

DRAFT - Missoula City Council Budget Committee of the Whole Minutes

August 18, 2021

8:00 AM

ZOOM Webinar

Members present: Stacie Anderson, Mirtha Becerra, John P. Contos, Heather Harp, Jordan Hess, Gwen Jones, Julie Merritt, Amber Sherrill, Bryan von Lossberg, Heidi West

Members absent: Jesse Ramos, Sandra Vasecka

1. ADMINISTRATIVE BUSINESS

1.1 Roll Call

Amber Sherrill did not return to the meeting following the lunch break.

1.2 Approval of the Minutes

1.2.1 Approval of the Minutes from the 8/11/2021 Meeting

The minutes were approved as submitted.

2. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

None

3. COMMITTEE BUSINESS

	FY 2022 Preliminary Budget Webpage (documents are updated at least 30-minutes prior to the meeting): http://www.ci.missoula.mt.us/2790/FY2022-Preliminary-Budget
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3.1 Referral – FY 2022 Executive Budget

Various City departments will discuss budget items including Parks & Rec and Public Works. Also to be discussed, CIP, BID (Business Improvement District), TBID (Tourism Business Improvement District) and information from Missoula County Health Department presented by their Director

Public Works and Mobility presented their information via a presentation shared on the screen. Please see attached presentation for specific details.

Julie Merritt - Regarding trying to add solar to some of the facilities, has PW thought about adding solar, even if not the full power source?

Jeremy Keene - Yes. We are working on a solar project at the wastewater treatment plant right now.

Heather Harp - How will your department support the housing units?

Jeremy Keene - We are helping to leverage the city land Public Works controls, including infrastructure and working through regulations to help get projects through the system and ready to go.

Jordan Hess - Is there sort of a best practice of what percentage of the budget is payroll and personnel services making sure appropriate staffing needs being met?

Jeremy Keene - I don't have a good metric on that. This budget does change depending upon how many capital projects we are funding. We are working on tracking staff metrics.

Julie Merritt - Question for Aaron Bowman. Thank you for the streets works. Question regarding the transportation assistant planner position. Since some of this will be covered by grants, how will the other half be covered?

Aaron Bowman - Part will come through the transportation grants and the other half would probably come out of road district or one of our other infrastructure funding sources.

Julie Merritt - If you were to get this position funded, what are your thoughts about ability to fill the position?

Aaron Bowman - We have been fairly successful at hiring planners. I don't anticipate too many issues finding someone.

Amber Sherrill - How much is the gas tax and how is this being funded?

Aaron Bowman - This is BARSA, the statewide gas tax that was funded a few years ago. I think we get close to \$1 million from this.

Amber Sherrill - I was thinking about the local gas tax....

Jordan Hess - I was wondering if the planner position could be funded by some federal funds?

Aaron Bowman - We have proposed that 50% be funded through PL and then City funds to cover the engineering side of the projects.

Bryan von Lossberg - We are not approving any rate increases as a part of the budget process.

Dale Bickell - All of our utilities have gone a long time without a rate increase. We are coming to a point where we need to adjust that. There is a process to follow to do that.

Heather Harp - Logan, you said something regarding wastewater rates and how we have the lowest rates in the state and how it makes us ineligible for grants. Could you clarify?

Logan McInnis - Yes, grants such as the Treasure State Endowment program. This looks at combined water and wastewater rates compared to median household incomes in the area and there is a certain rate this needs to be to quality, and right now our rates are too low.

John Contos - Thank you and also looking for ways to always save money.

Heidi West - I have a question regarding replacing city lights. Do you know percentage of city-owned lights these numbers reflect?

Brian Hensel - These will complete all of the City's.

Heidi West - I would like to see a History of Missoula scavenger hunt in the Cemetery.

Gwen Jones - Several of the flashing lights have been placed in my ward and are a great tool. I appreciate those. The traffic circles have also really made a difference to slow things down; thanks for that also. I also appreciate the historical/cultural aspect of the cemetery. I think that is a gem of the northside. We should look at it as a resource for the right type of public interaction. Regarding the police car communications issue, would there be federal grant money that could go into this?

Brian Hensel - I am not entirely sure, but I will check on that.

Stacy Anderson - Thank you for your presentation. In regard to the staffing request you have made, if we can't fund the whole portion, does a certain number make things more feasible for equipment operation?

Brian Hensel - A minimum of three would be an improvement, but realistically, I would have liked 12.

Mirtha Becerra - Thank you. As chair of the Public Works committee, I am always so impressed by all that comes out from this department. The amount of work behind the scenes to provide basic and essential services is significant. Thank you for that. Regarding the bike lane sweeper, we are purchasing and not leasing, have we checked into leasing it? For the staff you are requesting, is there a way to put a number on how many more miles of streets we could get maintained with those new staff positions filled?

Brian Hensel - Let me see what I can do on figuring out that metric. I thought about including those bike lane sweepers, but right now I am in more of a need for street sweepers.

Julie Merritt - Thank you for everyone's hard work on these presentations. I know you always do the best with the money you have available. On the condition of the local streets, do you have a sense of how much of the poor quality of our streets is due to lack of current gutter? Also would like to remind for each out to PTAs, in addition to administration, with improvements surrounding the school areas.

Brian Hensel - I couldn't give you an exact number, but would invite you to look at these streets and would be happy to discuss and look at these with you.

Amber Sherrill - Thanks to all for the presentations. With the flashing beacons, I think they have been really effective. How many other areas are those on the radar for?

Brian Hensel - Without going into a whole lot of detail, every time we put those out, extensive research has been going into them and their placement, as they are expensive. I would be happy to share the information with you after the meeting.

Amber Sherrill - I certainly understand that and would like to look at the research gone into those in other areas of the city.

Heather Harp - Thank you for making sure those holes are filled, especially in the bike lanes.

Bryan von Lossberg - We will have a 5 minute break before Parks & Recreation presents.

Parks & Recreation

Donna Gauckler and Ryan Applegate showed a presentation for Parks & Recreation. Please refer to the presentation for specific details.

Amber Sherrill - Thank you. I love hearing what Parks does. With regard to the grapple truck and urban forestry program, does this increase our ability to get trees in the ground and keep up?

Donna Gauckler - This is really about efficiencies. We have an aged forest, as all of you know. This helps us to pick trees out that could fall. This truck allows us to pick the tree up and move it, without additional pieces of equipment. The water truck is critically important. We have funds available to reforest current parks, but with the current draught, trying to get water to the trees is vital and this would be a huge improvement.

Julie Merritt - Do we get anything back from MDT for helping maintain the trees on their right-of-way?

Donna Gauckler - The city does have a contract with MDT for certain levels of maintenance, but most of our right-of-ways exceed that allowance.

Jordan Hess - The items not funded in the Mayor's budget, is fund balance referring to the Parks budget?

Donna Gauckler - Yes. We have had a difficult time keeping people at work. The fund balance is actually growing, as we have not had enough employees. We would like to invest that in deferred park maintenance.

Dale Bickell - The administration's budget has not yet allocated that fund balance yet. We will be doing that allocation. We like the feedback we are getting today.

Jordan Hess - I would say that I would support anything that gets our urban forest healthy.

Gwen Jones - Along the same lines, and I am still keenly interested in the urban forest. The fund balance is the Parks District fund balance. The grapple truck is a

\$120,000 total investment, but proposing to take \$20,000 out of the fund balance for the next year to fund it? I'm unclear.

Donna Gauckler - It is a \$120,000 investment.

Dale Bickell- We tend to use ongoing revenues for that. In this case, due to the fiscal health of the Park department, we could look at how to pay for this.

Gwen Jones - So there are options there. Am I missing something on the numbers?

Donna - We will check that.

Stacie Anderson - In the Tier 1 sports court maintenance, the proposal is to fund out of the fund balance, correct?

Donna Gauckler - Yes.

Stacie Anderson - What you had said, Dale, in Parks, you are still going to discuss the allocation of the fund balance, but these are the suggestions, but you want to get back to us, correct? Marilyn park is #1 and I have been asking for that for some time.

Amber Sherrill - I agree with Jordan and everything being said. I am particularly interested in maintaining the urban forest.

Bryan von Lossberg - I agree with those sentiments. I am hearing significant support for this.

Mirtha Becerra - I support the care for our urban forests. You mentioned one of the reasons you have this fund is due to lack of staff. Where are we short staff?

Donna Gauckler - We have been short about one-third of our trails department. Using this fund balance in a really smart way is a wise investment. There is no net impact on the tax payer for these specific services.

Bryan von Lossberg - This is Amber's committee, so if you have additional questions, please reach out to her and coordinate with Administration. I do feel this is a sensible approach.

Gwen Jones - What is the plan for the Sacajawea spray deck?

Donna Gauckler - That ask is really about the restroom. The spray deck is grandfathered in with the Health Department and we only spray in fresh water. We just need a bathroom that meets code.

Gwen Jones - The new bathroom at Rose Park is great. Regarding tennis courts, schools in Missoula do use our courts. In order to do competitions in town, we need the improvements. We should have partners in this process. If we make a decision, it allows them to make a decision in their budgets. This does bring economic benefits into town. Paying out now will pay back in the future.

Donna - MCPS does intend to have tennis and are looking at their budget cycle to see what they can do to come up with funds.

Heather Harp - Can you speak to the value of potentially pursuing debt service to the parks?

Dale Bickell - The City has not used bonding relative to infrastructure. We do it often in utilities. This is where most of the city's debt is and is mostly funded by the base of those utilizes. This helps us to not raise assessments in large amounts and allows us to get these projects done.

Heather Harp - Using multi-generational assets to create multi-generational projects is important.

Bryan von Lossberg - We want to make sure to look at the asset side of the balance sheets, as well as the debt. There is a lot of misinformation out there.

Julie Merritt - I would like to follow up on that. We balance our budget every year. We do not budget for things that are not paid for. We do leverage the use of debt for large purchases. Everyone uses debt. Most of us have a mortgage. It is common to use debt to make large purchases. I appreciate Heather's input and this makes sense.

Bryan von Lossberg - We have some additional time. Angela could present on compensation; I appreciate the flexibility.

Angela Simonson - Discussed presentation on compensation adjustment for non-union staff. Please see attached presentation.

Julie Merritt - Thank you. Can you explain the pie chart numbers? (See presentation for Angela's explanation.)

Heather Harp - Speaking to the \$200,000 wage adjustment. I know how hard it is for nonprofits/governments to keep up with the private sector. I feel this is a very important expense to cover, so we can keep our people. We need to have people available to do the projects that need to be done.

Bryan von Lossberg - Any public comment for anyone who has joined? There appears to be none. We appreciate the high quality of the presentations and the good questions. We will reconvene at 12:30

****Lunch Break****

D'Shane Barnett from the Health Department shared his screen to share his presentation. Please see recording to view presentation.

Robert Giblin, DMP and Linda McCarthy Director presented information on the Business Improvement District (Downtown) (BID). We are an advocate for property owners within our district. We help to implement the downtown master plan for development and maintain this area including trash removal and recycling, sidewalk maintenance and downtown maintenance.

Bryan von Lossberg - I would direct folks to the workplan and budget document, which includes information on BID, TBID, and the Health Department.

Leigh Griffing - City Council is required by law to approve the workplan for such departments.

Bryan von Lossberg - No additional questions. We appreciate you. Thank you.

Barb Neilan, Tourism Business District. Marketing plan has been emailed to each City Council Member. This year, our strategy has been to be conservative, as we didn't know what will happen with tourism this summer. It has been busy. Our biggest challenge has been the workforce to serve all of the tourists. We want to bring our grant process back to help fund events that want to come to Missoula or those who are working to get their operations back online. We don't know what will happen with the rest of the year, so we are being ultra-conservative as to where we are.

Julie Merritt - We have heard that just having enough staff at restaurants is affecting the number of rooms being rented. Do you think there is a correlation of the fact they want to rent a room, but there is not the ability to staff the room?

Barb Neilan - Yes. There are not enough staff sometimes to clean the room or maintain the room. Car rental issues are the same. Some have canceled their travel plans because the cost to rent a car is more than a plane ticket.

Jordan Hess - With the increase in the costs of rooms, is this giving the ability for workers in these areas to be paid a living wage?

Barb Neilan - In essence, yes. Employers are working to do what they can to attract and retain staff.

Mirtha Becerra - Thank you. Can you collect information about where people are staying? I am wondering if people are staying in Air BNB or VRBO rather than a hotel?

Barb - We are just starting to get a report regarding Air BNB and VRBO usage that is helpful to us. From what I have seen from this report, what is happening in these spaces is the same thing happening in our hotel spaces. We would be very interested in working with Council on the issues around Air BNB and VRBOs.

Bryan von Lossberg - This is a tool we are interested in reviewing. The more we can collaborate on this, it would be beneficial for all of us. Thank you for joining us.

Council Budget Coverage with Marty Rehbein

Marty Rehbein - Marty shared her screen with the budget information comparing last year with this year.

Bryan von Lossberg - Shared information regarding the new request. This was focused around communications. Think about this issue as we consider amendments to the budget and the Mayor's budget.

Gwen Jones - I think I spend a huge amount of communicating, which is part of our jobs. I spend a lot of time correcting mis-information. I think this is a long time in coming.

Marty Rehbein - The new request for this communication item is on the website.

Heather Harp - Could you speak to how much this is for?

Bryan von Lossberg - This was around \$63,000 and that included one-time staffing, but I'm not sure this is the best way to approach this. Whether it is staffing or simply funds

and no on-board personnel, and those funds are used to contract services, this would be a valuable approach.

Leigh Griffing provided information on the Community Investment Program.

The Council deliberated on the items before them.

Public comment was called for and there was none.

Bryan von Lossberg - Thanked everyone for all their hard work put into the budget and organizing the meetings. The meeting was adjourned.



4. ADJOURNMENT

Meeting adjourned at 2:27 pm.