

REGULAR MEETING OF THE BILLINGS CITY COUNCIL MONDAY, MAY 24, 1999

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 Charles F. Tooley called the meeting to order and served as the meeting's presiding officer. The Pledge of Allegiance was led by the Mayor, followed by the Invocation, given by Councilmember Mark Elison.

ROLL CALL – Councilmembers present on roll call were: McDermott, Bradley, Deisz, Iverson, Kennedy, Johnson, Elison and Larson. Councilmember McDanel and Councilmember Ohnstad were excused.

MINUTES – May 10th. The Minutes were approved as printed.

COURTESIES – **Police Department.** Sergeant Tim O'Connell was presented with the 1998 Outstanding Supervisor of the Year Award.

Councilmember Iverson commended Public Works Director Kurt Corey and City Engineer Brian Borgstadt and other Public Works staff for their efforts on the Broadwater Subdivision Improvements, Phase I project.

PROCLAMATIONS – None

BOARD & COMMISSION REPORTS - None

ADMINISTRATOR REPORTS – **Bill McGill**

There were no Administrator Reports.

CONSENT AGENDA:

1. A. Mayor's appointments:

(1) Les Dolezal to Downtown Parking Advisory Board.

B. Bid Awards:

(1) **HVAC Maintenance – Parmly Billings Library Building.** (Opened 5/4/99). Delayed from 5/10/99. Recommend Protech Mechanical, \$31,895 for a 3-year contract.

(2) **1999 City of Billings Water and Sewer Line Replacement Projects – Bid Schedules No. 1 and 2.** (Opened 5/4/99). Delayed from 5/10/99. Recommend Go Pro Construction for Schedule 1, \$948,000.00 and Gray Construction for Schedule 2, \$1,900,871.00.

(3) **City of Billings PUD 1999 Capital Improvement Project.** (Sewer Lift Station) (Opened 5/4/99). Delayed from 5/10/99. Recommend Go Pro Construction, \$272,000.00.

(4) **W.O. 99-06: 20th & King Reconstruction.** (Opened 5/4/99). Delayed from 5/10/99. Recommend Empire Sand and Gravel Co., Inc, \$697,752.00 and 70 calendar days, contingent on MDT award concurrence.

(5) **Security for the Parmly Billings Library Facility.** (Opened 5/4/99). Delayed from 5/10/99. Recommend delaying award to 6/14/99.

(6) **BLIA Sanitary Sewer Improvements -- 1999.** (Opened 5/11/99). Recommend COP Construction, \$1,726,774.00.

(7) **Computer System Upgrade – AS400 Model F50.** (Opened 5/11/99). Recommend Integrated Information Solutions, Inc., \$84,485.00.

(8) **Billings Regional Landfill Infrastructure Facility Upgrades.** (Opened 5/18/99). Recommend delaying award to 6/14/99.

(9) **\$60,000 1998 School Route Improvement Bonds.** (Opened 5/24/99). Recommend Norma B. Johnson, 7.00% interest.

C. Amendment to Limited Commercial Aviation Ground Lease with Lynch Flying Service Fuel Farm, extends term 7 years and 7 months, \$0.

D. Commercial Aviation Ground Lease with Corporate Air, 25-year term, \$3,000/year.

E. Amendment #1 to Professional Services Contract, W.O. 98-05: Lake Elmo Drive/Wicks Lane Traffic Signal, Morrison-Maierle, Inc., \$6,464.00.

F. Professional Services Contract with BBC Research and Consulting for a Housing Needs Assessment, \$30,000.

G. Change Order #3, W.O. 98-04: City/County Drain Improvements, Don Kelly Construction, \$16,362.00 and 0 days.

H. Financial Report for the Third Quarter of FY 1998-1999.

I. Declaring Surplus Property: 4 radio consoles in the Fire Department.

J. CDBG Volunteer Demolition Project, 807 North 26th Street, Fred Sielbach, owner, \$5,000.

K. Acceptance of a Warranty Deed from United Industry, Inc. on Lot 4C, Block 3, Amended Lot 4, Block 3, Midland Subdivision, 3rd filing.

L. Acceptance of a Quit Claim Deed from Yellowstone County Board of County Commissioners on Lot 1B of the amended Lot 1, Block 6, Kings Green Subdivision, 1st filing.

M. Traffic Safety Grant from Montana Department of Transportation, STEP program, \$10,000.

N. Traffic Safety Grant from Montana Department of Transportation, Occupant Protection (i.e. seat belt) program, \$10,000.

O. Resolution 99-17452 relating to \$685,000 Broadwater Subdivision Improvements, Phase I bonds; authorizing the issuance and calling for the public sale thereof and authorizing the pledge of the revolving fund to the security thereof and repealing and superseding Resolution 99-17449 adopted 5/10/99.

P. SID 1340: Cenex Park Subdivision street and utility improvements:

(1) Professional services contract with Engineering, Inc., \$114,579.43.

(2) Resolution of Intention 99-17453 to Create the District and setting a public hearing date for 6/28/99.

Q. Preliminary Minor Plat AND Master Plan of Hancock-Grant Subdivision. (Generally located at the northeast corner of Grand Avenue and 38th Street West).

R. Preliminary Minor Plat of Amended Lot 4, Wolf Subdivision. (Generally located at Boulder Avenue.)

S. Bills and payroll.

(Action: approval or disapproval of Consent Agenda.)

Councilmember Deisz separated Item 1B(2). Councilmember Bradley moved for approval of the Consent Agenda EXCEPT Item 1B(2), seconded by Councilmember Larson. On a voice vote, the motion was unanimously approved.

Councilmember Bradley moved for approval of Item 1B(2), seconded by Councilmember Larson. On a voice vote, the motion was approved. Councilmember Deisz voted "no".

REGULAR AGENDA:

2. PUBLIC HEARING AND SPECIAL REVIEW #658: a special review to allow an outdoor patio in a Community Commercial zone on Lot 3A, Block 5 of Judd Center Subdivision Amended, located at 3025 Grand Avenue, Suites E and F.

West Grand Plaza, LLC, owner; MacKenzie River Pizza Company, agent. Zoning Commission recommends conditional approval. (Action: approval or disapproval of Zoning Commission recommendation.)

Zoning Coordinator Jeff Bollman said in 1997 MacKenzie River Pizza Company applied for a beer and wine license, and at the same time requested an outdoor patio. Because of significant protest from surrounding property owners, MacKenzie River withdrew the patio request portion from the application. The beer and wine license was approved in 1997. The applicant is now requesting the outdoor patio. He said the Development Review Committee (DRC) reviewed the application and recommended conditional approval. The conditions recommended were: 1) there shall be at least 4 coniferous trees planted and grouped along the north side of the patio and they shall be at least 3-feet tall at the time of planting (to try to mitigate some of the noise impacts on surrounding residents); 2) there shall be no amplified or live music on the proposed patio; 3) the patio shall be constructed as shown on the submitted site plan; and 4) the lighting for the patio shall be done in such a way as to not shine directly on the residences to the north. Councilmember Johnson asked if the code required an exit on the north side of the patio. Mr. Bollman said that the building code would require at least one exit off the patio, and depending on the configuration of the interior portion of the building, there might be another requirement for another exit off the patio. He said that if another exit were required, the worst case scenario would be that the exit be located on the north side of the patio. If possible the exit would be located on the east side of the patio. Councilmember Johnson asked when it would be known whether an exit would be needed on the north side. Mr. Bollman said that issue would be reviewed further when the applicant applied for a building permit for the patio. He said, "at that time the Building Department and Plans Reviewer will look at the exiting configuration of the interior of the building to see if that configuration would suffice for the necessary requirements. Councilmember Bradley asked if any consideration had been given to increasing the height of the fence on the north side (adjacent to the neighborhood) to 6 feet as opposed to 4 feet. Mr. Bollman said it was felt that the group of 4 coniferous trees would act as a better buffer than a higher wall along the north side. Councilmember McDermott asked if the restaurant closing at 10:00 p.m. was voluntary and if the restaurant could stay open until 2:00 a.m. Mr. Bollman said that he believed the restaurant could stay open until 2:00 a.m. because of the type of license the business possessed. Councilmember Johnson asked if parking spaces would be lost because of the patio being constructed. Mr. Bollman said that there were no parking spaces being lost. He said the patio would cover some existing sidewalk and grass. At the Development Review Committee meeting it was decided that the site would still have adequate parking with the addition of the patio.

The public hearing was opened. STEVE SHUEL, owner of MacKenzie River Pizza Company said that prior to submission of the Special Review application, he sent a letter to all people within the required area telling them of MacKenzie River's intent and tried to answer their questions and asked for their input. He received two

responses from the two homeowners closest to the business. Mr. Shuel said there were several discussions with the homeowners about noise, lighting, etc. prior to the special review. He said that MacKenzie River Pizza is a family restaurant and they wish to continue the same type of operation on the patio. He said there would not be any amplified or live music, only background music that would be appropriate for an indoor facility. He said that the lighting on the patio will "shoot down" from the wall, so there would not be any lamp type rays that would be seen. Mr. Shuel said they agree with the four 8-foot tall trees. He said the restaurant closes at 10:00 p.m. on weeknights throughout the summer and at 11:00 p.m. on weekends. He said MacKenzie River is respectful of any life safety criteria that need to be met and if safety were not an issue they would not have any exits off the patio. He said if an exit is required then it will be used for egress only.

There being no other speakers, the public hearing was closed. Councilmember Kennedy moved for approval of the Zoning Commission recommendation, seconded by Councilmember Johnson. On a roll call vote, the motion was approved 5 to 4. Councilmembers Tooley, Kennedy, Johnson, Elison and Larson voted "yes". Councilmembers McDermott, Bradley, Deisz and Iverson voted "no".

3. PUBLIC HEARING AND SPECIAL REVIEW #659: a special review to allow the expansion of an existing church in a Residential 9600 zone on Lot 1, Christian Center Subdivision, located at 550 32nd Street West. First Assembly of God Church, owner; Gail Edward Craig, William Turnquist, Jim Miller and John Brady, agents. Zoning Commission recommends conditional approval. (Action: approval or disapproval of Zoning Commission recommendation.)

Zoning Coordinator Jeff Bollman said Centennial Park is to the south, some residential zoning with single-family duplexes is to the west, the Seventh Day Adventist Church is to the north and another church and some single family homes and some vacant ground are to the east. The primary proposed expansion for the property is a multi-purpose room on the north side of the existing building. The property does not currently have access to 33rd Street West. The only condition that the Development Review Council recommended was that the Church be responsible for improvements to 33rd Street West as determined by the City Traffic Engineer, or a traffic impact analysis by a qualified traffic engineer if the applicant does not agree with the findings of the City Traffic Engineer. This may include some clear vision issues that need to be taken care of at Broadwater and 33rd Street West or some striping. This condition is not intended to be any major reconstruction or widening of 33rd Street West into four lanes of traffic.

The public hearing was opened. There being no speakers, the public hearing was closed. Councilmember Deisz moved for approval of the Zoning Commission recommendation, seconded by Councilmember Larson. On a voice vote the motion was unanimously approved.

4. PUBLIC HEARING AND RESOLUTION 99-17454 disposing of park property located in Lots 8-10, Block 2, Byrnes Stephens Subdivision. Staff recommends approval. (Action: approval or disapproval of resolution.)

PRPL Director Mike Hink said that for this particular piece of park property there is no sanitary sewer in the street in the area. There is city water that does serve the three lots. The three lots are 60' by 120' deep; each lot is approximately 7,200 square feet. Mr. Hink said that if someone wanted to build on this particular area, a sanitary sewer would be needed, which would require approximately 20,000 square feet. If the land was to be built on, only one house could be put on these three lots. The sale of the property would be advertised "as is". Councilmember McDermott asked if anyone had expressed an interest in the property. Mr. Hink said there were several interested parties but the property had not been advertised for bids yet. Councilmember McDermott asked if the subject property was zoned R9600 and if it would remain R9600 after sale of the property. Mr. Hink confirmed that was true.

The public hearing was opened. REVERAND DR. DENNIS DUNN OF 305 SOUTH 35TH STREET said he was sorry to hear that the City was disposing of any park property. He said all of the parks are very nice and he enjoys going to the parks to play his guitar. He said he was opposed to disposing of the property unless it was completely necessary.

There being no other speakers, the public hearing was closed. Councilmember Iverson moved for approval of the resolution, seconded by Councilmember Deisz. Councilmember Elison said he wanted Mr. Dunn to know that there is a very large park a few blocks from this particular park property. He said it would be the City's intention to use the proceeds of the sale of this small, undeveloped piece of property to improve those parks where people are able to sit under the trees and play their guitars. On a voice vote, the motion was unanimously approved.

5. PUBLIC HEARING CONTINUED AND RESOLUTION vacating public right-of-way in Industrial Subdivision, 2nd filing, adjacent to Lot 5, Block 5. Paul and Dorothea Rice, petitioners. (Continued from 5/10/99). Staff recommends delaying to 6/14/99. (Action: approval or disapproval of staff recommendation.)

City Attorney Brent Brooks said that staff needed additional time to do research on this matter. He said he met with Mr. Dave Beeter, who represents Cliff Hansen (in the audience) who had expressed some concerns about the petition to vacate this particular area. Mr. Brooks said he met with Mr. Beeter and Public Works Director Kurt Corey last Friday. He plans to meet again with Mr. Corey on Wednesday to discuss the subdivision and some related certificates of survey and they will then develop options for the petition.

The public hearing was opened. There being no speakers, the public hearing was closed. Councilmember Johnson moved for approval of the staff recommendation,

seconded by Councilmember Deisz. On a voice vote, the motion was unanimously approved.

6. FIRST READING ORDINANCE relating to the City of Billings' Revolving Loan Program; modifying and renaming the program and making certain other findings related thereto and calling for a public hearing on June 14, 1999. Staff recommends approval. (Action: approval or disapproval of ordinance on first reading).

Councilmember Larson moved for approval of the ordinance on first reading, seconded by Councilmember Iverson. On a voice vote, the motion was unanimously approved.

7. DISCUSSION ON PROPOSED ORDINANCE revising BMCC Section 27-601(c) relating to the storage of trailers and recreational vehicles and setting a public hearing date for June 14, 1999. (Action: discussion).

Councilmember Elison said he thought it was appropriate and important to maintain the portion of section 2C of the ordinance that includes the 5-foot distance from openings which provide light, air, entrance to, or exit from the dwelling as needed to preserve the health, safety and general welfare of the occupants. However, there are two separate setback requirements for private property, one being a primary structure setback and the other being a secondary structure setback. "It was my intention to enforce the secondary setback, which is a zero setback off alleys. Because if you go with the primary structure setback, it's a 20-foot setback from backyards as well, which then makes the ordinance incredibly restrictive and removes the backyard as an option for parking as well. That was never the intention. It is my intention to use the secondary building setbacks, which are 20-foot front yard, 3-foot side yard, and 0 feet in an adjacent alley, not the primary building setbacks, which are more restrictive," he said.

Councilmember Elison referred to previous discussions and newspaper articles that state that the ordinance does not address the issue of parking RVs on streets. "The old ordinance did not address the issue either, so there is no change there. If it is determined over the course of time that this is a dramatic problem, then that issue will have to be revisited and changes made in that area. It is a separate issue," he said. Councilmember Elison also referred to a Memo from Acting City Administrator Bill McGill that states that the main concern of RV parking/storage is public safety. Councilmember Elison said the ordinance, as altered, takes care of the public safety concern without restricting people by size or style of RV that they buy and park on their private property. He said he hopes that this is a compromise that will work for both sides.

Councilmember Larson asked for staff to comment on the Unified Zoning Code and the Yellowstone County Commissioners' suggestions as to the process that should be used to address the deficiency. He also asked for staff comment with regard to

working with the citizens of the community and governing boards to come up with a recommendation. Planning Director Kerwin Jensen said a year ago a Unified Code was adopted, and with very few exceptions, the standards in that code are identical (from a zoning standpoint) for both the city and the county. Mr. Jensen said the reason for this was there were times that realtors would think that standards in a City R9600 zone and a County R9600 zone were identical, when in fact they were not. So there was some misleading of homebuyers, etc. When the standards were changed the City and County tried to address those areas where there needed to be a "sameness" in both the City and County regulations. Mr. Jensen said there is the fear that the City Council may rule one way and the County Commissioners rule another way. This fact will have to be made known to those people that want to develop property in the City versus the County. With regard to the RV parking, he said, "if we have one City ordinance and one County ordinance, we may have a separation of philosophy." He said his main concern is that if there is going to be a Unified Zoning Code then the issues should be acted on together with the City Council and the County Commissioners. Councilmember Kennedy asked which codes in the Unified Zoning Code were different. Mr. Jensen said the livestock issue is one that is different. Many people feel that they should be able to have horses and cattle out in the County, so that was allowed in the County, but no livestock are allowed in the City. He said there are some slight differences between the City and County with regard to arterial setbacks in commercial zones. Councilmember Kennedy said that sometimes the codes and ordinances are so "straight" that they can't be manipulated. He said, "maybe this is an issue that needs to be 'massaged' a little." Mr. Jensen said the County might want to look at this standard differently than the City because of the larger lots in the County. He said that staff has not had an opportunity to go out and work with City and County residents and that the City had heard primarily from City residents on both sides of the issues. "Perhaps this might not be as big an issue in the County as it is in the City," he said. Mr. Jensen responded to Councilmember Larson's second question and said they had not met with the County to come up with viable solutions for both the City of Billings and Yellowstone County. "Several weeks ago the Planning Department presented what other communities were doing with regard to RV parking to give Council and the Commissioners an idea of how the current regulations compare with those of other communities. It appeared we were somewhere in the middle. There are some cities that do not allow any RV storage in residential zones and there are other communities that do not regulate it or restrict it at all," he said. Mr. Jensen said that staff felt it was important for staff to work with both sides of the community on this issue.

Councilmember Johnson asked if the proposed changes to the ordinance were passed, would the Planning Department still be willing to work on other RV restrictions/leniency as related to street parking, off-season or guest parking. Mr. Jensen said that the proposed ordinance would be enforceable. In the meantime if the City Council chooses to adopt the proposed language, Planning would be willing to work with residents of the community to come up with something "better" if the residents feel there is a need

for something "better". He said that a public hearing would probably give an indication of what the community feels.

Councilmember Larson moved to direct staff to place the RV ordinance issue on the agenda for the June 2nd County Commissioners meeting (to address their level of interest and invite them to participate in the process), to schedule the first reading of the proposed ordinance for June 14, 1999, and to schedule a public hearing, seconded by Councilmember Johnson. On a voice vote, the motion was unanimously approved.

8. DISCUSSION on revised methods of assessment for Street Maintenance Districts. (Delayed from 1/25/99 AND 4/26/99). Staff recommends approval. (Action: approval or disapproval of staff recommendation).

Public Works Director Kurt Corey said street maintenance districts are the method of funding street maintenance activities within the state of Montana. The method has been in general use for the City of Billings for over 30 years. The City of Billings has used two separate street maintenance districts for a number of years; one comprising the downtown Central Business District, the other comprising the entire balance of the city. The estimates within the City of Billings are based upon square footage of land area. There are other options defined by state statute, but the City must abide by one of the methods defined within state law. Mr. Corey said the rates are established each year based on City Council's discretion and in response to the level of service requested within the budget each year. The use of the revenues derived from street maintenance districts is also described within state statutes, Mr. Corey stated. The 1999 Legislature, in HB336 did do some amount of work relative to street maintenance districts. Specifically, HB336 would expand the definition of maintenance to allow the funds to be used for curb and gutter maintenance, sign maintenance, pavement markings, maintenance of traffic signal systems and other housekeeping items. The budget passed by City Council one year ago did include a major increase to citywide street maintenance district collections amounting to over \$1.5 million. Mr. Corey pointed out that none of that increase represented increased revenue to street maintenance operations in the City of Billings. "In fact \$1 million was used to replace what was previously derived from the General Fund," he said. The other portions of the increase went to upgrading the PAVER Program and \$350,000 was used to implement the Council-directed program of subsidizing curb and gutter replacement in conjunction with the annual programs. As a result of the budget actions taken a year ago, there were some relatively large residential property owners (an acre or more) who quickly came forward to various members of Council and staff at tax time and indicated they felt that some of the increase was disproportionate to the benefit they received. Mr. Corey said that Council then directed an alternative be brought forward for consideration in the current budget year. A committee was established to arrive at various alternatives for presentation to City Council. The initial committee report was presented to Council in January of this year. At that point it was recommended the committee also look at putting a cap on public zoned

property. It was found that the assessment rate adjustment necessary to accomplish both efforts was more than anyone was interested in dealing with at that time. Action was deferred until this spring to allow the legislature the opportunity to act upon the street maintenance district statute and provide additional flexibility in the manner in which districts are managed locally. Mr. Corey said because the 1999 Legislature disapproved statutory relief to the method of assessments, the committee was faced with providing equity based on the current rules. The committee felt the square footage method of assessment seemed to be the best method authorized within state statute. In order to deal with the disproportionate, large residential parcel assessments, the committee recommended capping the assessable area of the large parcels at 20,000 square feet. Mr. Corey said this would minimize the number of parcels to be dealt with and provide some equity in the assessments levied to the large residential parcels. He said approximately 1,385 properties would realize some relief from this proposal. Assessment rates within District 2 would increase approximately 10.3% to generate the same revenues authorized within the budget a year ago. There would be no increase in the level of service and no increase for inflation, simply the same revenues approved within last year's budget. Mr. Corey said if the changes were implemented, a small, single-family property of 7,000 square feet would go from \$34 to approximately \$37; a large, single-family residential property would see about a \$10 increase. The real benefit would be reflected in the large one-acre parcels, which would see a little over \$100 decrease and become roughly equal to any other large residential parcel within the city. The specific recommendation was that the cap be limited to R50 through R96 zoned properties used for residential purposes. Mr. Corey said, "some of the other properties within the city such as schools, hospitals, churches, etc., pay substantially more than residential properties at this point and would see a 10% increase."

Mr. Corey said that with approval of the proposed method, a resolution would be prepared, rolling the new assessment rate into the FY 1999-2000 budget. Councilmember McDermott, a member of the committee, said that the proposed method was the most equitable solution that could be developed without being able to use taxable value or market value of a property. She also said the Council needs to be aware in the future of what can happen when fees are increased based on square footage. "These large family homes are the ones that are going to keep taking the 'hits' if we're not careful," she said. Councilmember McDermott moved for approval of the staff recommendation, seconded by Councilmember Johnson.

Councilmember Kennedy said, "larger property owners should pay more taxes; that is the way the tax structure should be set up. We are trying to 'tinker' with it to make it more equitable. The word 'equitable' and 'taxes' don't sit in the same sentence in my book. I don't know if there is any equity here." Councilmember Deisz said he had a problem when the issue was discussed in January. "To me it is just a tax burden shift that the committee came up with. The committee is recommending that for the benefit of 5% of the public, 95% of the public will pick up an additional tab." He said in January he urged Council to send City Administrator Mark Watson to the Legislature to urge them to change the state statute so that the assessments could be charged based on appraised

value, but that was not accomplished, it is still based on square footage. He said that if the assessments are going to be done on a square footage basis then he agreed that the person with more square footage should pay more. Councilmember McDermott said those people living on one-acre lots (without regard to the value of the property or the homes on it) are now paying about \$215 per year in street maintenance fees and those individuals living in homes on 6,000 square feet are paying approximately \$34. If the new method was accepted then the 7,000 square foot property would have to pay \$3 more, but the one-acre property would get a reduction of approximately \$100, but still pay well over \$100. "The shift is there. I believe it is an equitable shift," she said.

Councilmember Kennedy said, "using 'horizontal vision', there has to be some changes in the budget in the next couple years to address the shortfalls that the City of Great Falls and the City of Bozeman feel we are taking out of their pockets. We need to realize when we are doing these types of increases, what it is we're doing, we need to look at the whole horizon."

On a roll call vote, the motion was disapproved 3 to 6. Councilmembers voting "yes" were McDermott, Kennedy and Larson. Councilmembers voting "no" were Bradley, Deisz, Iverson, Mayor, Johnson and Elison.

ADDITION:

9. DISCUSSION of Administrator's Search Committee recommendation regarding selection of consultant for City Administrator search process.

Councilmember Kennedy said all of the proposals submitted were for approximately \$23,000. He said besides price, the committee also looked at other issues of importance. One issue was coverage. It was important the search be nation-wide. Another issue was finding someone with legislative experience. The committee selected the Mercer Group because they had experience in both the public and private sector. The Mercer Group also said they would perform the search as the City instructed. The Mercer Group was selected for \$12,000, plus out-of-pocket expenses not to exceed \$5,000 (lodging, consultant travel, telephone, correspondence, advertising, and report preparation). Councilmember Kennedy said there are some other costs that may be included with regard to final candidate selection, which might include the consultant flying in to meet with the candidate. The consultant felt this could be accomplished for approximately \$750 to \$1,000 per person. Councilmember Kennedy moved for approval of a contract with the Mercer Group as the consultant for a fee of \$12,000 plus out-of-pocket expenses not to exceed \$5,000, seconded by Councilmember Elison. Councilmember Larson said he was very impressed with the Mercer Group's cooperation because they changed their bid to fit the process. Many of the other consultants said they would like to cooperate, but they had their own process. He said the Mercer Group was also impressive because they had experience in both the public and private sector; they are not simply a government recruiting consultant. Councilmember Iverson said she was very impressed with the Mercer Group because they addressed each issue that was requested by Council. Councilmember Deisz asked when Council would get together to

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define the qualifications of the candidates. He said he would vote in favor of the motion to “get the show on the road.” He said he hoped Council would do their job in setting the qualifications needed by the candidates if the Mercer group was not going to meet with Council individually, as was previously proposed. Councilmember Kennedy said those items will be discussed and agreed upon at a meeting in the next week. A meeting was set for Tuesday, June 1st at 6:00 p.m. (location to be determined later). On a voice vote, the motion was unanimously approved.

ADJOURN – With all business complete, Mayor Tooley adjourned the meeting at 8:50 p.m.

THE CITY OF BILLINGS:

BY: _____
Charles F. Tooley MAYOR

ATTEST:

BY: _____
Colleen Schell-Berg Deputy City Clerk