

REGULAR MEETING OF THE BILLINGS CITY COUNCIL

December 8, 2008

The Billings City Council met in regular session in the Council Chambers located on the second floor of the Police Facility, 220 North 27th Street, Billings, Montana. Mayor Ron Tussing called the meeting to order at 6:30 p.m. and served as the meeting's presiding officer. Councilmember McCall gave the invocation.

CALL TO ORDER – Mayor Tussing

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

MINUTES – November 13, 2008, Special Meeting – approved as distributed
November 24, 2008 – approved as distributed

COURTESIES – Animal Control Supervisor Dave Klein made a presentation to Al Winegardner and family in appreciation of donations in memory of Jayne Winegardner.

PROCLAMATIONS

- Councilmember Ruegamer announced that the University of Montana Grizzlies would travel to Harrisonburg, VA, for a FCS semi-final playoff game Friday, December 12.
- Councilmember Gaghen announced that Carroll College would also play in a NAIA championship game.
- Councilmember Pitman introduced his daughter, Diandra, who was celebrating the five-year anniversary of her adoption.

ADMINISTRATOR REPORTS

- Ms. Volek advised that Agenda Item 6 did not have a public hearing so public comment should be allowed on that item along with Item 1.
- Ms. Volek referenced a memo from Assistant City Administrator Bruce McCandless regarding Agenda Item 6 that was sent in the Friday packet and available in the Ex-Parte Notebook in the back of the room for public review.
- Ms. Volek referenced a memo from Transportation Planner Scott Walker and minutes from the Policy Coordinating Committee meeting regarding Alkali Creek and the Swords Park Trail Corridor that were sent in the Friday packet and available in the Ex-Parte Notebook in the back of the room for public review.
- Ms. Volek advised that the December 15, 2008, meeting agenda packet was placed at the desks that evening.

PUBLIC COMMENT on “NON-PUBLIC HEARING” Agenda Item: 1 and 6 ONLY.
Speaker sign-in required. (Comments offered here are limited to 1 minute per speaker.)

Please sign up on the clipboard located at the podium. Comment on items listed as public hearing items will be heard ONLY during the designated public hearing time for each respective item.)

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

The public comment period was opened.

- **Greg Krueger, Development Director of Downtown Billings Partnership, 2815 2nd Avenue North**, spoke in support of expansion of the North 27th Street Urban Renewal Area. He said it was important to continuation of what already was accomplished and what would be accomplished in the next 15 years. He also spoke in favor of the downtown parking study. He said he long touted the need for a study because the last one was completed in 1993 and developers constantly contacted him with parking questions. He said it was always good to have another set of eyes look at it, and for the price, he believed the money would come back in the form of development.

Councilmember Veis asked what the parking study would reveal that was not already known. Mr. Krueger said the study could help determine prioritization and would tell us what was already known and how to implement it. Councilmember Veis stated it would be the Council's decision and the truth was, what consultants said was rarely considered because all kinds of information was considered when decisions were made. He said if they already knew the issues and that tough decisions had to be made, why not just make the decisions and live with the consequences. He asked what the consultant would tell them that they would take cover under when a decision was made. Mr. Krueger said he believed there were things we had not seen and there were consequences of actions that were not actually studied until they were done and he wanted to avoid having to backtrack. He said he felt that was the job of the consultant, to prevent that or at least let them know what happened if they did it.

- **Lisa Harmon, Executive Director Downtown Billings Association and Business Improvement District, 2815 2nd Avenue North**, stated that the DBA and BID supported the expansion of the North 27th Street Urban Renewal Area, especially as it related to parking. She also spoke in support of the downtown parking study and said it was an important issue to downtown merchants and property owners. She noted that the downtown had changed dramatically since the last study in 1993.

CONSENT AGENDA:

1. **A. Change Order #3**, W.O. 08-09, Waste Water Treatment Plant Primary Effluent Pipe Replacement and Sludge Drying Bed Expansion, Western Municipal, \$20,468.65, and **increase** the City Administrator's change order authority by \$50,000.

B. Approval of compensation agreement for Private Contract No. 599, Emmanuel Baptist Church Sanitary Sewer Extension project, \$325,360.

C. Approval of amended Purchase and Sale Agreement with School District Two for ten acres within Cottonwood Park for \$200,000, and **authorization** for the Mayor to execute associated documents to consummate the sale and transfer of ownership of the property.

D. Approval of grant application submittal to Safe Route to School Program for the Elementary School Traffic Plan, \$50,000.

E. Resolution #08-18772 relating to financing of proposed Zone 3 Storage, Zone 4 Reservoir project and Water Rehabilitation project; establishing compliance with reimbursement bond regulations under the Internal Revenue Code for the purpose of reimbursing the City with bond sale proceeds for financing water projects prior to the availability of funds.

F. Resolution #08-18773 relating to financing of a proposed Wastewater treatment plant disinfection system project; establishing compliance with reimbursement bond regulations under the Internal Revenue Code for the purpose of reimbursing the City with bond sale proceeds for financing sewer projects prior to the availability of funds.

G. Second/Final reading ordinance #08-5483 expanding the North 27th Street Urban Renewal Area – 2008.

H. Second/Final reading ordinance #08-5484 modifying the South Billings Boulevard Urban Renewal District.

I. Exempt Amended Plat of Tract 1 of Certificate of Survey 1815.

J. Bills and Payroll
(1) November 7, 2008
(2) November 14, 2008

(Action: approval or disapproval of Consent Agenda.)

Mayor Tussing separated Item 1D. Councilmember Veis separated Item 1H. Councilmember Ruegamer moved for approval of Item 1 with the exception of Items 1D and 1H, seconded by Councilmember Gaghen. On a voice vote, the motion was unanimously approved.

Councilmember Ruegamer moved for approval of Item 1D, seconded by Councilmember Gaghen. Mayor Tussing advised that he would recuse himself from the vote because his wife was involved in the project. On a voice vote, the motion was approved 9-0.

Councilmember Ruegamer moved for approval of Item 1H, seconded by Councilmember Ronquillo. Councilmember Veis stated he would be consistent with his vote. On a voice vote, the motion was approved 9-1. Councilmember Veis voted 'No.'

REGULAR AGENDA:

2. PUBLIC HEARING AND RESOLUTION #08-18774 GRANTING NEW OR EXPANDING INDUSTRY TAX INCENTIVES FOR BIG SKY ECONOMIC DEVELOPMENT AUTHORITY/GENERAL ELECTRIC CAPITAL CORPORATION for a new building at 3333 Hesper Road. Staff recommends approval. (Action: approval or disapproval of staff recommendation).

City Administrator Tina Volek advised that MCA 15-24-1401 and 1402 allowed a tax incentive for new or expanding industries with an investment of more than \$50,000 and the tax abatement could only be on improvements, not on land or prior value. She added that the law allowed 100% abatement in years one and five, diminishing to 80% in year six and 60% in year seven and so forth. She said the abatement was only for school district and city taxes. Ms. Volek said Resolution 05-18376 mirrored the state law. She explained that BSEDA processed the application and a public hearing and resolution were required to approve that item.

Ms. Volek advised that the land and the building at 3333 Hesper Road were owned by BSEDA, but by the lease and state law, GE was responsible for the taxes on the building. She noted that GE Capital Corporation was a qualifying industry both because it was a new Billings business and because 50% or more of its income was earned outside the City of Billings. She said the investment was \$9 million; the new facility would employ 210 individuals, and the abatement value was \$48,950 per year for years one through five, and the abatement declined 20% each year after five years and became wholly taxed in the 10th year. She said the estimate relied on reported construction costs; not Department of Revenue assigned value and the City tax was equal to 30% of that total.

Mayor Tussing pointed out that the Assistant City Administrator had been handling the item but was attending a meeting in Helena that evening.

Ms. Volek advised that she had photos of the facility if anyone was interested in seeing them. She said the recommendation was to approve the proposed tax incentive subject to meeting the conditions of Resolution 05-18376. She noted that BSEDA representatives were in the audience and available to answer questions.

Councilmember Astle asked how long GE's lease was. Ms. Volek advised it was a 12-year lease.

Councilmember McCall asked how many tax incentives were granted since the resolution was adopted in 2005. Ms. Volek said she remembered two others; Golden Recycling for equipment and All American Pharmaceutical.

The public hearing was opened.

- **Steve Arveschoug, BSEDA Executive Director**, encouraged support for the item as an important economic development step for Billings and was present to answer questions. He clarified that the tax abatement would be 50% and would decrease by 10% through the five years.

Mayor Tussing asked if GE was promised the abatement in order to locate here. Mr. Arveschoug responded that he was not part of those negotiations, but

based on the written agreement with GE, they were to pursue, without guarantee, tax abatement as an incentive.

Councilmember Ruegamer asked if there was a requirement that a number of jobs had to be furnished. Mr. Arveschoug explained that in addition to the lease agreement between BSEDA and GE, a specific job target was in place to qualify for State dollars in the form of loans. He said the initial target was 150 jobs, with potential to expand up to 250. Councilmember Ruegamer asked if GE would have come without the incentives. Mr. Arveschoug said he was not a part of the initial negotiations, however, that was a common question in economic development situations everywhere and it was not just about finances, but about quality of life and what made the community a special place to do business. He stated he believed GE felt it was a great opportunity for them.

Councilmember Gaghen asked what percentage of the jobs created would be local hires. Mr. Arveschoug said that so far, there were 86 employees and 84 were hired locally. Councilmember Gaghen referenced the pay information provided with the agenda materials and asked if benefits were included in the wages. Mr. Arveschoug said that the salary figures included benefits and was considered total compensation. He noted that of the 150 employees; 12 would be in a salary range of \$58,500 to \$78,000 total compensation; 13 would be in a salary range of \$58,500 to \$260,000 total compensation; 125 would have a salary range of \$16.90 per hour to \$22.10 per hour total compensation. Councilmember Gaghen said she was interested in the wages because she wanted to make sure that during the trying economic times, the company was not over weighted on the top end.

- **Joe White, 926 N. 30th Street**, said he opposed the tax rebate because he did not think tax reductions should be given to one of the world's largest corporations on the grounds that it would provide jobs. He said he did not support it because he did not think another high electrical generating company was needed in Billings to produce more urban sprawl because the cost came back to taxpayers. He said he did not think it was needed on the west end and saw no cause to give them a tax deduction, but would support one for smaller companies.

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

Councilmember Veis moved for approval of the resolution granting new or expanding industry tax incentives to BSEDA/GE Capital Corporation for a new building at 3333 Hesper Road, seconded by Councilmember Ruegamer. Councilmember Ruegamer said he wanted to clarify a few things. He said the project would provide up to 210 high-paying jobs, with good benefits with a solid company in Billings. He advised that the building would be nice and even if GE moved in 12 years, there was a building that would pay full property taxes after 10 years and it was not a tax deduction, but was abatement. He noted that the land would be empty without the project and he did not think they would have moved to Billings without the incentive, another city would have lured them. He added that GE would pay 50% of the property taxes the first year which was more than nothing and no money was taken from any coffers, the company was

simply paying less than the full amount of property taxes for the first five years and would be at 100% after 10 years.

Councilmember Gaghen mentioned that the congressional delegation encouraged GE to locate here as well and she felt it was a worthy project.

Councilmember Astle stated that in addition to the taxes the new building and business would generate, some people who came here would buy houses and pay property taxes so the City would more than recoup the other half from the employees during that first five years. He stated it was a no-lose proposition.

On a voice vote, the motion was unanimously approved.

3. PUBLIC HEARING AND RESOLUTION #08-18775 GRANTING NEW OR EXPANDING INDUSTRY TAX INCENTIVES FOR DALCO INDUSTRIES DBA TETON STEEL for property improvements at Gabel Road and South 29th Street. Staff recommends approval. (Action: approval or disapproval of staff recommendation).

Ms. Volek advised the item was a request for tax incentives for Teton Steel and the same statutes applied and also required a \$50,000 or larger investment. She noted that the tax abatement would only be on improvements in that case, and not on land or prior value. She said the property would receive the 50% abatement for the first five years and would be fully taxed after 10 years. She noted that only school district and City taxes were abated. Ms. Volek referenced Resolution 05-18376 which mirrored state law. She said the application was processed by BSEDA and a public hearing and resolution were required to approve the item. She advised that Teton Steel was located at 2880 Gabel Road and qualified as a qualifying industry as an expanding business that engaged in mechanical or chemical transformation of materials into products. She said the investment was \$1.5 million, intended to bring in 10 new jobs and the abatement was \$7,870 per year for years one through five. She noted that the estimate relied on reported construction costs, not the Department of Revenue assigned value and the City tax would be 30% of that total.

Ms. Volek noted that the recommendation was to approve the resolution subject to meeting the conditions of Resolution 05-18376.

The public hearing was opened.

- **Brandon Berger, BSEDA Loan Officer, 222 N. 32nd. Street**, said he was available to answer any questions regarding the application. He noted that the 10 individuals had been hired which brought the total number of employees to 11 for that business.

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

Councilmember Pitman moved for approval of the resolution granting new or expanding industry tax incentives for Dalco Industries, DBA Teton Steel, seconded by Councilmember McCall. On a voice vote, the motion was unanimously approved.

4. PUBLIC HEARING AND FIRST READING ORDINANCE FOR REVISIONS TO BOARDS AND COMMISSIONS: Revisions that provide consistency in procedural areas for advisory boards, commissions and committees, and reorganizes

ordinances into one Article of the Code. Staff recommends approval. (Action: approval or disapproval of staff recommendation). City Administrator Volek advised that the item had been amended slightly since the last time it was discussed with Council. She explained that city-wide parking was added to the scope of the Parking Advisory Board per the Council's request. She said the issue had been the subject of three public work sessions. She stated there was no other presentation but staff was available to answer questions.

Councilmember Veis asked about the last time reports were provided to the Council from the Aviation and Transit Board, Emergency Services Board, Human Relations Commission and Traffic Control Board. Ms. Volek said she believed the Aviation and Transit Board provided a written report in the Friday packet during the last six months; the EMS Board made a presentation at a work session about three or four months ago and a written report was provided in the Friday packet prior to that meeting; the Human Relations Commission may have provided a written report to the Council; and she did not believe the Traffic Control Board had made a recent presentation.

Councilmember Veis asked if the Boards and Commissions created by Council were advisory to the City Council or to staff. City Attorney Brent Brooks responded that they were advisory to the Mayor and City Council and a couple of them were required by State Statute. Mr. Brooks said an exception was the Ethics Board which made a recommendation directly to the City Attorney's Office.

Ms. Volek advised that the Development Process Advisory Review Board was created by one of her predecessors and worked with her to address planning and building procedural issues, and was a self-generating board that made recommendations and brought in its own membership.

Councilmember Veis said the ordinance stated that the Traffic Control Board was to provide assistance with parking issues outside of the central business district and asked how that would coincide with the Parking Advisory Board that would now address city-wide parking. He asked if there would be an overlapping scope with those two boards. Ms. Volek responded that it would be possible but the Traffic Control Board addressed more than parking and the two boards should probably work together if there was an overlap of duties. Ms. Volek noted that the ordinance was sent to all of the City advisory boards prior to being brought to Council for final action and minor input was received.

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

Councilmember Gaghen moved for approval of the ordinance for revisions to boards and commissions, seconded by Councilmember McCall.

Councilmember Veis asked if the Library Board was appointed in conjunction with the County. Ms. Volek responded it was a joint board, as was the City-County Planning Commission. Mayor Tussing noted that the City and County each appointed three members to the Library Board. Mr. Brooks pointed out that it was pursuant to an interlocal agreement. Councilmember Veis asked if they were advisory to the Council. Mr. Brooks explained that they operated under a multi-jurisdictional interlocal agreement and there were also specific State Statutes that gave them some independent authority, with a major one being that the Council could participate with the appointment of the members. He offered to provide a copy of the interlocal agreement and summary of the

statute. He noted that was a situation where the State Statute superseded the City's self-governing authority by setting forth an interlocal agreement between the City and County to manage a library formed under State Statute. Councilmember Veis asked if it would be okay to have the Library Board mixed in with boards that were not multi-jurisdictional. Mr. Brooks responded that he believed it would be similar to a planning and zoning commission situation, in that there was an understanding that each operated with limited input from the City and County and the other authority came from the interlocal agreement. He noted the City would be operating as it had in the past.

Ms. Volek said statute required a 12-day wait for second ordinance reading, so if changes were desired, there would be an opportunity to do that before it was brought back to the Council on January 12, 2009.

Councilmember Astle asked why the Energy Commission was not listed. Ms. Volek explained it was an ad hoc committee appointed by the Mayor for a specific term.

Mayor Tussing asked if something was included that indicated a person's application gave consent for the City to check records to make sure they were not felons that were not allowed to serve by Charter or ordinance. Assistant City Attorney Bonnie Sutherland explained that it was included only on the application form because the Council agreed it did not want to perform that depth of reference or criminal background checks. She added that the application form contained a notation that it did not necessarily mean the person could not be appointed to the board or commission, just that it would be taken into consideration.

Ms. Sutherland suggested review of Section 2-501 which explained the types of boards and commissions and also stated that boards and commissions were governed by Article 2-500 except as otherwise provided by interlocal agreements which addressed the Library Board issue.

Councilmember McCall asked why the Zoning Commission was separate. Ms. Sutherland responded it was because it was set forth in state statute. She said that anything related to zoning was controlled by State Statute so it was not included there.

Councilmember Veis stated that he went through the information and could not recall the last time the Council heard from most of the Boards and Commissions and then saw that on the next agenda a bunch of them could not be filled. He said he felt ad hoc committees produced a much better product by giving them a scope, a task and a timeline. He noted that some boards and commissions had been in place for years and he did not recall hearing from them in his tenure on the Council. He added that some were sounding boards for staff which was fine, but if that was not the nature of what they were supposed to do, it needed to be changed. He said if other people felt that way he would be happy to detail what he wanted to see changed.

Ms. Volek pointed out that at one time, advisory boards or commissions were invited to the regular business meetings to make presentations, but due to the length of meetings, the Council decided it preferred to hear from those groups at work sessions. She said a routine schedule could be developed to include those presentations at work sessions or written reports could be requested if that was the preferred method.

Councilmember Veis said if they had to make it up to attend a work session, he wondered what they did that was so important to the business of the Council and if there were not pressing issues to report on, why a board or commission existed if it could go for three years without the Council ever hearing from it. He asked at what

point the Council determined it was trying to find warm bodies to fill the boards and commissions that may or may not ever meet over the course of a year or two. He said he did not advocate for more board or commission reports just because they were supposed to be there; but would be happy to have them there if they had a reason.

Mayor Tussing stated that Councilmember Veis had valid points, but it seemed like a separate issue to him whether the Council approved the ordinance that dealt with the boards and commissions and if some were to be dissolved, that should be done separately.

Councilmember Veis stated they had gone through that for a number of years and if people agreed it was time to dissolve them, the ordinance should be amended now rather than to direct staff to return to Council. He said he believed the whole idea of what Mr. Brooks was directed to do was to talk about the ones to eliminate and now was the time to amend that ordinance to do that. Mayor Tussing asked Councilmember Veis if he wanted to propose an amendment. Councilmember Veis said he would not if no one else felt the same way.

Councilmember McCall commended staff for the work done on the ordinance. She said it was easy to follow and well organized and reminded her of the protocol and decorum of which that Council should operate with as well.

Mr. Brooks advised that Ms. Sutherland did most of the work on the ordinance and also included an advisory board handbook that was very useful. He said assistance could be provided to Council to review whether boards should be eliminated or given a sunset provision.

Councilmember Ruegamer stated there were about 18 boards and he would like each one to provide a three-minute presentation and then questions could be asked to determine if it should be kept. Councilmembers agreed that written reports were received from each one. Councilmember Ruegamer said he felt person-to-person would allow Council to get a better feel for it and would accomplish the goal of getting a report. Mayor Tussing said the boards and commissions had an opportunity to do that when they were asked to justify their existence and nobody said anything then, but the issue kept coming up and nobody had any specific suggestions.

Councilmember Ronquillo said he agreed with Councilmember Veis and some should be looked at again. He said he felt that some groups just took up time. He said he hoped Councilmember Veis would offer an amended motion.

Councilmember Veis moved to amend the ordinance to strike the Aviation and Transit Board, Emergency Services Board, Human Relations Commission, Public Utilities Board and Traffic Control Board, seconded by Councilmember Ronquillo. On a voice vote, the motion failed 8-2. Councilmembers Veis and Ronquillo voted 'yes.'

On a voice vote, the original motion was approved 8-2. Councilmember Veis and Ronquillo voted 'No.'

5. PUBLIC HEARING FOR EXTENSION OF INTERIM ZONING ORDINANCE: A proposed one-year extension of the Interim Zoning Ordinance that amends Section 27-611, Sexually Oriented Businesses, and allows the interim zoning ordinance to be effective until December 23, 2009. Staff recommends approval. (Action: approval or disapproval of staff recommendation). Ms. Volek advised that staff did not have a presentation but was available to answer questions. Mayor Tussing asked if

it was possible it would take less than a whole year to develop a new proposal. Planner Nicolle Cromwell advised that they were gathering data and asked GIS to produce additional maps for planning purposes to look at allowed zoning districts. She said six different approaches had been developed and both Legal staff and Planning staff would review pros and cons. She stated they hoped to bring it to a work session, and then take it to the Zoning Commission sometime in the early spring.

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

Councilmember Ronquillo moved for approval of the staff recommendation to approve a one-year extension of the interim zoning ordinance amending Section 27-611, seconded by Councilmember Gaghen. On a voice vote, the motion was unanimously approved.

6. DOWNTOWN BILLINGS PARKING STUDY. Delayed from 11/24/08. Staff recommends approval of contract with Rich and Associates, Inc. for \$68,500. (Action: approval or disapproval of staff recommendation). Ms. Volek advised that Parking Advisory Board Chair Brenda Burkhartsmeier was present to answer questions on the item.

Councilmember Clark moved for disapproval of the staff recommendation for Item 6, seconded by Councilmember Ruegamer.

Councilmember Ronquillo advised that he attended the Parking Advisory Board meeting earlier that evening and after listening to them, had changed his mind about the item. He said the last parking study was 15 years ago and the Parking Advisory Board was asking for some type of guidance and if the study provided that, he believed it was money well spent and would help for the next 15 years. He said he would vote to approve the study. Councilmember Ronquillo noted that the parking garages were full and had waiting lists.

Councilmember Ruegamer stated that his main goal was to hold that up to the light to make sure the study was needed. He said the Council's job was to make decisions and if it was necessary to hire people to tell them what to do, they were not doing their job. He said he would like to hear someone say sometime that a study was not needed. He said a study could tell us something we already knew and without funding, things could not be implemented. He said he was not clear how it would help and he wanted to make sure the City would get something for the money.

Ms. Volek advised that Ms. Burkhartsmeier was asked to attend the meeting that evening to answer those types of questions so she suggested the Council address some of their questions to her.

Mayor Tussing asked Ms. Burkhartsmeier why she thought it was necessary and could not be done in-house by the Parking staff or Parking Advisory Board. Ms. Burkhartsmeier said that was an option discussed, and she even contemplated whether it was necessary. She said she knew it was needed but wrestled with whether it was needed now. She said she had been on the board since 1993 and the original study was done as preparation for the framework plan for the downtown area. She noted that traditional parking studies took about five years and were consistently updated. She said some of the suggestions from the first study were not implemented due to lack of funds. She said one recommendation from that 1993 study was to address the area

around 4th and Broadway which had not been done and she was not convinced of the need there. She said businesses interested in locating downtown were concerned with parking and an outdated study would not be valuable to them.

Ms. Burkhartsmeier reviewed the changes implemented by the Parking Advisory Board regarding parking, fees, etc. She pointed out that the 1993 study cost \$57,000 and \$68,000 for the proposed study was not excessive. She said the study would provide information to assist with long-range planning. She said the current Parking staff did not have the expertise to conduct the parking study and a company would provide a fresh look and could suggest other ways to deal with parking.

Councilmember Veis stated that the Council was ultimately responsible for decisions regardless of a consultant's recommendations. He asked Ms. Burkhartsmeier why the Council should agree to spend money on a study when it had to make those decisions anyway. Ms. Burkhartsmeier agreed with Councilmember Veis but said those decisions needed to be made with an educated basis. She said knowledge would be gained such as how much more parking was needed and how it impacted development because if a potential developer wanted to know about parking, the 1993 study would not be helpful. Councilmember Veis asked why a developer could not be told that the parking garages were full which meant there was not much parking. Ms. Burkhartsmeier responded that it was not just garage parking, but on-street parking, meters, and every other piece of parking. She noted that Parking was an Enterprise fund and the study was approved in the Capital Improvement budget planning.

Councilmember Veis referenced Park II and said the expansion of it was limited to available funds, but if the recommendation of the study was followed, another floor or more would have been added. He said a consultant was not needed to tell us that the bids were more than could be spent. He said his point was that those things were constrained by more than technical analysis or someone's vision so it did not add much when a decision was needed. Ms. Burkhartsmeier said she agreed somewhat, but they also had to answer to the public and had to be able to justify those answers. She said she agreed that dollars dictated what could be done but it was necessary to plan ahead and to be ready. She promised that a study would not sit on shelf but would be referred to and used as the 1993 study was during annual goal planning.

Councilmember McCall asked Ms. Burkhartsmeier if the Parking Advisory Board explored other options to complete the study, such as a research study with the university. Ms. Burkhartsmeier responded that had been done over the years and even though those studies were valuable, they were not considered credible to peers, lenders and developers.

Councilmember Gaghen stated that the proposed study would go beyond the usual scope, as far as the fiscal demands, to assess parking and would not be focused only on garage parking. She said it would be a great burden on the board to conduct a survey and obtain the necessary input. Ms. Burkhartsmeier said the proposed study would be different from the previous one and would include more forward thinking, community involvement, advice, what if's, and impact analysis.

Mayor Tussing stated that he did not feel that a study done every 15 years was excessive and he would not support the motion to disapprove it.

Councilmember Ulledalen commented that he supported the study. He said he had worked downtown for 25 years and parking was a problem. He stated that empty

offices downtown were not filled because of the lack of parking. He said Council had made decisions based on ideas by developers and did not have the ability to evaluate if the ideas worked. He said the downtown area had changed significantly since 1993, in addition to the expansion of the medical corridor, the east end TIF, Minnesota Avenue, and Montana Avenue and if the City did not equip itself with information, it would get the rush from a developer to embrace his idea and a future Council would not have ammunition with how to make that decision. He said it would be good to know what was being done in other similar communities. Councilmember Ulledalen said he was in favor of the study and would vote against the motion to disapprove it.

Councilmember Ruegamer said even though he seconded the motion, he would vote against it. He said Ms. Burkhartsmeier's presentation convinced him of the study.

Councilmember Clark explained that he made the motion to disapprove the study to get more discussion than what would have been had if the motion to approve was made. He said the Council needed to hear why it was being done. He said he would vote to approve the study if a substitute motion was made.

Councilmember Astle made a substitute motion to approve Item 6, the Downtown Billings parking study for the contract of \$68,500, seconded by Councilmember Gaghen. Councilmember Ronquillo advised that during the Parking Advisory Board meeting earlier that day, discussion was held about questions to be asked during the study. He suggested Council submit questions to Ms. Burkhartsmeier if they had any they wanted considered. Councilmember Ulledalen said he believed there were still questions about parking rates since there were waiting lists at the garages and people willing to pay more than what was charged for the spaces.

Councilmember Pitman asked how the study would pay for itself. Ms. Burkhartsmeier responded that it would keep the City from making mistakes and would help ensure that fee increases were consistent. She said 'pay for itself' was possibly not the right terminology and it was more that it would not cost us in the long run by preventing costly mistakes.

Councilmember Ulledalen commented that Park IV was built to subsidize the creation of the Tower which gutted downtown and 30 years later the holes were still being addressed. He said part of the point was what to do with that facility and it would be valuable to hear how to deal with it. Ms. Burkhartsmeier stated that would be a case where it was specifically built for a development and did not consider the impacts.

Councilmember Veis said that was his point, that the developer was followed and that was what would be done with the other ones. He said the study would be good, but there were policy decisions that would ultimately be made by the Council whether or not there was a study.

Councilmember Pitman said the other side of that was if the study concluded there was not enough parking downtown and then there was an official report that had to be shown to potential tenants. Ms. Burkhartsmeier said the 1993 study said that and even if it did, it showed people that there was a plan.

On a voice vote, the substitute motion was approved 9-1. Councilmember Pitman voted 'No.'

7. PUBLIC COMMENT on Non-Agenda Items -- Speaker sign-in required. (Restricted to ONLY items not on this printed agenda; comments limited to 3

minutes per speaker. Please sign up on the clipboard located at the back of the Council Chambers.)

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

Council Initiatives – None

Councilmember Veis asked Ms. Volek if she had talked with Channel 7 about holding the budget sessions in the Chambers and airing them on TV. Ms. Volek said she would be talking with them later in the week.

ADJOURN

The meeting adjourned at 7:54 p.m.