeeds."

WORK SESSION SUMMARY

Council Chambers
316 N. 26th St., 5th Floor

April 21, 2025

5:30 P.M.

CALL TO ORDER: Mayor Cole

Present:

Councilmember Gulick, Ward I
Councilmember Neese, Ward II
Councilmember Owen, Ward II
Councilmember Rogers, Ward III
Councilmember Tidswell, Ward IV (Via Zoom)
Councilmember Aspenlieder, Ward IV
Councilmember Boyett, Ward V
Councilmember Rupsis, Ward V
Mayor William Cole

Absent/

Excused: Councilmember Shaw, Ward I
Councilmember Kennedy, Ward III

Staff:

Chris Kukulski, City Administrator
Kevin Iffland, Assistant City Administrator
Gina Dahl, City Attorney (Via Zoom)
Denise Bohlman, City Clerk
Gavin Woltjer, Interim Parks and Recreation Director
Jennifer Duray, Deputy Director Public Works
Liz Kampa, Purchasing Agent
Andy Zoeller, Finance Director

Public Comment:

- **Jeff Essman, 3130 Masters, Billings, MT**, Voiced concerns about trash blowing of the landfill site and offer suggestions for mitigating that and cleaning up escaped trash.
- **Teri Todd, Continuum of Care**, spoke about the importance of HIMAS reporting and obtaining and keeping HUD monies. She expressed a need to obtain more funding and asked Council if they could help at all. CM Gulick suggested staff review Council Contingency Funds for a balance to see if there may be funds available for this effort.
- **Danny Choriki, Ward III**, spoke of the necessity for property tax reductions.

1. Amend Park Recreation Center

Gavin Woltjer, Interim Parks and Recreation Director, introduced each of the presenters. Chad Schreiner, A & E Design, provided the site plans for the courts building to the west on the property and the ice sports building to the east on the property. He spoke to the promenade on the back of the courts building that will be available for

Bryan Alexander, Sanbell, spoke about multiple entrances to the property. Spoke of relocation of the large ditch so it wasn't going through the property. Spoke of the zoning code and the parking needs and priority.

Chad reviewed the program legend of the 56,980 sq ft. building with gymnasium, lobby, administration, concession, restrooms, multi-purpose room.

Jason Hubbard, Langlas & Associates, spoke about weekly meetings with KE Construction. He provided a timeline for bid packages, construction, and budget. \$3.9 million has been budgeted so far but amendments will be coming. \$20 million is expected for the entire project.

Brandon Dowling, Johnson Consulting, appeared via Zoom and reviewed proforma of the project. He reviewed the operational model evaluation and recommendations for public vs. private sports complex operations. He spoke to the key revenue assumptions over the first three years for fees and rentals, concessions and advertising.

General Council questions and discussion: attracting National teams, locker rooms, an aquatics facility, seasonal FTE's, and parking concerns.

CM Rupsis noted there was a mistake in the year 1 and year 3 expenses and clarified with Brandon that it was a typo.

Mayor Cole noted there was no storage for basketball equipment on the east side of the building. Asked if it was conservative estimates but lacked custodial, and insurance expenses. Brandon indicated insurance was baked into the costs and FTEs. Mayor Cole asked about the probability of a national operator interested in the facility. Brandon noted there likely would be as the sports tourism.

CM Aspenlieder asked about construction administration costs. Kevin Iffland stated a contract amendment for GM/CM was coming on the April 28 Council meeting. CM Aspenlieder urged administration to include more public and Council participation.

Allie Eger, TBID Board has committed \$500,000 over 3 years to aid expenses and she explained the TBID's plans to help to market the facility for sporting events.

-Public Comment

- **Tony O'Donnell, 3958 S. Tanager, Billings, MT**, spoke about the City taking away monies from the County (Metra) for basketball and volleyball tournaments.
- **Kevin Nelson, 4235 Bruce Avenue, Billings, MT**, voiced concern for pedestrian safety in and around King Avenue East for those that park in the business parking lots

across from the facilities. He suggested a HAWK crossing light be installed to help with safety.

Gavin addressed concerns with FTE's and management of the facility.

BREAK: 7:23 PM – 7:30 PM

2. Public Works Rates

Jennifer Duray, Deputy Director Public Works, presented the recommended rate increases and provided comparisons with other Montana cities. Per state law rates have to be very specific. Utilities cannot subsidize each other with their monies. Those must stay separate. She explained the water rate options 1 and 2.

She explained the City was gaining 1% new wastewater clients but the flow has not increasing. She offered 2 options and explained the differences.

She reviewed System Development Fees (SDF) are charged with new construction. There is a recommended increase of 20.7%. The wastewater SDF is actually a recommended decrease of -9.3% for city residents.

Next was solid waste – asking for an additional driver for yard waste and equipment. Pacific Recycling's landfill has hurt the City by \$600,000 by taking their business away.

Then she presented Storm Fees. There were not 2 options presented because what was reviewed was what came out of the Budget and Finance Committee.

General Council questions and discussion.

CM Boyett asked about cardboard program. Debi Meling noted the program has not taken off as well as hoped. She noted education was needed.

CM Aspenlieder stated he would support option 2 for most of the rate increases.

CM Gulick asked for explanations of the SDF. Jennifer Duray responded and added staff was not ready to make a recommendation.

Jennifer Duray explained the timeline for notifying the public of rate increases and indicated direction from Council was needed.

Mayor Cole - Budget and Finance Committee's (BFC) recommendation of zero increase in water rates in Year 1.

-Public Comment

None

Motion: I move to accept Option 2 for Water and Wastewater and Storm Water rates.

Moved by CM Aspenlieder
Seconded by CM Owen

APPROVED 8-1, Neese opposed, Shaw and Kennedy absent/excused

CM Aspenlieder asked for PW to route back SDF's through BFC before it comes back to Council.

3. City Purchasing Policy.

Liz Kampa, Purchasing Agent, presented and explained that a resolution had inadvertently repealed a portion of the previous purchasing policy. She mentioned a new resolution correcting this would come before Council during May 12th meeting. She reviewed the new purchasing procedures, Request for Proposals (RFP's), Request for Qualifications (RFQ's)

CM Aspenlieder stated he wanted more information in the Resolution and how it directly related to the code. Does everyone follow the process and procedures. How will this affect the Airport's RFQ/RFPs and large amount of amendments for MET and Airport.

General Council questions and discussion: how it would affect PW and Airport. Debi Meling - consistent with what was being done currently. Jeff Roach - federal government allows for 5-year contracts and Airport takes advantage of that.

Council discussed whether the purchasing policy needs to be a part of the code or will a resolution and Administrative Order be sufficient. Council did not voice a preference.

-Public Comment

None

LEGISLATIVE UPDATE.

Chris Kukulski provided an update concerning HB542 as of Friday. Green sheet gives a sticking within the council's parameters. Did not advocate for changes to the charter, but need technical assistance. Page 12, Section 11, subsection 4 provided language to the legislators. Council discussion and questions.

Andy Zoeller reviewed sections of HB542. Section 2 and 3 has a \$400 rebate for 2025. He reviewed Section 4, Subsections 1 and 2 and 3 would affect Billings the most. He explained that the caps would be increased in 2026 and would be used forward.

Section 11 was reviewed and stated that the State would backfill cities that lose monies with entitlement share for 4 years. Only comes to fruition if Section 4 is found to be illegal. Section 14 is similar to SB155. It is looking at \$7-\$8 million loss.

CM Owen discussed the legality of the State forcing a Council vote to levy the maximum amount. Gina Dahl, City Attorney, agreed.

General Council discussion and questions: severability clause, whether HB542 would give administrative authority beyond Council authority and shall vs may terminology and ramifications.

CM Owen pointed out that the state is indicating that the City of Billings' charter was preventing the state from adjusting taxes and that was not true. She stated HB542 was harsh toward Billings and it gave the City 4 years to get our mill caps revised.

CM Aspenlieder spoke of legislators being weary of Billings conversations. CM Rupsis asked if they would consider changing it from "shall" to "may". CM Aspenlieder wasn't certain. It will likely pass and Billings will have to deal with it.

CM Aspenlieder and Neese agreed that if it passes, a resolution must immediately be passed to get this on the November ballot for mill cap increase.

Mayor Cole - let this pass and deal with the voters to do something in 2026. Avoid lawsuit, City may not prevail.

Motion: direct staff to make the amend section 11 word from "Shall" to "May", end of Section 4 – "shall include any fines, penalties or damages or any other financial leave in levying in accordance with section 4".

Moved by Mayor Cole

Chris – leave flexibility as directed by legislators to allow them to wordsmith.

Mayor Cole withdrew motion.

New Motion by Mayor Cole - direct staff to make the amend section 11 word from "Shall" to "May", allow for reimbursement to the City retroactive to the time of our assessment.

CM Rogers wanted the two items to be separated for separate votes.

CM Owen opposed and indicated the change between shall and may did not matter.

Mayor Cole withdrew again.

Motion: Change Section 11 to allow for reimbursement to the City retroactive to the time of original assessment.

Moved by Mayor Cole

Seconded by CM Gulick

Council continued discussion.

APPROVED 8-1, Neese opposed, Shaw and Kennedy absent/excused

Motion: Move for the word "shall" to be changed to "may".

Moved by CM Rupsis

Seconded by CM Aspenlieder

City Attorney Gina Dahl, agreed with CM Owen's concerns and spoke of "shall" leaving responsibility with State and changing to may would put the responsibility on the City.

FAILED 3-6, Mayor Cole, Rogers, Boyett, Neese, Owen, Gulick opposed, Shaw and Kennedy absent/excused

Council agreed that Chris should be in Helena.

HIGHLIGHT UPCOMING AGENDA ITEMS OF COUNCIL INTEREST.

None

COUNCIL DISCUSSION:

CM Neese - Council should not interact during public comment.

CM Aspenlieder – Billings All Star Cheer Gym Team won World Title.

PUBLIC COMMENT on "NON-AGENDA ITEMS". Speaker Sign-in required. *(Restricted to ONLY items not on this printed agenda. Comments are limited to 3 minutes or as set by the Mayor. Please sign the roster at the cart located at the back of the Council chambers or at the podium.)*

None

ADJOURN: 10:06 PM