

BELGRADE CITY COUNCIL MEETING MINUTES
COUNCIL CHAMBERS
December 15, 2014
7:00 PM

Mayor Russell Nelson called the meeting to order. Council Members in attendance were: Brad Cooper, Anne Koentopp, Ken Smith, Kristine Menicucci and Mark Criner. Others in attendance were: City Manager Ted Barkley, Gale Bacon, Jordan Ramler, Jason Leep, Wade Pehl, Jason Karp, Ed Roe, Kris Killorn, and Michael Tucker.

Council Member Criner moved to excuse Council Member Youngberg. Council Member Smith seconded the motion.

All voted aye, motion carried unanimously.

APPROVED MINUTES OF THE December 1, 2014 MEETING

Council Member Menicucci moved to approve the minutes of the December 1, 2014 meeting. Council Member Koentopp seconded the motion

All voted aye, motion carried unanimously.

PUBLIC FORUM

Mayor Nelson called for public comment 3 times. There being none, the public forum was closed.

PUBLIC HEARING

There were no items scheduled for public hearing.

REPORTS

Mayor Nelson had nothing to report

Acting City Attorney Jordan Ramler had nothing to report.

City Manager Barkley reported on his participation as a panelist at the recent Government Review training workshop in cooperation with the MSU Local Government Center.

Barkley reported on meeting with the Mill Levy committee several times since the last Council Meeting. Their recommendations would be presented later on in this meeting.

Barkley reported on meeting with the Central Valley Fire District board.

Barkley reported on attending the recent Park Board meeting. He was pleased to observe the enthusiasm displayed by the members, especially in regard to their potential of positively contributing to the community in developing a master plan for our Parks.

Barkley reported on his recent meeting with Northern Rocky Mountain Economic Development District (NRMEDD) staff. A draft of the economic development plan for Belgrade is expected by Spring of 2015 with some specific recommendations.

Barkley reported that Mary Braun, Library Tech Services Administrator, has accepted a position as Assistant Library Director with the city of New Ulm in Minnesota. Mary has served the Belgrade Library and community extremely well and we are very sorry to see her go. Ms. Braun's last day will be December 19th.

Library Director Bacon reviewed the printed annual report for the Belgrade Community Library supplied to each member. She pointed out the number of items being checked out had reached the half- million milestone, the Foundation has celebrated its 15th year and a tech plan is being implemented. Bacon commented on successful efforts to drawing many more teens into the library programs as well, including sessions where tech-savvy teens taking the time to teach others how to use their own electronic devices. Donations and Grants were also reviewed. Children's programs have had increased attendance as well as the general programs. Bacon provided a printed Comparison of Libraries to the Council Members for review. She also stated the collection was very current because there was no room to keep older items on the shelves. Bacon reported the library is currently open 44 hours per week. She also noted that during the recent Festival of Lights event, well over 500 people come through.

Bacon provided a copy of report showing state and federal statistics comparing Belgrade at the county level and other libraries our size within the State of Montana. Bacon pointed out the high percentage of users in comparison to the lower number of hours open to the public. Council Member Smith inquired further about the open hours per week and the number of full time employees (FTE) shown for other libraries on the report. Bacon explained that some of the libraries had more than one branch which affected how they reported FTE numbers on this report. Bacon also noted that due to security concerns, Belgrade no longer schedules only one staff person during open hours, which is an ongoing challenge. The council members thanked Bacon for her report.

DISCUSSION AGENDA

CONSIDER Meadowlark Ranch Subdivision Infrastructure Agreement

City Planning Director Karp reviewed the proposed agreement. This agreement must be approved before the Final Plat approval could move forward. The infrastructure agreement appears to meet the criteria of the condition of approval. The council asked why this was being requested at this time.

Jason Leep, representing Meadowlark Ranch, explained that the owners had passed away, so now the matter had come up in order to go through the process of subdividing out the original homestead and subsequently selling the lot. If it stays as is, no connection is needed until the current system fails. If approved, this infrastructure requirement would be recorded with the plat

and run with this property regardless of future changes in ownership. The agreement may be amended if the Council would see the need at a future date.

Mayor Nelson called for public comment 3 times. There being none, the public forum was closed

ACTION: Council Member Koentopp moved to approve the Agreement to Connect to the City of Belgrade water and sewer mains and authorize the City Manager to sign said agreement. Council Member Menicucci seconded the motion.

All voted aye, motion carried unanimously.

CONSIDER Meadowlark Ranch Minor Subdivision Final Plat Approval

City Planning Director Karp explained that with approval of the Infrastructure Agreement, this application now meets the requirements for Final Plat Approval.

ACTION: Council Member Koentopp moved to approve the Final Plat for the Meadowlark Ranch Minor Subdivision finding that it meets the conditions of the preliminary plat approval as detailed in the Findings of Fact and Order. Council Member Criner seconded the motion.

All voted aye, motion carried unanimously.

CONSIDER Proposed Municipal Services Mill Levy Ballot Question

City Manager Barkley summarized the reasoning behind the need for a Municipal Service Mill Levy. He spoke of the need to develop and maintain a stronger and more sustainable financial plan for the City of Belgrade. The following items were highlighted in Barkley's report:

To maintain current services, a Municipal Services Mill Levy of up to 37 Mills with a seven year sunset and annual reporting requirements is being proposed. This revenue would be specifically dedicated to protecting service levels in our core service areas of Police, Fire and Library. After seven years, the Council and the voters can reassess circumstances and make a choice as to a future course.

In an effort to minimize impacts on people and businesses in Belgrade, the Council had avoided raising taxes significantly for many years, even though expenses continued to grow considerably, especially in areas of insurance and retirement requirements. Over the last six years, Belgrade has experienced deficits ranging from \$76,000 up to \$268,333. To keep service levels up, reserve funds were budgeted to make up the difference, but the usable reserve funds are now exhausted. We also no longer have the ability to match grants of any size, make needed repairs to sidewalks, capitalize special improvement districts, or pay for infrastructure improvements.

The economy is improving, but because of our property tax structure, there is no corresponding increase in revenue. Commercial and industrial development is needed to offset the low revenue from the residential side. Belgrade is now at the point where we must increase revenue or cut expenses. The operations are running very lean, which means the only way to cut expenses now would be to lower the level of services and reduce the number of employees. It is the General Fund core services that receive a significant amount of property tax funding that are at risk, which includes Police, Fire and Library services.

Barkley reviewed other efforts related to economic development and tourism that are also being developed to increase financial stability for the City of Belgrade.

When questioned about the existing levies covering Public Safety and the Library, Barkley explained those were voter approved add-ons. This new Municipal mill levy would be a separate item for the general fund core services dedicated for Police, Fire and Library services only. Barkley indicated the Public Safety Mill had a ten year span ending in 2017. The Library Mill was passed a permanent measure. Placing a seven year limit on this new levy was designed to hold the Council accountable while still allowing for flexibility. In the past there was more positive feedback for a time-certain mill levy, instead of permanent, particularly in view of the current political climate. After seven years, asking for continuation is not as difficult as asking for a new tax. Barkley pointed out that the last time taxes were raised for general services was in 1985.

Barkley indicated that the draft ballot question showed a maximum of 37 mills, so there was also flexibility to assess less in years where the Council chose to do so. Educating citizens on their assessed property values would be needed to help them understand the average impact per month per homeowner.

Barkley reviewed the "Q & A Fact Sheet" that would be provided to all voters. The form being presented at this meeting was still a draft. The intention was to produce an amplified version with more information, and a succinct version of no more than 1,000 words to be distributed to every voter and used as a basis for talking points for public education.

The Council members agreed that reporting to the citizens on use of the first mill levy has been lacking. Bringing them up to date on that information would be a good start in preparing them for this new request with a side by side comparison. Building confidence and trust is crucial.

ACTION: Council Member Criner moved to set Public Hearing for January 5, 2015 to consider a Resolution placing the Municipal Services Tax Levy question on the ballot. Council Member Menicucci seconded the motion.

Council asked about the value of the mills, which adjust each year. Barkley confirmed the amount being proposed would cover the needs. Barkley also commented on the difference in mill values for different cities. He gave an example of a Belgrade mill generating about \$1.52 per capita, whereas in Bozeman it generates about \$2.30 per capita. Because of this type of

variation, public communication and education will be integral to the success of this effort. A contingent plan for cuts will also be presented at the public hearing for the possibility of the ballot failure.

Mayor Nelson called for public comment 3 times. There being none, the public forum was closed.

All voted aye, motion carried unanimously.

ASSIGN Council Members to attend Central Valley Fire District (CVFD) Board Meetings for Calendar Year 2015

Council requested that the City Manager continue to attend the CVFD Board meetings in addition to the rotating attendance by a Council Member. Mayor Nelson volunteered to be assigned to attend the January 2015 CVFD Board Meeting. Council directed the Clerk to assign subsequent monthly attendance among the various council members.

DISCUSS and Appoint Deputy Mayor for Calendar Year 2015

It was noted that Council Member Koentopp has been our Deputy Mayor for the last 2 years.

ACTION: Council Member Cooper moved to appoint Council Member Menicucci as Deputy Mayor for Calendar Year 2015. Council Member Criner seconded the motion.

All voted aye, motion carried unanimously.

CONSENT AGENDA

WARRANTS PAYABLE for November 2014

ACTION: Council Member Cooper moved to approve Warrants Payable for November 2014. Council Member Smith seconded the motion.

All voted aye, motion carried unanimously.

COUNCIL MEETING CALENDAR for 2015

ACTION: Council Member Cooper moved to approve the Council Meeting Calendar for 2015. Council Member Criner seconded the motion.

All voted aye, motion carried unanimously.

CITY HALL HOLIDAY CLOSURE SCHEDULE for 2015

ACTION: Council Member Menicucci moved to approve the Holiday Closure Schedule for 2015. Council Member Cooper seconded the motion.

All voted aye, motion carried unanimously.

FOR YOUR INFORMATION

City Manager Barkley reported on his attendance at the recent Building Belgrade session. He reported that the Senior Center folks were very interested in expanding the facilities into a community center. Barkley also reported that the Bozeman Deaconess Health Screening van was now coming over to Belgrade every month or so. He reviewed their services and reported that their calendar would be made available.

Council Member Criner had nothing to report.

Council Member Menicucci had nothing to report.

Council Member Smith reported that Sherwin Leep is retiring from the Water Quality Board and John Scudder will be the new member.

Council Member Koentopp had nothing to report.

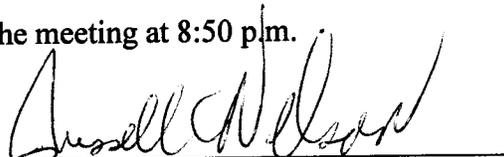
Council Member Cooper inquired about plans for using the economic development funds or if we are in danger of losing it. Barkley confirmed we still have time to use the funds.

Mayor Nelson had nothing to report.

EXECUTIVE SESSION was requested by City Manager Barkley in order to provide information to the Council regarding personnel and involving individual privacy. No action would be considered. Mayor Nelson announced closure of the public session at 8:36 p.m. Executive Session ended at 8:48 p.m. and the Public Session commenced.

ADJOURN

Council Member Criner moved to adjourn the meeting at 8:50 p.m.



Russell C. Nelson, Mayor



Susan Caldwell
Administrative Assistant to City Manager