



**City Commission Meeting Agenda  
2 Park Drive South, Great Falls, MT  
Commission Chambers, Civic Center  
August 04, 2020  
7:00 PM**

**UPDATES CONCERNING PROCESS OF MEETINGS**

Due to the COVID-19 health concerns, the format of the City Commission meeting may be modified to accommodate Commission member attendance in person, via a remote location/virtual meeting method, or to appear telephonically. In order to honor the Right of Participation and the Right to Know (Article II, Sections 8 and 9 of the Montana Constitution), modifications have also been made for public participation. Public participation is welcome in the following ways:

- Attend in person. Refrain from attending in person if you are not feeling well. The City will require social distancing at the meeting, and may limit the number of persons in the meeting room according to applicable health guidelines.
- Provide public comments via email. Comments may be sent via email before 12:00 PM on Tuesday, August 4, 2020, to: [commission@greatfallsmt.net](mailto:commission@greatfallsmt.net). Include the agenda item or agenda item number in the subject line, and include the name of the commenter and either an address or whether a city resident. Due to tracking and dissemination requirements, written communication must be received by that time in order to be shared with the City Commission and appropriate City staff for consideration during the agenda item and before final vote on the matter; and, will be so noted in the official record of the meeting.
- Call-in. The public may call in during specific public comment periods at [406-761-4786](tel:406-761-4786). All callers will be in a queued system and are asked to remain on hold and be patient. Calls will be taken in the order in which they are received. Callers will be restricted to customary time limits. We ask for your patience in the event there are technical difficulties.
- The agenda packet material is available on the City's website: <https://greatfallsmt.net/meetings>. The Public may view and listen to the meeting on government access channel City-190, cable channel 190; or online at <https://greatfallsmt.net/livestream>.

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL / STAFF INTRODUCTIONS**

**AGENDA APPROVAL**

**CONFLICT DISCLOSURE / EX PARTE COMMUNICATIONS**

**PETITIONS AND COMMUNICATIONS/NEIGHBORHOOD COUNCILS/BOARDS AND COMMISSIONS**

*(Public comment on any matter that is not on the agenda of the meeting and that is within the jurisdiction of the City Commission. Please keep your remarks to a maximum of 3 minutes. When at the podium, state your name and either your address or whether you are a city resident for the record.)*

1. Miscellaneous reports and announcements.
2. Appointment to the Parking Advisory Commission.

### **CITY MANAGER**

3. Miscellaneous reports and announcements from City Manager.

### **CONSENT AGENDA**

*The Consent Agenda is made up of routine day-to-day items that require Commission action. Items may be pulled from the Consent Agenda for separate discussion/vote by any Commissioner.*

4. Minutes, July 21, 2020, City Commission Meeting.
5. Total Expenditures of \$2,619,247 for the period of July 1, 2020 through July 22, 2020, to include claims over \$5000, in the amount of \$2,450,039.
6. Contracts List.
7. Approve postponing the Waste Water Treatment Plant Electrical project for the 2.5 Kilovolt (kV) electrical distribution system repairs and upgrades.

**Action: Approve Consent Agenda as presented or remove items for separate discussion and/or vote by any Commission member.**

### **PUBLIC HEARINGS**

8. Business Improvement District (BID) FY 2021 Budget and Work Plan. *Action: Conduct a public hearing and accept or reject the Budget and Work Plan. (Presented by Joan Redeen)*
9. Resolution 10354, to Levy and Assess the Street Maintenance District. *Action: Conduct a public hearing and adopt or deny Res. 10354. (Presented by Melissa Kinzler)*
10. Resolution 10355, to Levy and Assess the General Boulevard Maintenance District No. 3570. *Action: Conduct a public hearing and adopt or deny Res. 10355. (Presented by Melissa Kinzler)*
11. Resolution 10356, to Levy and Assess the Portage Meadows Maintenance District No. 1195. *Action: Conduct a public hearing and adopt or deny Res. 10356. (Presented by Melissa Kinzler)*
12. Resolution 10357, to Levy and Assess Properties within Special Improvement Lighting Districts. *Action: Conduct a public hearing and adopt or deny Res. 10357. (Presented by Melissa Kinzler)*
13. Resolution 10358, to Levy and Assess Great Falls Park District No. 1. *Action: Conduct a public hearing and adopt or deny Res. 10358. (Presented by Melissa Kinzler)*
14. Resolution 10342, Remodeling, Reconstruction or Expansion of Certain Commercial Buildings or Structure; Tax Benefit for Big Sky Select Properties, LLC for the property adjacent to the Milwaukee Depot located at 101 River Drive, Described as Tract 2 of Certificate of Survey 3607, Section 11, T20N, R3E, PMM, Cascade County, MT. *Action: Conduct a public hearing and adopt or deny Res. 10342. (Presented by Craig Raymond)*

15. Resolution 10360, Remodeling, Reconstruction or Expansion of Certain Commercial Buildings or Structures; Tax Benefit for Big Sky Select Properties, LLC, 412 Central Ave. *Action: Conduct a public hearing and adopt or deny Res. 10360. (Presented by Craig Raymond)*

16. Resolution 10361, Remodeling, Reconstruction or Expansion of Certain Commercial Buildings or Structures; Tax Benefit for STSA Partners, LLC for property located at 420 Central Avenue. *Action: Conduct a public hearing and adopt or deny Res. 10361. (Presented by Craig Raymond)*

## **OLD BUSINESS**

## **NEW BUSINESS**

## **ORDINANCES / RESOLUTIONS**

17. Ordinance 3220, to Repeal and Replace Title 3 of the Official Code of the City of Great Falls (OCCGF), pertaining to Revenue and Finance, and review of the proposed corresponding updates to the City of Great Falls Purchasing Policy. *Action: Accept or not accept Ord. 3220 on first reading and set public hearing for August 18, 2020. (Presented by Sara Sexe and Melissa Kinzler)*

## **CITY COMMISSION**

18. Miscellaneous reports and announcements from the City Commission.

## **ADJOURNMENT**

*(Please exit the chambers as quickly as possible. Chamber doors will be closed 5 minutes after adjournment of the meeting.)*

*Assistive listening devices are available for the hard of hearing, please arrive a few minutes early for set up, or contact the City Clerk's Office in advance at 455-8451. Wi-Fi is available during the meetings for viewing of the online meeting documents.*

*Commission meetings are televised on cable channel 190 and streamed live at <https://greatfallsmt.net>. City Commission meetings are re-aired on cable channel 190 the following Wednesday morning at 10 am, and the following Tuesday evening at 7 pm.*



Commission Meeting Date: August 4, 2020  
**CITY OF GREAT FALLS**  
**COMMISSION AGENDA REPORT**

**Item:** Appointment to the Parking Advisory Commission

**From:** City Manager's Office

**Initiated By:** City Commission

**Presented By:** City Commission

**Action Requested:** Appoint one member to the Parking Advisory Commission

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**Suggested Motion:**

1. Commissioner moves:

"I move that the City Commission appoint \_\_\_\_\_ to the Parking Advisory Commission for a three-year term through April 30, 2023."

2. Mayor requests a second to the motion, public comment, Commission discussion, and calls for the vote.

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**Commission/Board Recommendation:**

The Parking Advisory Commission reviewed Ms. Katie Batterbee's application during their meeting on July 16, 2020 and recommended appointing her to a three-year term.

**Summary:**

Jeff Patterson was appointed to the Parking Advisory Commission on November 7, 2017 with a term expiring April 30, 2020. Mr. Patterson is not interested in serving another term. Staff began advertising for the vacancy on the City's Website and through the local media. One application has been received.

On February 12, 2020 Mr. Reiste also resigned from the Commission. Staff will continue to seek applications to fill that vacancy.

**Background:**

The Parking Advisory Commission is comprised of five members appointed by the City Commission. The Commission advises the City Commission, City Manager, and Planning and Community Development Staff on matters related to parking issues within the Parking Districts.

Interested Citizens:

Katie Batterbee

Current Members:

Becky Sullivan 3/17/2020 – 4/30/2023



Kellie Pierce	10/9/2017 – 4/30/2022
Katie Hanning	8/15/2017 – 4/30/2022
Jeff Patterson	11/7/2017 – 4/30/2020
Thaddeus Reiste	2/5/2019 – 4/30/2022 (Resigned 2/12/20)

**Alternatives:**

Commission could ask staff to continue advertising for other citizen interest.

**Attachments/Exhibits:**

Application from Katie Batterbee



**BOARDS AND COMMISSIONS  
CITIZEN INTEREST FORM**  
(PLEASE PRINT OR TYPE)

*Thank you for your interest. Citizen volunteers are regularly appointed to the various boards and commissions. This application subject to Montana Right to Know laws.*

Board/Commission Applying For:		Date of Application:
Parking		6/18/2020
Name: Katie Batterbee		
Home Address: 3112 2nd Ave N, Great Falls 59401		Email address: kbatterbee@nwgf.org
Home Phone:	Work Phone: 406-216-3513	Cell Phone: 517-899-1578
Occupation: Director of Marketing and Real Estate		Employer: NeighborWorks Great Falls
Would your work schedule conflict with meeting dates?    Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> (If yes, please explain)		
Related experiences or background:		
Educational Background: BA, Marketing - Michigan State University		
<b>IF NECESSARY, ATTACH A SEPARATE SHEET FOR YOUR ANSWERS TO THE FOLLOWING:</b>		
Previous and current service activities: Board Member, Family Promise of Great Falls Volunteer, Child Bridge of Montana		
Previous and current public experience (elective or appointive): N/A		
Membership in other community organizations: Member, Great Falls Association of Realtors		

Have you ever worked for or are you currently working for the City of Great Falls? Yes  No  If yes, where and when?

Do you have any relatives working or serving in any official capacity for the City of Great Falls? Yes  No  If yes, who, which department, and relationship?

Have you ever served on a City or County board? Yes  No  If yes, what board and when did you serve?

Are you currently serving on a Board? Yes  No  If yes, which board?

**Family Promise of Great Falls**

Please describe your interest in serving on this board/commission?  
To get more involved for work related purposes

Please describe your experience and/or background which you believe qualifies you for service on this board/commission?  
Experience with Great Falls community and development, parking seems to be issue for progress so would like to be apart of the conversation.

Additional comments:

Signature  
Katie Batterbee

Date:  
6/18/2020

If you are not selected for the current opening, your application may be kept active for up to one year by contacting the City Manager’s office. Should a board/commission vacancy occur within 30 days from the last City Commission appointment, a replacement member may be selected from citizen interest forms submitted from the last advertisement. For more information, contact the City Manager’s office at 455-8450.

**Return this form to:**  
City Manager’s Office  
P.O. Box 5021  
Great Falls, MT 59403

Fax:  
(406) 727-0005

Email:  
kartis@greatfallsmt.net

**JOURNAL OF COMMISSION PROCEEDINGS**  
**July 21, 2020**

Regular City Commission Meeting

Mayor Kelly presiding

**CALL TO ORDER:** 7:00 PM

Commission Chambers Room 206

**PLEDGE OF ALLEGIANCE**

**ROLL CALL/STAFF INTRODUCTIONS:** City Commission members present: Bob Kelly, Tracy Houck, Mary Sheehy Moe, Owen Robinson and Rick Tryon. Also present were the City Manager Greg Doyon and Deputy City Manager Chuck Anderson; Deputy City Clerk Darcy Dea; Public Works Environmental Division Manager Paul Skubinna; Planning and Community Development Director Craig Raymond; Finance Director Melissa Kinzler and Finance Budget Analyst Kirsten Myre; City Attorney Sara Sexe; and, Police Chief Dave Bowen.

Due to the COVID-19 health concerns, public participation is welcomed and encouraged as follows:

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**AGENDA APPROVAL:** There were no proposed changes to the agenda by the City Manager or City Commission. The agenda was approved as presented.

**CONFLICT DISCLOSURE/EX PARTE COMMUNICATIONS:** None.

**COMMENDATION**

**1. RESOLUTION OF COMMENDATION – SAMANTHA SHINABERGER.**

Commissioner Moe read a Resolution of Commendation for Samantha Shinaberger for organizing “Medical Masks for Great Falls.”

**PETITIONS AND COMMUNICATIONS/NEIGHBORHOOD COUNCILS/BOARDS AND COMMISSIONS**

**JOURNAL OF COMMISSION PROCEEDINGS**  
**July 21, 2020**

**2. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.**

**Jo Shepard**, 717 8<sup>th</sup> Avenue North, provided and discussed a handout with regard to a proposed Nondiscrimination Ordinance (NDO) infringing on the first amendment of the Bill of Rights.

Appearing telephonically was: **Jeni Dodd**, City resident, commented that having public comment at the beginning of a work session doesn't promote community dialog. Ms. Dodd further commented that if the Maclean-Cameron Animal Adoption Center (MCAAC) wants to earn the trust within the community, it needs to be more transparent at every stage of the process.

**David Saenz**, City resident, provided and discussed a handout with regard to opposition of the City Commission considering a proposed NDO.

**Xavier Mercado**, 1507 5<sup>th</sup> Avenue North, expressed opposition to the City Commission considering a proposed NDO.

**Glen Hall**, 2321 8<sup>th</sup> Avenue South, commented that he has maintained a three-day bark log and has filed a report with regard to his neighbor's dog with the Police Department approximately six months ago; however, he has not received a reply.

Manager Doyon responded that the Police Department has Mr. Hall's contact information and will be following up with him.

Commissioner Tryon commented that there have been several complaints about barking dogs recently and suggested that the Animal Ordinance needs to be modified.

Appearing telephonically was: **John Hubbard**, 615 7<sup>th</sup> Avenue South, discussed ways to prevent dogs from barking.

Commissioner Robinson reported that the Montana Census Bureau performed fingerprinting at the Lewis and Clark Interpretive Center for 2020 Census candidates.

**3. APPOINTMENT TO THE BUSINESS IMPROVEMENT DISTRICT BOARD OF TRUSTEES.**

**Commissioner Robinson moved, seconded by Commissioner Moe, that the City Commission appoint Neal Dubois to the Business Improvement District Board of Trustees to the remainder of a four-year term through June 30, 2023.**

Mayor Kelly asked if there were any comments from the public or any discussion amongst the Commissioners. Hearing none, Mayor Kelly called for the vote.

Motion carried 5-0.

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**CITY MANAGER**

**4. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.**

City Manager Greg Doyon reported on the following:

- Governor Bullock issued a directive requiring facemasks in certain indoor spaces and outdoor gatherings for counties currently experiencing four or more active cases of COVID-19.
- He is continuing to conduct virtual interviews and narrowing it down for the Public Works Director and Fire Chief positions.
- The City recently submitted a funding request through the Defense Critical Infrastructure Program (DCIP) for a new indoor pool facility and the Office of Economic Adjustment (OEA) received several applications from other military communities.

**CONSENT AGENDA.**

5. Minutes, July 7, 2020, City Commission Meeting.
6. Total Expenditures of \$5,112,486 for the period of June 16, 2020 through July 8, 2020, to include claims over \$5000, in the amount of \$4,886,085.
7. Contracts List.
8. Approve a final payment for the Sanitary Sewer Trenchless Rehabilitation, Phase 22 project in the amount of \$576,849.12 to Planned and Engineered Construction and \$5,826.76 to the State Miscellaneous Tax Fund and authorize the City Manager to make the payments. **OF 1675.1**
9. Set a public hearing on the Business Improvement District (BID) FY 2021 Budget and Work Plan for August 4, 2020.

**Commissioner Houck moved, seconded by Commissioner Tryon, that the City Commission approve the Consent Agenda as presented.**

Mayor Kelly asked if there were any comments from the public or any discussion amongst the Commissioners.

Commissioner Tryon expressed appreciation to City Manager Doyon and City staff for their response to questions about change orders from the July 7<sup>th</sup> Commission meeting.

There being no further discussion, Mayor Kelly called for the vote.

Motion carried 5-0.

**PUBLIC HEARINGS**

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**10. TOURISM BUSINESS IMPROVEMENT DISTRICT (TBID) 2020/2021 BUDGET AND WORK PLAN.**

Great Falls Tourism Director Rebecca Engum, 100 1<sup>st</sup> Avenue North, reported that Great Falls Montana Tourism is the destination management organization for Great Falls. The TBID is a mix of an independent 501c6 non-profit and an instrumentality of government. The TBID's focus is on strengthening the economy by promoting the uniqueness of Great Falls to visitors as well as to grow tourism, develop the destination, and advocate for tourism.

A loss of 73,727 room nights out of the Great Falls market and being unable to host 15 City-wide events that could have brought an estimated \$2.8 million into the local economy, have impacted TBID's collections of assessments which make up the operating budget for the upcoming year due to COVID-19. Director Engum added that the total budget is down about 48%.

March through June are vital months for tourism and the TBID Assessments collected from overnight lodging guests between July and June and are remitted to Great Falls Montana Tourism in November and May for that year's operations. As much as the remitted funds are based on actual collected amounts, there are hardships with lodging properties this year.

The City could be doing better with regard to occupancies in its lodging properties; however, the tourism market in Great Falls was impeded differently than other Cities due to the East entrance to Glacier and the Canadian border being closed to non-essential travel.

The TBID's strategy for this year includes the following: a staged paid media strategy focused on Montana first, drive markets that are ready, and adding fly markets back in to capture leisure travelers for 2021. The owned media strategies focus is showing wide-open spaces through social channels and developing content connected to outdoor recreation.

The TBID has retained all of its staff for the upcoming year, including the Sales Director who is focused on meetings and conventions. The strategy is to retain 2020 business in market for 2021, land new Montana business and look for industries who are recovering faster than other businesses for 2022-2023, The TBID has cut its administrative costs to baseline operations; however, the staff have applied for grants and are trying to leverage available Government programs. The TBID will have to use approximately \$300,000 of its reserves to make it through 2021.

Mayor Kelly asked if the Commission had any questions of Director Engum.

Commissioner Moe received clarification the state parks and TBID are working together with regard to state level marketing.

Mayor Kelly declared the public hearing open.

Speaking in favor of the TBID 2020/2021 Budget and Work Plan was:



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**Jolene Schalper**, Great Falls Development Authority (GFDA), 405 3<sup>rd</sup> Street Northwest, commended Director Engum for her efforts with regard to tourism and expressed support of the budget.

No one spoke in opposition to the TBID 2020/2021 Budget and Work Plan.

Mayor Kelly closed the public hearing and asked the will of the Commission.

**Commissioner Houck moved, seconded by Commissioner Moe, that the City Commission accept the 2020/2021 Tourism Business Improvement District Budget and Work Plan.**

Mayor Kelly asked if there was any discussion amongst the Commissioners.

Commissioner Houck expressed appreciation to Director Engum for her effort with regard to a well-put together plan and documentation.

There being no further discussion, Mayor Kelly called for the vote.

Motion carried 5-0.

**11. BUDGET HEARING ON RESOLUTION 10350, ANNUAL BUDGET RESOLUTION.**

City Manager Greg Doyon and Finance Director Melissa Kinzler reviewed and discussed the attached PowerPoint presentation covering the budget process, general fund unreserved fund balance, proposed rate, assessments and fee adjustments, city-wide revenue by source, city-wide expenses by source, general fund revenue, general fund revenue increase, general fund expenses, total budget – use of fund balance and next steps.

Manager Doyon explained that the City anticipates new revenue of \$425,000 from newly taxable property, which will be known for certain after receipt of the Certified Taxable Values from the Montana Department of Revenue (DOR). The General Fund budget uses \$872,105 of fund balance; however, after receipt of the outstanding Calumet protest in early June, the City will be able to maintain the recommended fund balance. The recommended minimum policy of the City is 22%. There is no fiscal impact for property owners with the budget because the inflationary factor and increases for the permissive medical levy were not utilized.

Mayor Kelly asked if the Commission had any questions of staff.

Budget Analyst Kirsten Myre explained that “Balancing Act” is a budgetary tool available on the City’s website for citizens to learn about the budget and participate in budget discussions.

Mayor Kelly declared the public hearing open.

No one spoke in support of or in opposition to Resolution 10350.

Mayor Kelly closed the public hearing and asked the will of the Commission.

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**Commissioner Moe moved, seconded by Commissioner Tryon, that the City Commission adopt Resolution 10350, Annual Budget Resolution.**

Mayor Kelly asked if there was any discussion amongst the Commissioners.

Commissioner Robinson commended Manager Doyon for his efforts with regard to the budget during COVID-19.

Mayor Kelly concurred with Commissioner Robinson's comment; however, he expressed concern with regard to the repercussion from COVID-19 affecting future budgets.

There being no further discussion, Mayor Kelly called for the vote.

Motion carried 5-0.

**OLD BUSINESS**

**NEW BUSINESS**

**ORDINANCES/RESOLUTIONS**

**12. ORDINANCE 3218, A REQUEST FROM BIG SKY SELECT PROPERTIES LLC TO REZONE THE MILWAUKEE DEPOT PROPERTY LOCATED AT 101 RIVER DRIVE NORTH FROM M-2 MIXED-USE TRANSITIONAL TO C-4 CENTRAL BUSINESS CORE.**

Planning and Community Development Director Craig Raymond reported that the Zoning Commission recommended the City Commission approve the rezoning request from M-2 Mixed-use Transitional to (C4) Central Business Core and that Neighborhood Council #7 unanimously recommended approval.

Big Sky Select Properties, LLC, owners of the subject properties, have proposed to build an 112-unit market rate apartment complex with a two-story, 10,000 square foot area of commercial space that will be lightly attached to the existing Milwaukee Station Depot building located at 101 River Drive North. The Milwaukee Depot property is 3.385 acres in size, while the vacant lot to the north to be developed is 1.356 acres. Because the new building would cross lot lines to connect the new apartments and commercial space to the existing office building, the applicant will have to aggregate the two lots before construction takes place.

The commercial space will potentially include a dining area where several restaurants will occupy separate spaces with a shared eating area for all. The applicant is also exploring having a wine bar attached to the dining area. The bottom portion of the commercial space will potentially serve as a Cross-Fit type of gym. All of these commercial spaces will be open to the public and not be limited to apartment residents only. There will be a modest enclosed glass corridor that will attach the proposed building to the Milwaukee Station Depot building.

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The Milwaukee Depot is listed on the National Register of Historic Places and is a site rated as “Primary” within the City’s Railroad National Register District. The applicant has stated that they will try to conform to the standards and guidelines set forth by the Department of the Interior in regard to additions to properties that are on the National Register.

The proposed apartment building would have a land use of residence, multi-family and would be a permitted land use within both the Mixed-use transitional (M-2) and Central business core (C-4) zones. The Milwaukee Station Depot building has several office suites which contain several different land uses including Professional Services, Financial Services, and Administrative Services. All of these land uses are also allowed in both the M-2 and C-4 zones. However, the applicant is seeking to build the apartment building in a manner that is more compliant with the C-4 zone. Specifically, the applicant’s project best fits the C-4 zoning district in three different areas: dimension standards, parking, and landscape requirements.

The applicant is seeking to build the apartment building to a height of 77 feet. The maximum height allowed within the M-2 zone is 65 feet whereas the maximum height allowed in the C-4 zone is 100 feet. The applicant is also looking to reduce the required number of parking stalls in a manner most consistent with a property in a downtown context. If the M-2 zoning were kept, the proposed development would require 124 parking stalls unless the applicant submitted a parking study approved by the Planning and Community Development Director. If the property were rezoned to C-4, there would be no minimum amount of parking stalls required.

The applicant is still proposing an underground parking garage to address the needs of the residential units, surface parking spaces that would provide parking stalls for both the residential and commercial spaces, as well as shared spaces from the existing Milwaukee Depot building parking area. The applicant is also requesting an easement from the City Park and Recreation Department to add more surface parking on a portion of undeveloped City-owned property just to the north of the vacant lot. The property is a long, narrow swale located between the BNSF Railroad and the Farmer’s Union Insurance building. The applicant has proposed to fill in the property in order to grade a parking lot on the site.

The applicant’s request to rezone the property to C-4 reduces landscaping requirements and landscaping for the proposed apartment complex would not be required except in the parking lots. The applicant has stated that it would be providing landscaping, just not to the full standard of the code.

The applicant’s request to rezone the properties also allows the commercial spaces that have been proposed to be permitted outright if granted. The restaurant portion of the commercial space would be permitted in both the M-2 and C-4 zones. However, the wine bar, which would have a land use designation of “Tavern” and the Cross Fit gym, which would have a land use designation of “Indoor sports and recreation,” would have to receive Conditional Use Permits if the properties remained in the M-2 zone.

The only access to both properties proposed for rezoning is the existing entrance and exit to the Milwaukee Station Depot. This entrance is very close to the intersection of River Drive (owned and maintained by the Montana Department of Transportation (MDT) and 1<sup>st</sup> Avenue North. The

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applicant and City staff have been involved in discussions with MDT regarding the need for a second access to the properties being developed in order to alleviate high traffic concerns at the existing entrance/exit. In order to incorporate a second access point as a required element of the project, the applicant has had several discussions with Planning and Community Development Staff, Park and Recreation Staff, and Legal Staff in order to utilize a portion of Sight and Sound Park, which is owned by the Park and Recreation Department.

The applicant is required to obtain an easement through the Park property and the easement will be 30 feet in width and will allow the developer to construct and maintain a two-lane private drive connecting the project site to River Drive. City Staff and the applicant have worked together to draft an easement that addresses the access needed for the project.

A change in zoning to permit a different mix of uses could potentially generate more traffic than would be allowed by uses within the current M-2 Zoning district. The isolated nature of the subject parcels from the core of the C-4 Zoning district and proximity to higher-traffic roadways requires a close look at vehicular access. Additionally, because the C-4 Zoning district has no specific parking requirement and the developer has proposed providing a lesser amount of parking spaces, the provision of enhanced non-motorized access becomes more important. Therefore, a brief look at transportation impact and need is also important to the consideration of the requested re-zone.

*River Drive:*

The MDT has taken a preliminary look at the effect of the development. MDT suggested elimination of the existing approach into the development, or modification into a right-out driveway. The intersection is viewed as a current safety concern and would not be expected to provide the only safe access to the larger development.

During its preliminary review, MDT concurred with City staff and stated that an additional approach further north (the access through Sight and Sound Park) is necessary to accommodate the development. The modification of the existing approach, coupled with a new approach much further from the intersection of River Drive and 1<sup>st</sup> Avenue North, will improve functionality of the intersection, even at peak hour. Preliminarily, MDT has determined the existing roadway has sufficient capacity to absorb the additional traffic from the proposed development. However, the eventual development and any new approach and approach modification will need to be reviewed and approved by MDT before approval.

*Parking, Pedestrian and Bicycle Access:*

The C-4 Zoning district has no parking requirement, as it is a district with dense development with adequate on-street parking, public parking garages and lots, and is designed for walkability. Because the proposed development is isolated from the core C-4 District (because of the railroad tracks), it currently has inadequate bicycle and pedestrian connections – although it is very near both sidewalks and trails.

Providing clear, direct and safe non-motorized connections will encourage visitors to the development to walk or bike, thus reducing the parking demand as well as the number of vehicles visiting the site. While the developer will provide on-site parking, there may be instances where the demand could exceed available parking.

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Transportation Recommendations:

To mitigate any reduction in parking, better connect the development to the rest of the C-4 District, and reduce vehicular conflicts, staff has identified that the following items need to be addressed during project review at the permitting stage:

- 1) Provide a new approach from River Drive, further north and away from the intersection of River Drive and 1<sup>st</sup> Avenue North.
- 2) Modify or close the existing approach to the Milwaukee Station parking lot, as allowed/required by MDT.
- 3) Prohibit parking upon any new approach. MDT has stated the proposed new approach through Sight and Sound Park cannot have parking associated with it, as it could cause traffic to stack into River Drive. Therefore, staff recommends that parking be prohibited within the approach, and bollards, a fence, or other barrier be constructed to prohibit parking within the park itself.
- 4) Provide clear and direct pedestrian and trail access. Staff has recommended a connection to the trail crossing of River Drive and the tunnel under the railroad tracks (to the north), and a pedestrian connection along any new access drive.
- 5) Provide adequate and connected internal sidewalks. Pedestrian flow within the development should be continuous and connected to external sidewalks and paths at multiple locations. This would include pedestrian connections through the existing parking lot to connect to River Drive as well as the stairway leading down to 1<sup>st</sup> Avenue North.
- 6) Provide bicycle parking or storage for visitors as well as employees and residents.

Public Works staff has identified that a looped water service main and a sanitary sewer service main will be required for the future project. Because these mains will need to be connected to City mains along the River Drive corridor, the new utility mains will have to be installed underneath the access drive that will be required along the north side of Sight and Sound Park. As a result, the required roadway access easement from the Park and Recreation Department also covers utility main installation and servicing.

Much like water and sewer, the storm water services needed for the future project will also need to be accommodated on the Sight and Sound Park property. The closest connection point into the City's storm water main system is along the River Drive corridor. As a result, the developer will need to construct a storm sewer main in the Park with a dedicated easement for service and access. The construction of all work within the Park for utilities, storm water, and access will require plans to be submitted to the Park and Recreation Department for review. Site disturbance and the impact to existing trees will also need to be mitigated with replacement ground cover and new trees.

Staff has worked with the applicant to develop easements that will be granted from the City Park and Recreation Department for this development. Three easements have been drafted which include:

**JOURNAL OF COMMISSION PROCEEDINGS**  
**July 21, 2020**

1) An access, utility, and landscaping easement that allows for the access to the apartment complex through Sight and Sound Park as well as water and sewer lines underneath the roadway. It also allows the storm water line to be placed within Sight and Sound Park. The applicant has stated that some work will need to be done along the boundary between Sight and Sound Park and the development property that will affect the grade as well as the scrub brush that currently exists on Park property. The applicant will landscape the area where the scrub brush is removed.

2) A temporary construction easement that will allow the applicant to use Sight and Sound Park to temporarily access the park for the staging area for construction of the apartment building. Any disturbance to the park will be repaired to its current state.

3) An access easement for the former railroad property that is owned by Park and Recreation for the installment of a parking lot and trail access.

The construction of the apartment building will increase the tax base for the City by providing 112 new apartment units as well as 10,000 square feet of new commercial space. Because of the proposed use of City Park property for access, utilities, storm water, and parking, the developer is required to obtain easements from the City. Payment for these easements is also required.

The developer has submitted a tax abatement request to the City to reduce the first five years of property tax burden associated with the future development project. The developer has also informally requested that the City consider expanding the Downtown Tax Increment Finance District to capture the property tax increment that would be generated by the future project.

The Applicant for Big Sky Select Properties, LLC Brion Lindseth, commented that he is looking forward to implementing a project that will benefit the City and expressed appreciation to the Legal Department for its assistance.

**Commissioner Tryon moved, seconded by Commissioner Houck, that the City Commission accept ordinance 3218 on first reading and set a public hearing for August 18, 2020.**

Mayor Kelly asked if there were any comments from the public or any discussion amongst the Commissioners.

**Jolene Schalper**, Great Falls Development Authority (GFDA), 405 3<sup>rd</sup> Street Northwest, spoke in support of Ordinance 3218.

Commissioner Moe commented that since the Milwaukee Depot is an iconic structure, she would like to hear from the Historic Preservation Board. Referring to page 2 of the Agenda Report, Commissioner Moe expressed concern with regard to the applicant's statement that he will "try" to conform to the standards and guidelines set forth by the Department of the Interior in regard to additions to properties that are on the National Register. She further expressed concern with regard to how additional parking and the easement will affect the traffic.

**JOURNAL OF COMMISSION PROCEEDINGS**  
**July 21, 2020**

Commissioner Tryon received clarification that additional maps indicating where the easements are located will be provided to the Commission and that the applicant is aware of the need to provide enough parking. He further received clarification that the applicant can ask the City to expand the Downtown TIF District and the proposed apartments will be market-rate.

Referring to Commissioner Moe's comment, Mr. Lindseth explained that he has met with the Historic Preservation Advisory Commission to discuss the impact to the Milwaukee Station Depot.

Mayor Kelly requested that Director Raymond follow up with the Commission about the history of the Arvon Block and Rocky Mountain Building development requests for tax abatements, historic preservation credits and TIF funds.

Director Raymond explained that Resolution 10119 establishes the criteria for evaluating Tax Abatement or Benefit Requests. He further explained that developers are encouraged to file an application for tax abatements before the project is complete.

Manager Doyon reiterated that receiving tax abatement is contingent on approval of the application with regard to the proposed project.

There being no further discussion, Mayor Kelly called for the vote.

Motion carried 5-0.

**CITY COMMISSION**

**13. MISCELLANEOUS REPORTS AND ANNOUNCEMENTS.**

Commissioner Tryon requested staff to look into modifying the Animal Ordinance.

Referring to nuisance animals, City Attorney Sexe reported that the Official Code of the City of Great Falls 6.1.170 describes other options besides completing a three-day bark log; however, Staff will look into the Ordinance.

Police Chief Dave Bowen reiterated that he will follow up with Mr. Hall's complaint with regard to the barking dog.

Commissioner Houck announced that it's highly unlikely she will be in attendance at the August 4<sup>th</sup> Commission meetings.



**JOURNAL OF COMMISSION PROCEEDINGS**  
**July 21, 2020**

**ADJOURNMENT**

There being no further business to come before the Commission, **Commissioner Moe moved, seconded by Mayor Kelly, to adjourn the regular meeting of July 21, 2020, at 8:35 p.m.**

Motion carried 5-0.

\_\_\_\_\_  
Mayor Kelly

\_\_\_\_\_  
Deputy City Clerk Darcy Dea

**Minutes Approved: August 4, 2020**

DRAFT



Commission Meeting Date: August 4, 2020  
**CITY OF GREAT FALLS**  
**COMMISSION AGENDA REPORT**

**ITEM:** \$5,000 Report  
 Invoices and Claims in Excess of \$5,000

**PRESENTED BY:** Finance Director

**ACTION REQUESTED:** Approval with Consent Agenda

**LISTING OF ALL ACCOUNTS PAYABLE CHECKS ISSUED AVAILABLE ONLINE AT**  
<http://greatfallsmt.net/finance/checkregister>

**TOTAL CHECKS ISSUED AND WIRE TRANSFERS MADE ARE NOTED BELOW WITH AN ITEMIZED LISTING OF ALL TRANSACTIONS GREATER THAN \$5000:**

ACCOUNTS PAYABLE NEW WORLD CHECK RUNS FROM JULY 9, 2020 - JULY 22, 2020	1,507,707.44
ACCOUNTS PAYABLE MUNIS CHECK RUNS FROM JULY 8, 2020 - JULY 22, 2020	1,105,617.61
MUNICIPAL COURT ACCOUNT CHECK RUN FOR JULY 1, 2020 - JULY 16, 2020	5,922.00
<b>TOTAL: \$</b>	<u><u>2,619,247.05</u></u>

**GENERAL FUND**

**POLICE**

BALCO UNIFORM COMPANY INC	VORTEX VESTS FOR OFFICERS	7,075.57
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**SPECIAL REVENUE FUND**

**SLDS**

CARTEGRAPH SYSTEMS	SOFTWARE RENEWAL 2020/2021 (SPLIT AMONG FUNDS)	1,020.96
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**STREET DISTRICT**

UNITED MATERIALS OF GREAT FALLS	OF 1708 SKYLINE ADDITION	19,295.70
GREAT FALLS BUSINESS IMPROVEMENT DISTRICT	JUNE 2020 BID TAX DISTRIBUTION	22,601.20
GREAT FALLS TOURISM BUSINESS IMPROVEMENT DISTRICT	JUNE 2020 TBID ASSESSMENT DISTRIBUTION	206,737.50
CARTEGRAPH SYSTEMS	SOFTWARE RENEWAL (SPLIT AMONG FUNDS)	7,827.36

**GAS TAX BaRSSAA**

MRTE INC	OF 1680.1 ENCINO DR/GRANDE VISTIA REPAIRS PH 2	114,910.29
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**PARK DISTRICT**

MRTE INC	OF 1737.2 GIBSON PARK & ELKS PARK TRAIL RESTORATION	130,071.15
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**SPECIAL REVENUE FUND (cont.)**

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<b>CENTRAL MONTANA AG TECH PARK TID</b>		
MRTE INC	OF 1658.1 CMATP TIF PHASE 3 STORM DRAIN	40,426.45

**CAPITAL PROJECTS**

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<b>GENERAL CAPITAL</b>		
KUGLIN CONSTRUCTION	OF 1709.1 HISTORIC PRESERVATION OF 10TH STREET BRIDGE PH 3	56,025.58

**ENTERPRISE FUNDS**

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**WATER**

THATCHER CO OF MONTANA	CHEMICALS	10,906.87
LANDMARK STRUCTURES I, L.P.	OF 1625.2 GORE HILL TANK REPLACEMENT (FINAL PAYMENT)	50,559.32
TD&H ENGINEERING	OF 1494.6 WATER MAIN CROSSING UNDER THE UPPER MISSOURI RIVER	6,340.25
CARTEGRAPH SYSTEMS	SOFTWARE RENEWAL 2020/2021 (SPLIT AMONG FUNDS)	6,125.75
THATCHER CO OF MONTANA	CHEMICALS	6,154.01

**SEWER**

VEOLIA WATER NORTH AMERICA	MONTHLY WWTP OPERATION CONTRACT	
VEOLIA WATER NORTH AMERICA	MONTHLY CONTRACTED CAPITAL IMPROVEMENTS	
STANTEC CONSULTING SERVICES INC	OF 1633.7 WWTP ELECTRICAL DIST. EVALUATION & REHABILITATION	33,453.80
CARTEGRAPH SYSTEMS	SOFTWARE RENEWAL 2020/2021 (SPLIT AMONG FUNDS)	5,104.80

**STORM DRAIN**

CARTEGRAPH SYSTEMS	SOFTWARE RENEWAL 2020/2021 (SPLIT AMONG FUNDS)	2,552.40
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**SANITATION**

CARTEGRAPH SYSTEMS	SOFTWARE RENEWAL 2020/2021 (SPLIT AMONG FUNDS)	2,722.56
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**INTERNAL SERVICES FUND**

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**HUMAN RESOURCES**

TYLER TECHNOLOGIES	SOFTWARE IMPLEMENTATION (SPLIT AMONG FUNDS)	4,200.00
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**HEALTH & BENEFITS**

MONTANA MUNICIPAL INTERLOCAL AUTHORITY	JULY 2020 EMPLOYEE INSURANCE DEDUCTIBLE	932,094.05
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**FINANCE**

TYLER TECHNOLOGIES	SOFTWARE IMPLEMENTATION (SPLIT AMONG FUNDS)	4,900.00
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**INFORMATION TECHNOLOGY**

CARTEGRAPH SYSTEMS	SOFTWARE RENEWAL 2020/2021 (SPLIT AMONG FUNDS)	2,041.92
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**CENTRAL GARAGE**

CARTEGRAPH SYSTEMS	SOFTWARE RENEWAL 2020/2021 (SPLIT AMONG FUNDS)	11,911.19
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**ENGINEERING**

CARTEGRAPH SYSTEMS	SOFTWARE RENEWAL 2020/2021 (SPLIT AMONG FUNDS)	15,314.39
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**PUBLIC WORKS ADMINISTRATION**

CARTEGRAPH SYSTEMS	SOFTWARE RENEWAL 2020/2021 (SPLIT AMONG FUNDS)	3,064.81
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**TRUST AND AGENCY**

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**PAYROLL CLEARING**

STATE TREASURER	MONTANA TAXES	48,700.00
ICMA RETIREMENT TRUST	EMPLOYEE CONTRIBUTIONS	8,165.43
FIREFIGHTER RETIREMENT	FIREFIGHTER RETIREMENT EMPLOYEE & EMPLOYER CONTRIBUTIONS	52,084.41
STATEWIDE POLICE RESERVE FUND	POLICE RETIREMENT EMPLOYEE & EMPLOYER CONTRIBUTIONS	65,530.41
PUBLIC EMPLOYEE RETIREMENT	PUBLIC EMPLOYEE RETIREMENT EMPLOYEE & EMPLOYER CONTRIBUTIONS	125,618.10
POLICE SAVINGS & LOAN	EMPLOYEE CONTRIBUTIONS	13,627.00
US BANK	FEDERAL TAXES, FICA & MEDICARE	210,773.30
AFLAC	EMPLOYEE CONTRIBUTIONS	8,557.83
LABORERS INTERNATIONAL UNION	EMPLOYEE CONTRIBUTIONS	5,327.50
NATIONWIDE RETIREMENT SOLUTIONS	EMPLOYEE CONTRIBUTIONS	15,894.54
WSCFF EMPLOYEE BENEFIT TRUST	EMPLOYEE CONTRIBUTIONS	6,300.00

**UTILITY BILLS**

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ENERGY KEEPERS	ELECTRICITY CHARGES FOR JUNE 2020	63,180.00
ENERGY WEST RESOURCES	JUNE 2020 NATURAL GAS CHARGES	9,172.66
HIGH PLAINS LANDFILL	JUNE 2020 CONTRACT CHARGES	113,669.64

**CLAIMS OVER \$5000 TOTAL:** \$ 2,450,038.70

**CITY OF GREAT FALLS, MONTANA**

**COMMUNICATION TO THE CITY COMMISSION**

**DATE: August 4, 2020**

**ITEM:** CONTRACTS LIST  
 Itemized listing of administratively approved contracts.  
 (Listed contracts are available for inspection in the City Clerk’s Office.)

**PRESENTED BY:** Lisa Kunz, City Clerk

**ACTION REQUESTED:** Ratification of Contracts through the Consent Agenda

**MAYOR’ S SIGNATURE:** \_\_\_\_\_

**CONTRACTS LIST**

	<b>DEPARTMENT</b>	<b>OTHER PARTY (PERSON OR ENTITY)</b>	<b>PERIOD</b>	<b>AMOUNT</b>	<b>PURPOSE</b>
<b>A</b>	Planning and Community Development	Superior Cleaning	08/04/2020-12/31/2020	\$1,820	Agreement for exterior window cleaning of 48 windows on the east, north and south sides of the second floor of the Civic Center building
<b>B</b>	Public Works/ Engineering	Love’s Travel Stops & Country Stores, Inc.	Perpetual	\$1	Easement – Sewer Main on Tract 1 of Certificate of Survey No. 5142 NW ½ of Section 21, T20N, R3E, P.M.M., Great Falls, Cascade County, Montana <b>OF 1732.7</b>

<b>C</b>	Public Works/ Engineering	Love's Travel Stops & Country Stores, Inc.	Perpetual	\$1	Easement – Sewer Main on Tract 2 of Certificate of Survey No. 5142 NW ½ of Section 21, T20N, R3E, P.M.M., Great Falls, Cascade County, Montana <b>OF 1732.7</b>
<b>D</b>	Public Works/ Engineering	Great Falls International Airport Authority	Perpetual	\$1	Easement – Utilities on Parcel 1 of Certificate of Survey No. 5051 NW ¼ of Section 21, T20N, R3E, P.M.M., Great Falls, Cascade County, Montana <b>OF 1732.7</b>
<b>E</b>	Public Works/ Engineering	Great Falls International Airport Authority	Perpetual	\$1	Easement – Utilities on Lot 2 of the Plat of the Airport Drive Minor Subdivision NW ¼ of Section 21, T20N, R3E, P.M.M., Great Falls, Cascade County, Montana <b>OF 1732.7</b>
<b>F</b>	Planning and Community Development	Detailed Construction	08/04/2020 – 07/31/2021	\$35,910	North Parking Garage Door Replacement Contract removes and replaces rusted doors and frames throughout the parking garage <b>OF 1642.3</b>
<b>G</b>	Great Falls Fire Rescue	Stryker	06/01/2020 – 03/27/2022	\$5,148	ProCare Product Service Plan Agreement for software updates and a variety of maintenance services on two Lifepak 15 defibrillators





Commission Meeting Date: August 4, 2020

**CITY OF GREAT FALLS  
COMMISSION AGENDA REPORT**

**Item:** Waste Water Treatment Plant Electrical, OF 1633.7

**From:** Engineering Division

**Initiated By:** Public Works Department

**Presented By:** Paul Skubinna, Environmental Division Supervisor

**Action Requested:** Recommend staff to postpone OF 1633.7

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**Suggested Motion:**

1. Commissioner moves:

“I move that the City Commission (approve/not approve) postponing the Waste Water Treatment Plant Electrical project.”

2. Mayor requests a second to the motion, public comment, Commission discussion, and calls for the vote.

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**Staff Recommendation:** Completing the 2.5 Kilovolt (kV) electrical distribution system repairs and upgrades specified by this project are important to maintaining reliable uninterrupted operation of the Waste Water Treatment Plant. However, due to poor Bidder turn-out, Staff recommends postponing the Waste Water Treatment Plant Electrical project to reevaluate the overall scope and approach of the project.

**Summary:** The specifications were advertised three times in the Great Falls Tribune. Bids were due 3:00 p.m. local time July 22, 2020. No Bids were received.

Without a responsive Bid, there is no one to award a contract.

**Alternatives:** The City Commission could decide to (1) postpone the project to allow staff to re-evaluate project scope and approach, or (2) rebid the project as currently scoped and specified now, or at a later date.

**Concurrences:** The City’s contracted Waste Water Treatment Plant operator, Veolia North America, concurs that the project should be postponed so that scope and approach of the project may be reevaluated.



Commission Meeting Date: August 4, 2020  
**CITY OF GREAT FALLS**  
**COMMISSION AGENDA REPORT**

**Item:** Business Improvement District (BID) FY 2021 Budget and Work Plan

**From:** Melissa Kinzler, Finance Director

**Initiated By:** Business Improvement District Board of Directors

**Presented By:** Joan Redeen, Business Improvement District

**Action Requested:** Conduct Public Hearing and Accept the Business Improvement District FY 2021 Budget and Work Plan

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**Public Hearing:**

1. Mayor conducts public hearing, pursuant to OCCGF 1.2.050 and Title 17, Chapter 16, Article 6.
  2. Mayor closes public hearing and asks the will of the Commission.
- 

**Suggested Motion:**

1. Commissioner moves:
 

“I move that the City Commission (accept/reject) the FY 2021 Business Improvement District Budget and Work Plan.”
  2. Mayor requests a second to the motion, Commission discussion, and calls for the vote.
- 

**BID Recommendation:** The BID recommends that the City Commission accept the FY 2021 BID Budget and Work Plan.

**Background:** The initial creation of the BID was in 1989. It was renewed in 1999, 2009, and 2019 each for periods of ten years by petition of the property owners within the District.

The Business Improvement District's overall purpose is to utilize assessment dollars through the BID to improve and revitalize the downtown area. If there are any material increases or decreases in the actual assessment from the approved budget, the BID's Board will either request a budget amendment from the City Commission or the Board will include the amount of revenue whether it be an increase, or decrease, in their Budget and Work Plan for the coming fiscal year. The BID has not changed the areas of the district boundaries since its origination date.

According to MCA Section 7-12-1132(3), the City Commission must hold a public hearing to hear any objections to the budget and work plan. Following the public hearing, the City Commission may

approve the plan or request that amendments be made to it, prior to levying an assessment on all properties within the district to defray the costs.

A separate resolution to levy and assess the properties within the district will be brought to the City Commission after Certified Market Values are received from the DOR.

**Fiscal Impact:** The BID is projecting annual revenue for Fiscal Year 2021 of approximately \$240,000 in assessments. The funds are used to operate the BID office, grant programs, tree maintenance, beautification efforts and additional projects for streetscapes, and economic growth.

The assessment will be according to the formula approved by the BID Board and the City Commission:

1. a flat fee of \$200.00 for each lot or parcel without Land Use Code of 125;
2. a flat fee of \$50.00 for each lot or parcel with a designated Land Use Code of 125 which is a Residential Condominium;
3. an assessment of \$.00165 times the market valuation as provided for by the Montana State Legislature;
4. and an assessment of \$.015 times the square footage of the land area.

**Alternatives:** The City Commission could request the BID Board make changes to either the Budget or Work Plan.

**Concurrences:** The BID partners with several organizations to provide results and follow the overall purpose for the BID. Finance staff is responsible for assessing and collecting the revenues.

**Attachments/Exhibits:**

Work Plan 2020-2021

BID Final Budget

Map of BID Boundaries



# GREAT FALLS BUSINESS IMPROVEMENT DISTRICT WORK PLAN 2020-2021



The mission of the Great Falls Business Improvement District (BID) is to represent the unique interests of the business and property owners located within the district. The goal of the BID is to create an environment that is appealing to shoppers, office workers, residents, tourists, and new businesses and investors. Overall, the BID is responsible for downtown revitalization through economic development, real estate development, short and long-range planning, grant program administration, and physical and environmental improvement programs.

**The BID will provide the following services within the designated boundaries over the next fiscal year:**

➤ **Downtown Property Investments**

- Invest in downtown properties through our many grant programs.
  - Current grant programs may include, but are not limited to: Façade, Residential, Interior, Sidewalk, Art, Outdoor Living, Pedlet and Business Incentive
- Utilize additional grant programs to supplement BID grant monies
  - Tax Increment Financing (TIF)
    - The BID will continue to support the Downtown Development Partnership (DDP) in administering the TIF

➤ **Downtown Safety & Security**

- Continue to take a lead role in organization and promoting Downtown Safety & Education
  - Working with partner organizations of the Downtown Safety Alliance
  - Clean & Safe Team - Provide seasonal Downtown Resource Ambassadors
  - Support the BRIC Officer from the Great Falls Police Department
  - Support the Great Falls Police Department's Volunteer Program
  - Management of the Coins for a Cause Program
  - Continue Business Watch/Safety Education Program

➤ **Unifying Entities**

- Communication
  - Provide our property & business owners information on the BID and our programs
- Volunteers
  - Continue support of the Downtown Chicks, an established pool of volunteers that can be utilized as a resource for events & special projects
  - Continue support of the Building Active Communities Initiative (BACI)
  - Work with organizations to coordinate improvement efforts of our downtown
- Downtown Partnership
  - The BID will be an active participant in the DDP, working to implement the Downtown Master Plan
    - The BID will take the lead on the citywide Wayfinding Planning project
  - The BID will support the Downtown Great Falls Association
  - The BID will support the Great Falls Development Authority and the Downtown Business Development Officer position
  - The BID will support the following organizations, the Great Falls Area Chamber of Commerce and Montana Tourism via Convention Visitors Bureau membership
- City Boards
  - Serve as ex-officio on the Parking Commission
  - Serve as ex-officio on the Historic Preservation Advisory Commission

➤ **Beautification**

- Downtown Public Art Projects – Lead in the organization of ArtsFest MONTANA
  - Continue support of the Urban Art Project
- Trash Removal/Graffiti Removal
- Sidewalk Cleaning/Snow Removal
- Tree & Flower Maintenance
- Holiday Décor/Banners/Flags
- Sound System

# Great Falls Business Improvement District Budget for Fiscal Year 2020-2021

## BID BUDGET FY 2021



**Revenues**

Assessments	\$ 240,000
Assessment Receivable	\$ 75,000
Business Watch	\$ 500
Coins for a Cause	\$ 500
Interest Income	\$ 150
Prior Year Carryover - Cash	\$ -
<b>Total Revenues</b>	<b>\$ 316,150</b>

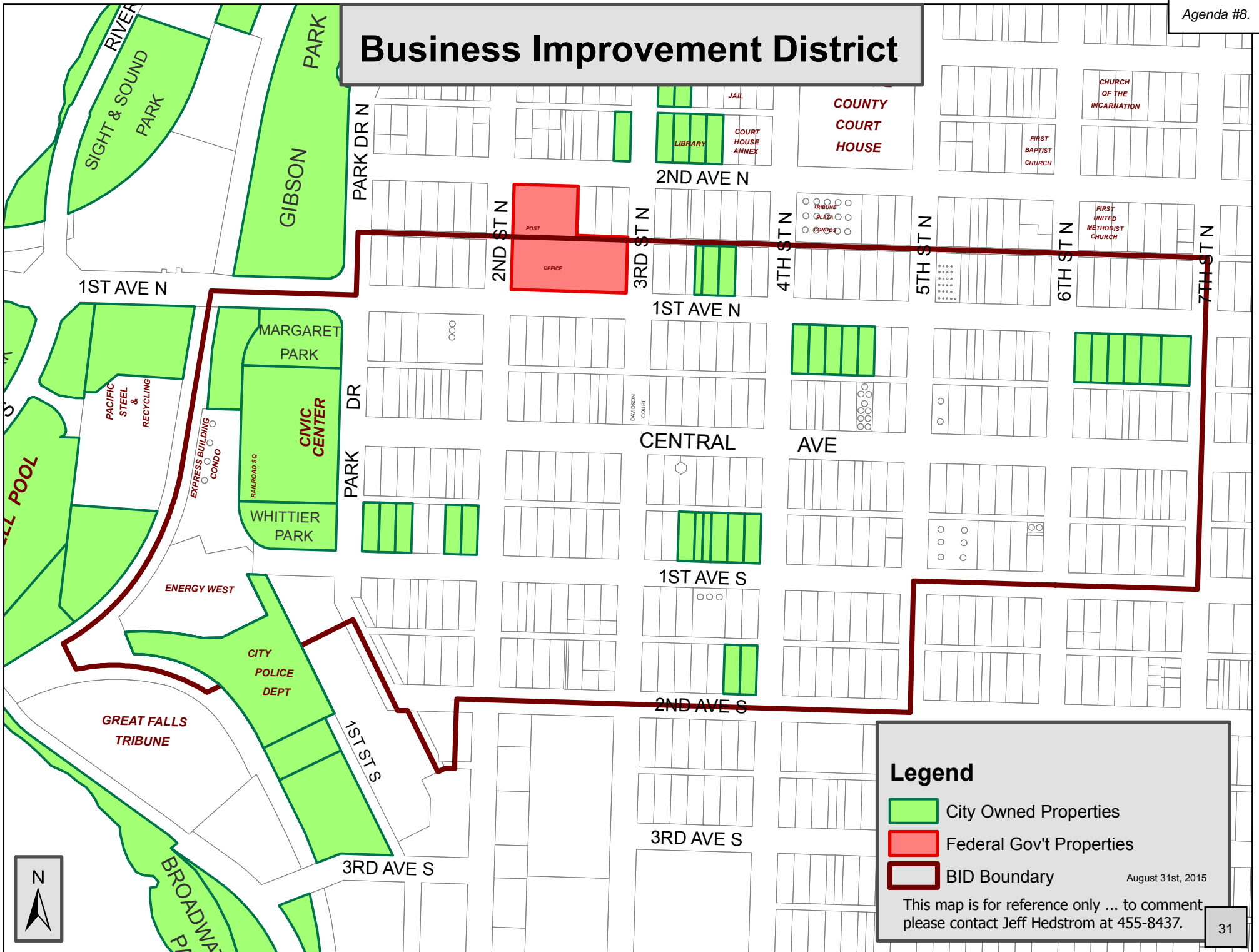
**Expenses**

Advertising	\$ 500
Web Design	\$ 500
Beautification	\$ 10,000
Art Downtown	\$ 40,000
Flowers	\$ 10,000
Sound System	\$ 1,000
Snow Removal	\$ 15,000
Trash Removal	\$ 10,000
Tree Program	\$ 15,000
Holiday Décor	\$ 15,000
Business Grants	\$ -
Business Watch	\$ 1,000
Coins for a Cause	\$ 500
Donations	\$ 5,000
Dues & Subscriptions	\$ 4,500
Employee Benefits	\$ 2,000
Insurance	\$ 7,000
Miscellaneous	\$ 500
Office Equipment	\$ 1,000
Office expense	\$ 1,000
Payroll taxes	\$ 13,000
Professional Services	\$ 5,000
Rent	\$ 3,400
Salaries	\$ 125,000
Special Projects	\$ 20,000
Supplies	\$ 4,000
Taxes, Licenses & Fees	\$ 200
Telephone/Internet	\$ 3,100
Travel & Education	\$ 2,500
Utilities	\$ 450
<b>Total Expenses</b>	<b>\$ 316,150</b>

**Net Revenue/Loss**

<b>\$</b>	<b>-</b>
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# Business Improvement District



### Legend

- City Owned Properties
- Federal Gov't Properties
- BID Boundary

August 31st, 2015

This map is for reference only ... to comment please contact Jeff Hedstrom at 455-8437.



Commission Meeting Date: August 4, 2020  
**CITY OF GREAT FALLS**  
**COMMISSION AGENDA REPORT**

**Item:** Resolution 10354 to Levy and Assess the Street Maintenance District

**From:** Melissa Kinzler, Finance Director

**Initiated By:** Annual Budget and Assessment Process

**Presented By:** Melissa Kinzler, Finance Director

**Action Requested:** City Commission conduct public hearing and adopt Resolution 10354 to Levy and Assess the Street Maintenance District

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**Public Hearing:**

1. Mayor conducts public hearing, pursuant to OCCGF 1.2.050 and Title 17, Chapter 16, Article 6.
  2. Mayor closes public hearing and asks the will of the Commission.
- 

**Suggested Motion:**

1. Commissioner moves:
 

“I move that the City Commission (adopt/deny) Resolution 10354.”
  2. Mayor requests a second to the motion, Commission discussion, and calls for the vote.
- 

**Staff Recommendation:** Staff recommends the City Commission adopt Resolution 10354.

**Background:** The Street Division maintains over 383 miles of streets and alleys within the city limits. Maintenance consists of pavement rehabilitation and restoration, street cleaning, snow and ice removal, alley maintenance, and the nuisance weed program. In addition, Traffic Operations are funded through the Street Division and are responsible for the maintenance of all roadway signs, signals, and pavement markings.

During the budget process, information is gathered regarding the actual and anticipated expenses of the Street District Fund, future capital projects are reviewed, and the street maintenance assessment for the next fiscal year is discussed.

After calculating all factors pertinent to the operation of the Street Maintenance District, an assessment amount for the next fiscal year is calculated, proposed and presented to the City Commission for approval. No assessment increase is proposed for Fiscal Year 2021 to aid in economic recovery from COVID-19. The last street maintenance increase of 10% was approved in Fiscal Year 2016.



As part of the annual budget development and adoption procedures, the Street Maintenance Assessment Resolution must be submitted for City Commission action. A public notice and hearing is required prior to final passage of the assessment resolution.

#### *ASSESSMENT OPTION*

MCA Section 7-12-4425 states: "...The council shall pass and finally adopt a resolution specifying the district assessment option and levying and assessing all the property within the several districts..." The City uses the "assessable area" option under MCA Section 7-12-4422, to assess its street maintenance. The assessable area option defines assessable area by square footage caps. Five options for assessments exist:

**Residential:** Square footage caps per parcel of 12,000 square feet for residential property and properties categorized as non-profit/cemetery organizations 501(c)(13) as defined by the Internal Revenue Code.

**Downtown:** Downtown District shall be defined as being within an area bounded on the north by Third Alley North, on the south by Third Alley South, on the east by Tenth Street and on the west by Park Drive. Any properties located in this area with a designated residential land use code of 111, 112 or 114 shall be excluded from the District and assessed as part of the Residential District.

**Mixed-Use:** A 'mixed-use' category consists of property equal to or greater than 112,000 square feet but less than 50% commercially developed. For the 'mixed-use' category, the Planning & Community Development Department shall annually identify all property equal to or greater than 112,000 square feet which are 50% or less commercially developed. Those properties shall be assessed 50% commercial and 50% at capped residential.

**Commercial:** 1 million square foot cap for all other property. The 1 million square foot cap for all other property encourages large green areas on some private properties within the City.

**Inter-Local Agreement:** An "inter-local contracted maintenance" category designates properties owned by other governments or their agencies adjacent to City streets that are maintained by the other governments or their agencies. This category's assessment includes a 7.5% administrative fee as well as the annual contracted cost of maintenance. The maintenance cost portion is agreed upon by the City and the contracting entity. At this time, the City does not assess for any inter-local agreements.

**Fiscal Impact:** Adoption of Resolution 10354 will allow the City to fund the cost of work, improvements and maintenance in the Street Maintenance District.

For Fiscal Year 2021, the street maintenance assessment will remain the same as Fiscal Year 2020. For an average-sized residential lot, the estimated assessment factor is \$0.014767 per square foot, or \$110.75 (7,500 sq. ft. x 0.014767 factor = \$110.75.). The estimated total assessment for the District is \$4,583,265.

**Alternatives:** The City Commission could choose to deny the adoption of Resolution 10354 to Levy and Assess the Street Maintenance District; however, the reduction in services for street maintenance could be hazardous to the safety and welfare of the general public.

**Concurrences:** Public Works staff is responsible for the operational expenses of the Street Department. Finance staff is responsible for assessing and collecting revenues necessary to carry out the operations.

**Attachments/Exhibits:**  
Resolution 10354

**RESOLUTION NO. 10354**

**A RESOLUTION LEVYING AND ASSESSING THE COST OF STREET MAINTENANCE FOR STREETS AND ALLEYS IN THE CITY OF GREAT FALLS, MONTANA FOR THE FISCAL YEAR BEGINNING JULY 1, 2020 AND ENDING JUNE 30, 2021**

**WHEREAS**, creation and alteration of Street Maintenance Districts is authorized pursuant to Mont. Code Ann. Title 7, Chapter 12, Part 44; and

**WHEREAS**, the Great Falls City Commission did provide for street maintenance pursuant to Ordinance 1687 adopted September 7, 1971; and

**WHEREAS**, the City Commission did amend and expand the scope of street maintenance services pursuant to Ordinance 2584 adopted February 5, 1991; and

**WHEREAS**, the City Commission finds and has determined that each and every lot or parcel within said district has been or will be specially benefited by said maintenance; and

**WHEREAS**, the City intends to continue maintaining streets and alleys within the corporate limits of the City of Great Falls; and

**WHEREAS**, on July 21, 2020, the City Commission adopted Resolution 10350, Annual Budget Resolution, in which the estimated assessment for such maintenance not offset by other revenues within the Street Maintenance District was reflected as FOUR MILLION FIVE HUNDRED EIGHTY-THREE THOUSAND TWO HUNDRED SIXTY FIVE DOLLARS (\$4,583,265); and

**WHEREAS**, in accordance with Mont. Code Ann. § 7-12-4426, notice was published setting forth that Resolution No. 10354 Levying and Assessing the Cost of Street Maintenance for Streets and Alleys in the City of Great Falls, Montana, would be brought before the Great Falls City Commission for public hearing on August 4, 2020.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA**, that:

Section 1 – Maintenance Costs Assessed

The costs of maintenance, not offset by other revenues, in the Street Maintenance District, totaling FOUR MILLION FIVE HUNDRED EIGHTY-THREE THOUSAND TWO HUNDRED SIXTY FIVE DOLLARS (\$4,583,265) be levied and assessed upon the property in said district for the fiscal year ending June 30, 2021. The description of each lot or parcel of land within the Street Maintenance District and the respective assessments are set forth in the records of the Finance Department of the City of Great Falls, Montana, and by this reference incorporated herein as if fully set forth.

Section 2 – Maintenance Assessment Method

The percentage of the cost of maintenance for the assessable areas benefitted by the maintenance district as established in Mont. Code Ann. § 7-12-4425 shall be made as set forth in Mont. Code Ann. § 7-12-4422.

The Street Maintenance District shall be assessed according to factors based on the property classification and square footage with caps. Assessable areas within the Street Maintenance District shall be set with a square footage cap of 12,000 square feet for residential property and properties categorized as non-profit/cemetery organizations 501(c)(13) as defined by the Internal Revenue Code, and a square footage cap of one million square feet for all other property. Downtown District shall be defined as being within an area bounded on the north by Third Alley North, on the south by Third Alley South, on the east by Tenth Street and on the west by Park Drive and any properties located within this area with a designated residential land use code shall be excluded from the District and assessed as residential. The Planning and Community Development Department shall annually identify all mixed-use property equal to or greater than 112,000 square feet which are 50% or less commercially developed. Those mixed-use properties shall be assessed 50% commercial and 50% capped residential. Inter-local Agreement shall be defined as properties owned by other governments or their agencies adjacent to City streets that are maintained by the other governments or their agencies. This category’s assessment includes a 7.5% administrative fee as well as the annual contracted cost of maintenance.

No proration of the street maintenance assessment shall be made for any reason, including the fact that a particular property did not have paved streets for the entire taxable year.

Section 3 – Assessments Due Date

Assessments are payable in two payments and will become delinquent at 5:00 o'clock p.m. on November 30, 2020 and May 31, 2021.

PASSED AND ADOPTED by the City Commission of the City of Great Falls, Montana, this 4<sup>th</sup> day of August, 2020.

\_\_\_\_\_  
Bob Kelly, Mayor

ATTEST:

\_\_\_\_\_  
Lisa Kunz, City Clerk

(Seal of the City)

APPROVED FOR LEGAL CONTENT:

\_\_\_\_\_  
Sara R. Sexe, City Attorney



Commission Meeting Date: August 4, 2020

**CITY OF GREAT FALLS  
COMMISSION AGENDA REPORT**

**Item:** Resolution 10355 to Levy and Assess the General Boulevard Maintenance District No. 3570

**From:** Melissa Kinzler, Finance Director

**Initiated By:** Annual Budget and Assessment Process

**Presented By:** Melissa Kinzler, Finance Director

**Action Requested:** City Commission conduct public hearing and adopt Resolution 10355 to Levy and Assess the General Boulevard Maintenance District No. 3570

---

**Public Hearing:**

1. Mayor conducts public hearing, pursuant to OCCGF 1.2.050 and Title 17, Chapter 16, Article 6.
  2. Mayor closes public hearing and asks the will of the Commission.
- 

**Suggested Motion:**

1. Commissioner moves:
 

“I move that the City Commission (adopt/deny) Resolution 10355.”
  2. Mayor requests a second to the motion, Commission discussion, and calls for the vote.
- 

**Staff Recommendation:** Staff recommends the City Commission adopt Resolution 10355.

**Background:** The Park and Recreation Department, Natural Resources - Boulevard Division is responsible for the care and maintenance of over 15,000 street trees located within the General Boulevard District. Services provided within the District are pruning, removal, planting and streetscape design.

The budget development process begins in January of each year when the Natural Resources - Boulevard Division receives its midyear financial reports. The midyear reports, and subsequent reports, are used to determine the current financial position of the department. Information is gathered regarding the actual and anticipated expenses, future projects, goals and objective of the department.

After calculating all factors pertinent to the operation of the Natural Resources - Boulevard Division, an assessment amount for the next fiscal year is calculated, proposed and presented to the City Commission for approval. No assessment increase has been proposed for Fiscal Year 2021 to aid in the economic

recovery from COVID-19. The last General Boulevard Maintenance increase of 5% was approved in Fiscal Year 2020.

In order to legally provide for the necessary assessment support, State laws require City Commission hearings and passage of authorizing resolutions. MCA Sections 7-12-4102, 4176, and 4179 authorize the City Commission to create and assess the costs of work, improvements, and maintenance to the owners of property within the boundaries of such district.

As part of the annual budget development and adoption procedures, the General Boulevard Maintenance District Assessment Resolution must be submitted for City Commission action. A public notice and hearing is required prior to final passage of the assessment resolution.

**Fiscal Impact:** Adoption of Resolution 10355 will allow the City to finance the costs of work, improvements and maintenance conducted each year in the General Boulevard Maintenance District.

The estimated assessment amount for the General Boulevard Maintenance District for the next fiscal year is the amount reflected in the Fiscal Year 2021 Budget. This equates to an estimated assessment of \$0.011446 per square foot, for a total of \$405,892 and will result in an assessment of \$85.85 for an average size lot of 7,500 square feet (7,500 sq. ft. x 0.011446 factor = \$85.85.)

**Alternatives:** The City Commission could choose to deny the adoption of Resolution 10355 to Levy and Assess the General Boulevard Maintenance District; however, the reduction in services to trim, prune, spray, and maintain the trees within the district would be harmful and devastating to the overall shelter and beauty provided by the street trees to the community.

**Concurrences:** Park and Recreation staff is responsible for the operation expenses of the Boulevard District Fund. Finance staff is responsible for assessing and collecting the revenues necessary to carry out the operations.

**Attachments/Exhibits:**

Resolution 10355

Map of the General Boulevard District

**RESOLUTION NO. 10355**

**A RESOLUTION LEVYING AND ASSESSING THE COST OF MAINTAINING BOULEVARDS IN THE GENERAL BOULEVARD DISTRICT NO. 3570 OF THE CITY OF GREAT FALLS, MONTANA FOR THE FISCAL YEAR BEGINNING JULY 1, 2020 AND ENDING JUNE 30, 2021**

**WHEREAS**, the Great Falls City Commission did create a General Boulevard Maintenance District No. 3570 by Resolution 3570 on January 2, 1946; and

**WHEREAS**, the City Commission did amend and exclude Lots 8-14, Block 34 of Boston and Great Falls Addition, from the boundaries of the General Boulevard District by Resolution 8132 on September 1, 1987, in accordance with Mont. Code Ann. § 7-12-4335; and

**WHEREAS**, the City intends to continue trimming, pruning, spraying, and otherwise maintaining the trees within said district, except when such maintenance conflicts with other provisions of the Official Code of the City of Great Falls; and

**WHEREAS**, on July 21, 2020, the City Commission adopted Resolution 10350, Annual Budget Resolution, in which the estimated assessment for such maintenance within the General Boulevard Maintenance District No. 3570 was reflected as FOUR HUNDRED FIVE THOUSAND EIGHT HUNDRED NINETY-TWO DOLLARS (\$405,892); and

**WHEREAS**, in accordance with Mont. Code Ann. § 7-1-4127, notice was published setting forth that Resolution No. 10355 Levying and Assessing the Cost of Maintaining Boulevards in the General Boulevard Maintenance District No. 3570 would be brought before the Great Falls City Commission for public hearing on August 4, 2020.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA**, that:

Section 1 – Maintenance Costs Assessed

The cost of maintaining boulevards in General Boulevard Maintenance District No. 3570, totaling \$405,892, be levied and assessed upon the properties in said district for the fiscal year ending June 30, 2021.

Section 2 – Maintenance Assessment Method

Each lot and parcel within the district be assessed in proportion to its square footage. The procedure for determining the square footage to be assessed is the total square footage as set forth in Exhibit “A” of Resolution 6202 adopted by the Great Falls City Commission on July 22, 1968, and presently on file in the office of the City Clerk.

Section 3 – Assessment Due Date

Assessments are payable in two payments and will become delinquent at 5:00 o'clock p.m. on November 30, 2020 and May 31, 2021.

PASSED AND ADOPTED by the City Commission of the City of Great Falls, Montana, this 4<sup>th</sup> day of August, 2020.

\_\_\_\_\_  
Bob Kelly, Mayor

ATTEST:

\_\_\_\_\_  
Lisa Kunz, City Clerk

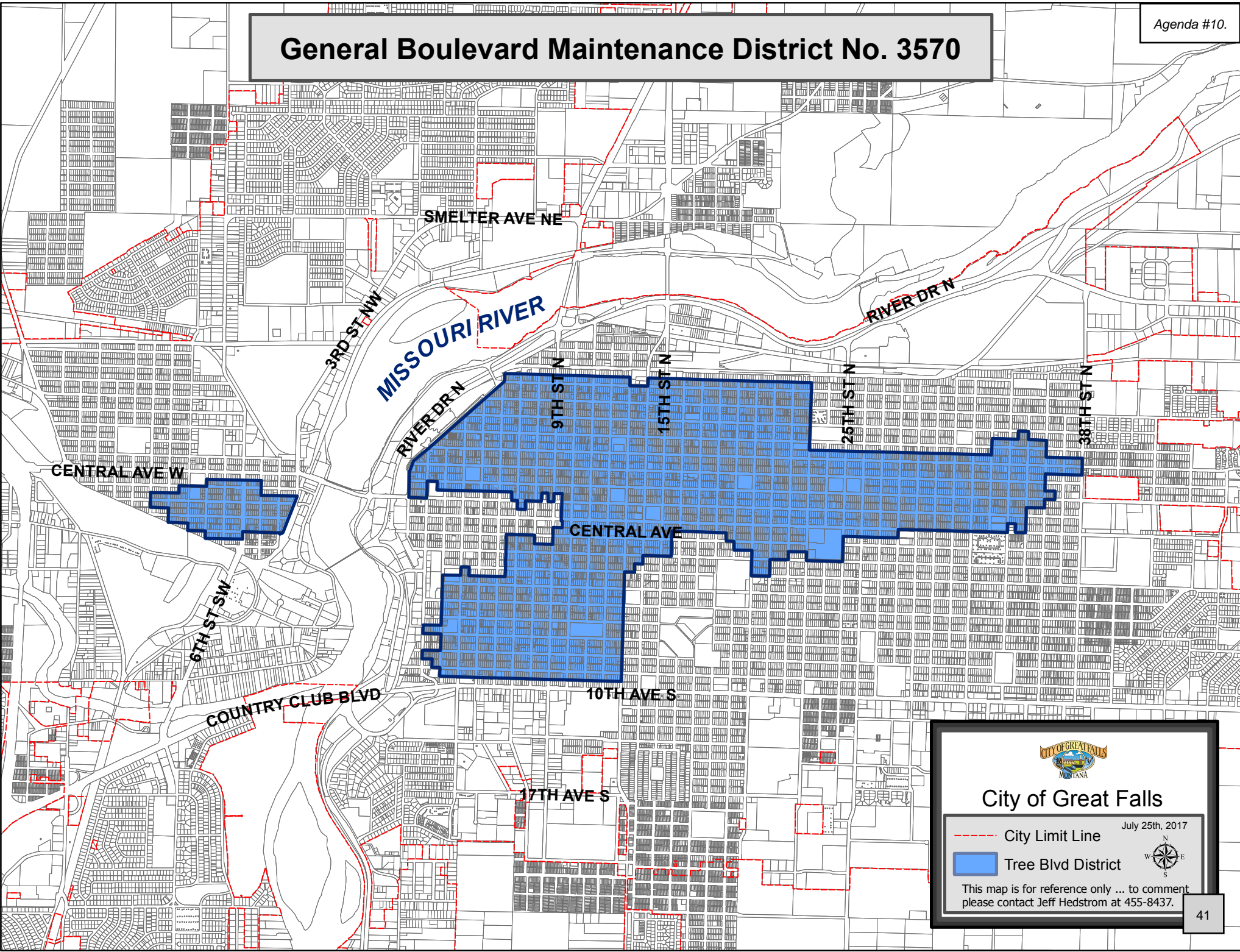
(Seal of the City)

APPROVED FOR LEGAL CONTENT:

\_\_\_\_\_  
Sara R. Sexe, City Attorney



# General Boulevard Maintenance District No. 3570



  
**City of Great Falls**  
July 25th, 2017

--- City Limit Line  
■ Tree Blvd District

This map is for reference only ... to comment please contact Jeff Hedstrom at 455-8437.





Commission Meeting Date: August 4, 2020

**CITY OF GREAT FALLS  
COMMISSION AGENDA REPORT**

**Item:** Resolution 10356 to Levy and Assess the Portage Meadows Maintenance District No. 1195

**From:** Melissa Kinzler, Finance Director

**Initiated By:** Annual Budget and Assessment Process

**Presented By:** Melissa Kinzler, Finance Director

**Action Requested:** City Commission conduct public hearing and adopt Resolution 10356 to Levy and Assess the Portage Meadows Maintenance District No. 1195

---

**Public Hearing:**

1. Mayor conducts public hearing, pursuant to OCCGF 1.2.050 and Title 17, Chapter 16, Article 6.
  2. Mayor closes public hearing and asks the will of the Commission.
- 

**Suggested Motion:**

1. Commissioner moves:

“I move that the City Commission (adopt/deny) Resolution 10356.”

2. Mayor requests a second to the motion, Commission discussion, and calls for the vote.
- 

**Staff Recommendation:** Staff recommends the City Commission set a public hearing date for August 4, 2020.

**Background:** In February 1977, Resolution 6913 created Special Improvement Maintenance District No. 1195 for the purpose of maintaining the Green Belt of the Portage Meadows Addition. The assessment covers the costs for materials, snow removal labor, water, mowing labor, fertilizer costs and labor, aerification labor, and tree pruning, which was part of the original Planned Unit Development.

The budget development process begins in January of each year when the Park & Recreation Department receives its midyear financial reports for the Portage Meadows Fund. The midyear reports and subsequent reports are used to determine the current financial position of the department. Information is gathered regarding the actual and anticipated expenses, future projects, goals and objective of the department.

After calculating all factors pertinent to the operation of the Portage Meadows Maintenance District, an assessment amount for the next fiscal year is calculated, proposed and presented to the City Commissioners for approval. No assessment increase has been proposed for Fiscal Year 2021 to aid in economic recovery from COVID-19. The last Portage Meadows Maintenance District increase of 5% was approved in Fiscal Year 2020.

In order to legally provide for the necessary assessment support, State laws require City Commission hearings and passage of authorizing resolutions. MCA Sections 7-12-4102, 4176, and 4179 authorize the City Commission to create and assess the costs of work, improvements, and maintenance to the owners of property within the boundaries of such district.

As part of the annual budget development and adoption procedures, the Portage Meadows Maintenance District Assessment Resolution must be submitted for City Commission action. A public notice and hearing is required prior to final passage of the assessment resolution.

**Fiscal Impact:** Adoption of Resolution 10356 will allow the City to finance the cost of repairs and maintenance required each year in the Portage Meadows Maintenance District.

The estimated assessment amount for Portage Meadows Boulevard Maintenance for the next fiscal year is the amount reflected in the Fiscal Year 2021 Budget. This equates to an estimated assessment of \$0.077517 per square foot, a total of \$65,252 and will result in an annual assessment of \$348.90 for an average lot of 4,501 square feet (4,501 sq. ft. x 0.077517 factor = \$348.90).

**Alternatives:** The City Commission could choose to not set the public hearing and thereby deny the adoption of Resolution 10356 to Levy and Assess the Portage Meadows Maintenance District; however, the City agreed to provide the services when the land area was donated to the City. The proposed assessment will allow for the recovery of costs incurred providing those services.

**Concurrences:** Park and Recreation staff members are responsible for the operational expenses for the Portage Meadows Maintenance District. Finance staff members are responsible for assessing and collecting the revenues necessary to carry out the operations.

**Attachments/Exhibits:**

Resolution 10356

Map of Portage Meadows Boulevard District

**RESOLUTION NO. 10356****A RESOLUTION LEVYING AND ASSESSING THE COST OF MAINTAINING THE GREEN BELT PARK OF PORTAGE MEADOWS ADDITION IN THE CITY OF GREAT FALLS ON ALL REAL ESTATE IN SPECIAL IMPROVEMENT MAINTENANCE DISTRICT NO. 1195 FOR THE FISCAL YEAR BEGINNING JULY 1, 2020 AND ENDING JUNE 30, 2021**

**WHEREAS**, the City Commission did create and amend Special Improvement Maintenance District No. 1195 by Resolutions 6913, 6980, and 8426 on February 15 and July 17, 1977, and July 16, 1991, respectively; and

**WHEREAS**, the City intends to continue maintaining the Green Belt Park of Portage Meadows Addition within Special Improvement Maintenance District No. 1195; and

**WHEREAS**, on July 21, 2020, the City Commission adopted Resolution 10356, Annual Budget Resolution, in which the estimated costs for the assessment of such maintenance within Special Improvement Maintenance District No. 1195 was reflected as SIXTY-FIVE THOUSAND TWO HUNDRED FIFTY-TWO DOLLARS (\$65,252); and

**WHEREAS**, in accordance with § 7-1-4127, MCA, notice was published setting forth that Resolution No. 10356 Levying and Assessing the Cost of Maintaining the Green Belt Park of Portage Meadows Addition in the City of Great Falls on all Real Estate in Special Improvement Maintenance District No. 1195 would be brought before the Great Falls City Commission for public hearing on August 4, 2020.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA**, that:

Section 1 – Maintenance Costs Assessed

The cost of care and maintenance in Special Improvement Maintenance District No. 1195, totaling \$65,252, be levied and assessed upon the properties in said district for the fiscal year ending June 30, 2021.

Section 2 – Maintenance Assessment Method

There are 188 properties contained within the boundaries of Portage Meadows Special Improvement Maintenance District No. 1195. The costs per property and the property list for Portage Meadows Special Improvement Maintenance District No. 1195 are set forth in the records of the City Clerk of the City of Great Falls. Said property is generally identified as each lot or parcel of land within Portage Meadows Additions #1, #2, and #3, excluding Blocks 4, 5, and 6 of Portage Meadows #1 Addition.

Assessments may be reviewed on an annual basis and the amount may be revised according to the following formula: cost plus ten percent (10%) divided by the total square feet of all of the lots within said district times the square feet of each lot. Costs shall be for expendable material, snow

removal labor, water, mowing labor, fertilizer costs and labor, aerification labor, and tree pruning costs.

Section 3 – Assessment Due Date

Assessments are payable in two payments and will become delinquent at 5:00 o'clock p.m. on November 30, 2020 and May 31, 2021.

PASSED AND ADOPTED by the City Commission of the City of Great Falls, Montana, this 4<sup>th</sup> day of August, 2020.

\_\_\_\_\_  
Bob Kelly, Mayor

ATTEST:

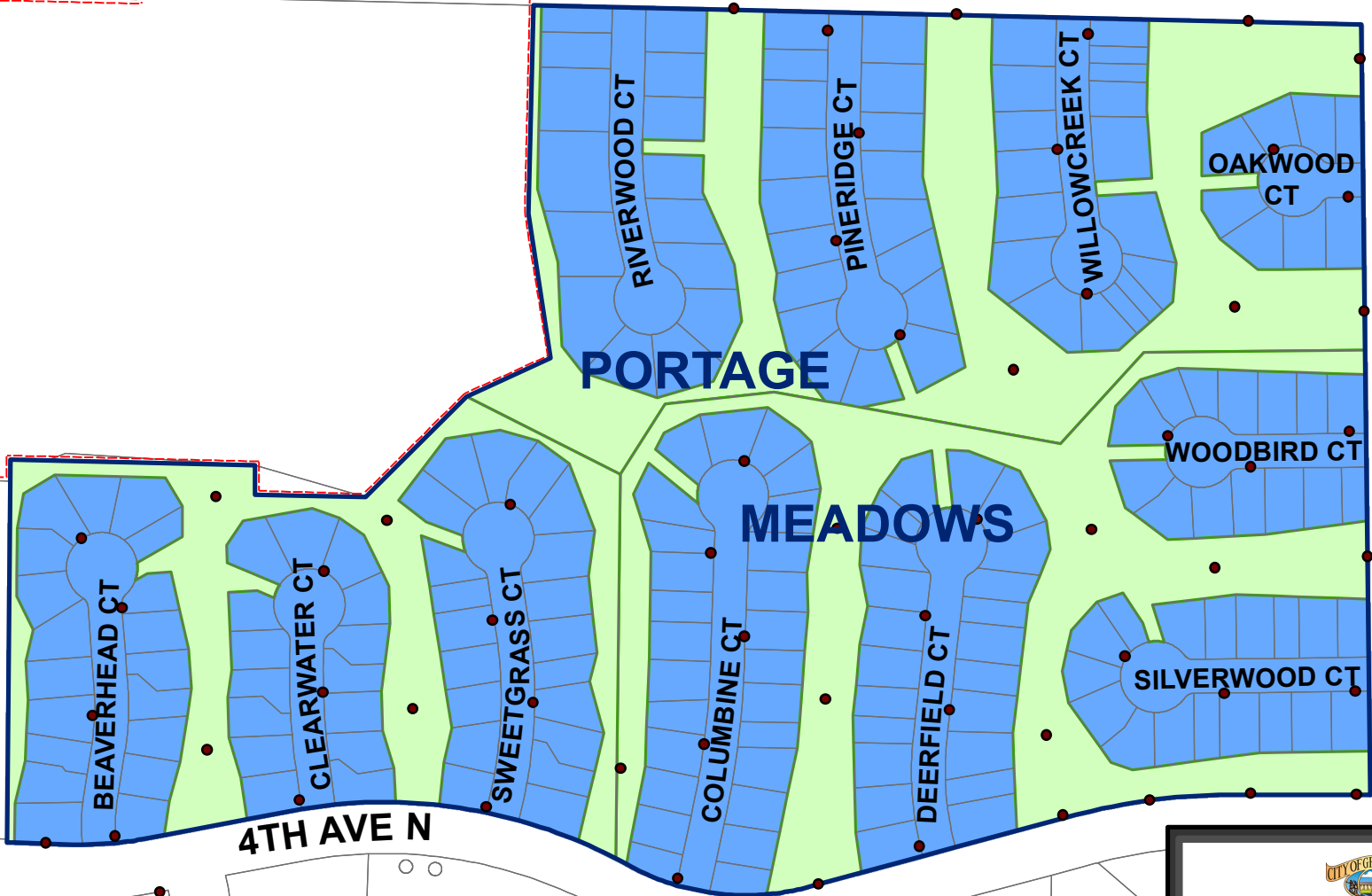
\_\_\_\_\_  
Lisa Kunz, City Clerk

(Seal of the City)

APPROVED FOR LEGAL CONTENT:

\_\_\_\_\_  
Sara R. Sexe, City Attorney


# Portage Meadows Maintenance District No. 1195








52TH ST N

4TH AVE N

46TH ST N

  
**City of Great Falls**  
 June 12th, 2014

-  City Limit Line
-  Light Poles
-  Green Belt Area
-  Portage Properties



This map is for reference only ... to comment please contact Jeff Hedstrom at 455-8437.





Commission Meeting Date: August 4, 2020

**CITY OF GREAT FALLS  
COMMISSION AGENDA REPORT**

**Item:** Resolution 10357 to Levy and Assess Properties within Special Improvement Lighting Districts

**From:** Melissa Kinzler, Finance Director

**Initiated By:** Annual Budget and Assessment Process

**Presented By:** Melissa Kinzler, Finance Director

**Action Requested:** City Commission conduct public hearing and adopt Resolution 10357 to Levy and Assess Properties within Special Improvement Lighting Districts

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**Public Hearing:**

1. Mayor conducts public hearing, pursuant to OCCGF 1.2.050 and Title 17, Chapter 16, Article 6.
  2. Mayor closes public hearing and asks the will of the Commission.
- 

**Suggested Motion:**

1. Commissioner moves:
 

“I move that the City Commission (adopt/deny) Resolution 10357.”
  2. Mayor requests a second to the motion, Commission discussion, and calls for the vote.
- 

**Staff Recommendation:** Staff recommends the City Commission adopt Resolution 10357.

**Background:** There are currently 27 Special Improvement Lighting Districts (SLD's) with approximately 9,429 roadway lights. The majority (97%) of the roadway lights are owned by Northwestern Energy. The City pays a maintenance fee to Northwestern Energy for these lights in addition to a fee which covers the electrical transmission and distribution. The electrical supply for the street lights is currently being furnished by Energy Keepers. The remaining 3% of roadway lighting is City-owned. The Special Improvement Lighting District funds are administered by the Finance Department. The purpose of the funds is to maintain the light poles and furnish electrical supply for the lighting districts throughout the year. After determining financial factors pertinent to the operation of the special improvement lighting districts, an assessment amount for the next fiscal year is calculated, budgeted and presented to the City Commissioners for approval.

As part of the annual budget development and adoption procedures, the Special Improvement Lighting Districts Assessment Resolution must be submitted for City Commission action. A public notice and hearing is required prior to final passage of the assessment resolution.

**Fiscal Impact:** Adoption of Resolution 10357 will allow the City to fund the operational and maintenance costs required in the Special Improvement Lighting Districts for the fiscal year.

The estimated assessment amount for the Special Improvement Lighting District funds for the next fiscal year is \$1,123,242. After review of the budget and the estimated assessment for Fiscal Year 2021, the total assessment amount reflects an aggregate 4.0% *decrease* from the prior fiscal year.

<u>BUDGETED</u>	
<u>TOTAL ASSESSMENT</u>	<u>FISCAL YEAR</u>
\$ 1,428,082	2015/2016 (26 Districts)
\$ 1,175,344	2016/2017 (27 Districts)
\$ 1,159,589	2017/2018 (27 Districts)
\$ 1,164,252	2018/2019 (27 Districts)
\$ 1,170,052	2019/2020 (27 Districts)
\$ 1,123,242	2020/2021 (27 Districts)

The Fiscal Year 2021 assessment per district is indicated on the Lighting Districts Maintenance Budget & Assessment Worksheet attached as Exhibit "A" and made a part of Resolution 10357.

**Alternatives:** The City Commission could choose deny the adoption of Resolution 10357; however, the reduction in services could be hazardous to the safety and welfare of the general public.

**Concurrences:** Public Works staff is responsible for the maintenance of all City-owned lights. Finance staff is responsible for assessing and collecting revenues.

**Attachments/Exhibits:**

- Resolution 10357
- Appendix A



**RESOLUTION NO. 10357**

**A RESOLUTION LEVYING AND ASSESSING THE COST OF MAINTAINING SPECIAL IMPROVEMENT LIGHTING DISTRICTS (SLD'S) NUMBERED 18, 650, 651, 912, 973, 1067A, 1105, 1230, 1255, 1261, 1269, 1270, 1289, 1290, 1294, 1295, 1296, 1297, 1298, 1302, 1303, 1304, 1305, 1306, 1308, 1309 AND 1310 IN THE CITY OF GREAT FALLS, MONTANA, FOR THE FISCAL YEAR BEGINNING JULY 1, 2020 AND ENDING JUNE 30, 2021**

**WHEREAS**, the City Commission declares that the above-captioned Special Improvement Lighting Districts were created, lighting systems installed and that the City intends to continue maintenance of such lighting systems in said SLD's; and

**WHEREAS**, the City Commission declares that each lot or parcel of land contained in each of said SLD's will continue to be benefited by such lighting in the same manner as determined in the creation of each Special Improvement Lighting District; and

**WHEREAS**, on July 21, 2020, the City Commission adopted Resolution 10350, Annual Budget Resolution. The budgeted amounts for maintenance of the City's lighting systems were reviewed and adjusted. The newly adjusted assessment amount totals ONE MILLION ONE HUNDRED TWENTY THREE THOUSAND TWO HUNDRED FORTY TWO DOLLARS (\$1,123,242); and

**WHEREAS**, in accordance with § 7-1-4127, MCA, notice was published setting forth that Resolution No. 10309 Levying and Assessing the Cost of Maintaining Special Improvement Lighting Districts (SLD's) Nos. 18, 650, 651, 912, 973, 1067A, 1105, 1230, 1255, 1261, 1269, 1270, 1289, 1290, 1294, 1295, 1296, 1297, 1298, 1302, 1303, 1304, 1305, 1306, 1308, 1309 and 1310 in the City of Great Falls, Montana, would be brought before the Great Falls City Commission for public hearing on August 4, 2020.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA**, that:

Section 1 – Maintenance Costs Assessed

The cost of maintenance for said lighting systems in the above-captioned SLD's totaling \$1,123,242 be levied and assessed upon the properties in said SLD's.

Section 2 – Assessment Method

Each lot and parcel within each SLD is hereby assessed a proportion of the maintenance costs attributed to the SLD in the proportion to which its assessable area (individual square feet) bears to the area of the whole special improvement lighting district (total square feet), exclusive of streets, avenues, alleys and public places. An assessment projection summary of each district, describing total cost, is attached hereto and, by this reference, incorporated herein as if fully set

forth. The description of each lot or parcel of land within each SLD and the respective assessments are set forth in the records of the Finance Department of the City of Great Falls, Montana and by this reference is also incorporated herein as if fully set forth.

Section 3 – Assessment Due Date

Assessments are payable in two payments and will become delinquent at 5:00 o'clock p.m. on November 30, 2020 and May 31, 2021.

PASSED AND ADOPTED by the City Commission of the City of Great Falls, Montana, this 4<sup>th</sup> day of August, 2020.

\_\_\_\_\_  
Bob Kelly, Mayor

ATTEST:

\_\_\_\_\_  
Lisa Kunz, City Clerk

(Seal of the City)

APPROVED FOR LEGAL CONTENT:

\_\_\_\_\_  
Sara R. Sexe, City Attorney

**LIGHTING DISTRICTS MAINTENANCE BUDGET & ASSESSMENT WORKSHEET**  
**RESOLUTION #10357 - EXHIBIT "A"**

DISTRICT	DISTRICT TYPE	FUND	FY 2021	FY 2021	FY 2021	FY 2021	TARGET	FY 2020	FY 2021	DIFF
			PROJECTED BEGINNING CASH	REQUESTED TOTAL EXPENSES	ESTIMATED ASSESSMENT	ENDING CASH	CASH BALANCE	ASSESSMENT	ASSESSMENT	(+/-)
18	STREET	8402	2,587	2,996	2,883	2,475	1,498	2,883	2,700	(183)
650	PERIOD	8403	47,452	10,404	7,429	44,477	5,202	7,429	6,400	(1,029)
651	STREET	8404	2,005	2,468	2,138	1,675	1,234	2,138	2,000	(138)
912	STREET	8405	14,747	15,539	11,708	10,917	7,769	11,708	10,000	(1,708)
973	STREET	8406	24,271	57	55	24,268	29	55	40	(15)
1067A	ALLEY	8407	5,854	5,492	4,760	5,122	2,746	4,760	4,000	(760)
1105	STREET	8408	3,092	4,351	3,710	2,451	2,175	3,710	3,500	(210)
1230	STREET	8409	532	214	185	503	107	185	170	(15)
1255	STREET	8410	1,126	428	371	1,068	214	371	350	(21)
1261	PERIOD	8411	16,418	9,008	8,153	15,564	4,504	8,153	8,000	(153)
1269	PERIOD	8412	93,972	28,650	25,935	91,257	14,325	25,935	22,000	(3,935)
1270	PERIOD	8413	27,294	12,016	10,417	25,695	6,008	10,417	9,500	(917)
1289	STREET	8414	9,713	15,218	11,097	5,593	7,609	11,097	11,097	-
1290	STREET	8415	1,794	1,262	1,093	1,625	631	1,093	900	(193)
1294	SLDA	8416	111,132	156,733	142,611	97,010	78,366	142,611	133,000	(9,611)
1298	SLDI	8417	19,819	23,728	10,185	6,277	11,864	10,185	10,185	-
1295	SLDC	8418	74,127	65,299	56,550	65,378	32,649	56,550	54,000	(2,550)
1296	SLDR	8419	1,089,413	1,030,048	841,943	901,308	515,024	841,943	815,000	(26,943)
1297	SLDT	8420	9,534	33,504	22,498	(1,473)	16,752	22,498	25,000	2,502
1302	ML3	8430	20,294	1,393	557	19,458	697	557	400	(157)
1304	EC1	8432	8,112	3,688	1,705	6,130	1,844	1,705	1,500	(205)
1306	ML4	8434	6,315	553	371	6,133	276	371	300	(71)
1308	ECII & III	8436	10,013	2,501	1,133	8,645	1,250	1,133	1,000	(133)
1310	ML5	8438	9,313	1,844	835	8,305	922	835	750	(85)
1303	Stone Meadow 1	8440	12,995	982	446	12,459	491	446	350	(96)
1305	Water Tower	8442	11,420	738	334	11,016	369	334	250	(84)
1309	Stone Meadow 2	8444	2,871	1,024	950	2,797	512	950	850	(100)
ALL DIST	Fund 217	8401	103,394							
			1,739,609	1,430,137	1,170,052	1,376,131	715,068	1,170,052	1,123,242	(46,810)

City-Owned Lighting Districts

Aggregate % of Increase (Decrease)

-4.0%



Commission Meeting Date: August 4, 2020

**CITY OF GREAT FALLS  
COMMISSION AGENDA REPORT**

**Item:** Resolution 10358 to Levy and Assess Great Falls Park District No. 1

**From:** Melissa Kinzler, Finance Director

**Initiated By:** Annual Budget and Assessment Process

**Presented By:** Melissa Kinzler, Finance Director

**Action Requested:** City Commission conduct public hearing and adopt Resolution 10358 to Levy and Assess Great Falls Park District No. 1

**Public Hearing:**

1. Mayor conducts public hearing, pursuant to OCCGF 1.2.050 and Title 17, Chapter 16, Article 6.
2. Mayor closes public hearing and asks the will of the Commission.

**Suggested Motion:**

1. Commissioner moves:
  - “I move that the City Commission (adopt/deny) Resolution 10358.”
2. Mayor requests a second to the motion, Commission discussion, and calls for the vote.

**Staff Recommendation:** Staff recommends the City Commission adopt Resolution 10358.

**Background:** On June 5, 2018, the City Commission adopted Resolution 10238 creating the Great Falls Park District Number 1. The boundaries of the District are the current incorporated limits of the City, as well as all properties later annexed thereto.

The Park District's overall purpose is to utilize assessment dollars and direct those monies to:

- Maintenance, repair, replacement, upkeep, installation, improvements, operation enhancement, construction, acquisition of land;
- Implementation of measures required to maintain public health and safety or meet legal or regulatory requirements;
- Purchase, replace and/or maintain equipment, tools or vehicles used to carry out the functions described herein; and/or

- Other functions, labor, supplies and/or materials necessary for management and maintenance of City-owned facilities, lands, and equipment under the responsibility and care of the City of Great Falls Park and Recreation Department including but not limited to:
  - Public parks and park areas (as described in the City of Great Falls Park and Recreation Master Plan), recreation facilities, trails, open space, urban forest, medians, boulevards, pathways, sidewalks, public easements, and other facilities which are located in the city limits and/or are owned by the City.

The Park District's revenue may not be used for programming.

According to Mont. Code Ann. Sections 7-11-2021 and 1025, prior to annually levying assessments necessary to carry out the services to be performed in the District, each year the Commission shall specify the method of assessment for the lots of parcels of land located in the District, publish notice, and conduct a public hearing on such assessment before finally adopting a resolution levying assessments against the lots of parcels of land in the District. The Commission must annually adopt a resolution establishing the annual assessment for the District.

**Fiscal Impact:** The cost of the proposed improvements for the Great Falls Park District No. 1 is \$1,500,000 annually for the first three years. Fiscal Year 2021 is year 3 of the assessment.

The annual assessment shall be based on the taxable value of each parcel within the District for a total of \$1,500,000 district-wide. The City will not receive current taxable value information from the Montana Department of Revenue until August approximately. Therefore, based on last year's valuations, the estimated annual assessment for a \$100,000 market value property would be \$25.57.

**Alternatives:** The City Commission could choose to deny Resolution 10358 to Levy and Assess Great Falls Park District No. 1. However, the reduction in services and improvements to the park system including facilities and the urban forest, or maintenance will not improve and facilities will deteriorate or close.

**Concurrences:** Park and Recreation staff is responsible for the operational expenses of the Park District Number 1. Finance staff is responsible for assessing and collecting the revenue necessary to carry out the operations.

**Attachments/Exhibits:**  
Resolution 10358

**RESOLUTION NO. 10358**

**A RESOLUTION LEVYING AND ASSESSING THE COST OF MAINTENANCE IN THE GREAT FALLS PARK DISTRICT NUMBER 1 OF THE CITY OF GREAT FALLS, MONTANA FOR THE FISCAL YEAR BEGINNING JULY 1, 2020 AND ENDING JUNE 30, 2021**

**WHEREAS**, the City Commission did create Great Falls Park District No. 1 (hereinafter “District”) by adoption of Resolution 10238 on June 5, 2018; and

**WHEREAS**, said Resolution 10238 set forth the boundaries of the District, the method of governing the District, the assessment method, estimated cost of the District and method of financing, payment of the assessment, list of properties available and the duration of the District. The District was established for the purpose of providing services including but not limited to:

- Maintenance, repair, replacement, upkeep, installation, improvements, operation enhancement, construction, reconstruction, acquisition of land;
- Implementation of measures required to maintain public health and safety or meet legal or regulatory requirements;
- Purchase, replace and/or maintain equipment, tools or vehicles used to carry out the functions described herein; and/or
- Any other functions, labor, supplies and/or materials necessary for management and maintenance of City-owned facilities, lands, and equipment under the responsibility and care of the City of Great Falls Park and Recreation Department including but not limited to:
  - Public parks and park areas (as described in the City of Great Falls Park and Recreation Master Plan), recreation facilities, trails, open space, urban forest, medians, boulevards, pathways, sidewalks, public easements, and other facilities which are located in the city limits and/or are owned by the City; and

**WHEREAS**, on July 21, 2020, the City Commission adopted Resolution 10350, Annual Budget Resolution, in which the estimated assessment for such maintenance within the District was reflected as ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000); and

**WHEREAS**, in accordance with Mont. Code Ann. § 7-11-1024 and § 7-1-4127, notice was published setting forth that Resolution No. 10358 Levying and Assessing the Cost of the

Great Falls Park District No. 1 would be brought before the Great Falls City Commission for public hearing on August 4, 2020.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA, that:**

Section 1 – Maintenance Costs Assessed

The cost of maintenance in the Great Falls Park District No. 1, totaling \$1,500,000, be levied and assessed upon the properties in said district for the fiscal year ending June 30, 2021.

Section 2 – Maintenance Assessment Method

Each lot or parcel of land, including improvements on the lot or parcel, will be assessed for that part of the cost of the District that its taxable valuation bears to the total taxable valuation of the properties within the District.

Section 3 – Assessment Due Date

Assessments are payable in two payments and will become delinquent at 5:00 o'clock p.m. on November 30, 2020 and May 31, 2021.

Section 4 – Office of Record

The official list of properties subject to potential assessment, fees or taxation of the District is on file and available for public inspection in the City Clerk’s office, and further that such list is the last completed property tax record maintained by the Department of Revenue for the county. The City Clerk’s office is designated as the office of record for the minutes to be maintained.

PASSED AND ADOPTED by the City Commission of the City of Great Falls, Montana, this 4<sup>th</sup> day of August, 2020.

\_\_\_\_\_  
Bob Kelly, Mayor

ATTEST:

\_\_\_\_\_  
Lisa Kunz, City Clerk

(Seal of the City)

APPROVED FOR LEGAL CONTENT:

\_\_\_\_\_  
Sara R. Sexe, City Attorney



Commission Meeting Date: August 4, 2020

**CITY OF GREAT FALLS  
COMMISSION AGENDA REPORT**

**Item:** Resolution 10342, Remodeling, Reconstruction or Expansion of Certain Commercial Buildings or Structure; Tax Benefit for Big Sky Select Properties, LLC, Described as Tract 2 of Certificate of Survey 3607, Section 11, T20N, R3E, PMM, Cascade County, MT.

**From:** Brad Eatherly, Planner II, Planning and Community Development

**Initiated By:** Big Sky Select Properties, LLC

**Presented By:** Craig Raymond

**Action Requested:** City Commission conduct public hearing and adopt Resolution 10342

---

**Public Hearing:**

1. Mayor conducts public hearing, pursuant to OCCGF 1.2.050 and Title 17, Chapter 16, Article 6.
  2. Mayor closes public hearing and asks the will of the Commission.
- 

**Suggested Motion:**

1. Commissioner moves:

“I move that the City Commission (adopt/deny) Resolution 10342.”

2. Mayor requests a second to the motion, Commission discussion, and calls for the vote.
- 

**Staff Recommendation:** Pursuant to Section 15-24-1501 Montana Code Annotated, Staff recommends that the City Commission adopt Resolution 10342 granting a tax benefit for Big Sky Select Properties, LLC, for the property described as Tract 2 of Certificate of Survey 3607, Section 11, T20N, R3E, Mark R, PMM, Cascade County, MT.

**Background:** The applicant is Big Sky Select Properties, LLC. The applicant is planning to expand the Milwaukee Depot Station by delicately and minimally connecting the depot to a new apartment building that would include 83 market-rate apartments along with a wine bar, food court with 4-5 restaurants, and a possible Cross Fit-like gym. The applicant has proposed connecting the existing Depot to the proposed apartment building with a glass atrium located on the rear corner of the Depot. The applicant has met with Park and Recreation and Legal staff several times to discuss the easement agreements to provide additional access to the site through Sight and Sound Park. The applicant has also met with the Historic Preservation Advisory Commission to discuss the impact to the Milwaukee Station Depot. The property is located in the federally designated Opportunity Zone for the city and the applicant is



planning to utilize Opportunity Zone funding to help subsidize the project as well. The parcel is located on 1.356 acres of vacant land. The applicant will be aggregating the parcel with the parcel that contains the Milwaukee Station Depot which will bring the total to 4.741 acres of land.

Section 15-24-1501, MCA, provides local government the option of giving Tax Benefits for the Remodeling, Reconstruction, or Expansion of Existing Buildings or Structures. Section 15-24-1501 MCA reads:

**15-24-1501. Remodeling, reconstruction, or expansion of buildings or structure – assessment provisions – levy limitations.** (1) Subject to [15-10-420](#) and the authority contained in subsection (4) of this section, remodeling, reconstruction, or expansion of existing buildings or structures, which increases their taxable value by at least 2 ½ % as determined by the department, may receive tax benefits during the construction period and for the following 5 years in accordance with subsections (2) through (4) and the following schedule. The percentages must be applied as provided in subsections (3) and (4) and are limited to the increase in taxable value caused by remodeling, reconstruction, or expansion.

Construction period	0%
First year following construction	20%
Second year following construction	40%
Third year following construction	60%
Fourth year following construction	80%
Fifth year following construction	100%
Following years	100%

The law governing this incentive was amended in 1985, requiring that each local governing body (City and County) may approve the Tax Benefit on a project basis. If one local government body approves the tax benefit and the other does not, the benefit will apply only to the mills levied by the approving governing body. In addition, tax benefits do not include any relief from state-wide levies and local government approval of the application must be made by resolution.

In December 2015, the City Commission adopted Resolution 10119 establishing certain criteria for the evaluation of tax benefit requests. The following is the criteria by which each application is to be evaluated for approval, modification or denial, along with a brief staff evaluation of the merits of the project as it pertains to each criteria:

a. Whether the City’s financial condition at the time of the application or consideration of the application warrants granting the application;

**The City’s current financial condition is somewhat weak due to recent property tax protests and settlements. Additionally, due to the ongoing Coronavirus pandemic, there are concerns regarding upcoming revenue sources.**

b. Whether the application meets all pertinent statutory criteria for the particular project;

**The application meets all statutory criteria. The project is eligible to receive abatement consideration by the City Commission.**

c. Whether the property taxes or other taxes and/or assessments on the property are current;

**All property taxes and assessments on the property are current.**

d. Whether the project may unreasonably affect the tax base of the City;

**If the applicant's requested tax benefit is approved, the direct positive tax base improvement will be delayed for five years. Staff finds, however, that the adjacent vacant, undeveloped parcel which is being incorporated into this development was providing minimal tax benefit to the City prior to the applicant's proposal. The applicant's proposal will provide construction of a multi-family apartment building as well as adding some commercial uses to the project. The applicant has also discussed adding ways of accessing the River's Edge Trail while also improving a parcel that is owned by the City's Park and Recreation Department. Included in the proposal is paved/striped/ADA parking, attractive landscaping, and more use of Sight and Sound Park. Ultimately, the City will gain significant tax revenue from the property. The applicant estimates that the cost of the construction for the project is approximately \$16,440,878.00.**

e. Whether the project would impact employment opportunities within the City;

**The one year of construction will positively impact employment opportunities in the City. Additionally, the commercial spaces would bring several permanent full-time and part-time jobs to the city.**

f. Whether the project is located within a Tax Increment Financing (TIF) or Targeted Economic Development (TED) District;

**The project is not located within any TIF or TED districts.**

g. Whether the project has already received additional financial assistance from the City or other authorities having jurisdiction;

**The project has not received additional financial assistance from the City. The project is located in an Opportunity Zone and does seek to acquire the financial benefit that is afforded through the Federal Opportunity Zone program which does not impact City revenue streams.**

h. As to applications filed pursuant to Mont. Code Ann. §15-24-1601 *et seq.*, whether the Montana State Historic Preservation Office has provided design review assistance and certification for qualifying properties;

**The applicant has not consulted the Montana State Historic Preservation Office, though they do plan to utilize the National Park Service's Standards and Guidelines for expansion of a building on the National Register of Historic Places. The applicant has met with the Great Falls/Cascade County Historic Preservation Advisory Committee. The HPAC recommended that the building material to the new apartment building be sensitive to the existing Milwaukee Station while making it obvious to the casual observer that the addition is not a part of the historical building.**

i. Whether the project will create affordable housing opportunities;

**The project will provide market-rate apartments and as such will not be creating affordable housing opportunities.**

j. Whether the project will encourage additional, unsubsidized development in the area of the project, either directly or indirectly, through “spin-off” development;

**The project is located essentially on an island. It is surrounded by City Park property and the Missouri River, and railroad right-of-way. Only one other lot nearby is privately owned and it is already developed. However, it is near enough to the downtown that staff is hopeful that the project will spur nearby owners to develop in and around downtown and beyond.**

k. Whether the project will facilitate the development process on sites which would not be developed without assistance, or would not be developed at a level of acceptable quality;

**While unsubsidized development is always the most preferred community development outcome, there are situations when tax abatement should be considered. In this instance, tax abatement is warranted to support the following objectives: 1) entrepreneurial investment, 2) high quality development, and 3) meeting the City’s objectives for redeveloping underutilized infill opportunities.**

l. Whether the project would encourage redevelopment of commercial and industrial areas in the City of Great Falls, resulting in a higher level and quality of re-investment.

**The redevelopment of the subject property will have a positive effect on the surrounding area and will likely encourage further redevelopment of nearby residential and commercial properties.**

m. Whether the project would encourage removal of blight, or the rehabilitation of a high profile or priority site;

**The project location was not located on a high priority or high profile site. As it stands currently, the property is located on a weedy, undeveloped, and vacant lot that attracts transient camping. The development of this property should help minimize the negative impacts of unsanctioned trespassing and camping activities.**

n. Whether the application is sought in whole or in part because of increased costs of redevelopment, such as clean-up of a contaminated site, demolition expenses, and the like, over and above costs normally incurred in a development;

**The project includes attaching the apartment building to the existing Milwaukee Station Depot, which is listed on the National Register of Historic Places, as delicately as possible. The applicant and his representatives have proposed to connect to the existing Depot by using more expensive materials such as glass, steel, and brick to match the Depot. Also, special windows and doors will have to be designed, ordered, and installed. The applicant is also exploring possible adjacent improvements for the benefit of the community such as extending the River’s Edge Trail System to connect the trail users with Sight and Sound Park and Downtown Great Falls and to provide additional public parking. The adjacent land would have to, at a minimum, be cleaned up, graded, and paved.**

o. Whether the project could be developed without the benefit of a tax abatement, i.e., but for the allowance of a tax abatement, the project would not be developed or pursued;

**It is unlikely that the kind of improvements already listed would be feasible without the benefit of tax abatement.**

p. Whether conferring the tax benefit will create an adverse impact on existing state, county, or municipal services;

**Granting the tax benefit will have an adverse impact on funding of these services for a period of five years. As noted previously, the investment being made on the site will have a significant positive impact on the local tax base for a long period of time.**

q. Whether the project contributes to the implementation of other policies adopted by the City, including, but not limited to, the City’s Growth Policy;

**The project significantly contributes to the goals and policies of the Growth Policy by developing and enhancing an undeveloped, vacant property within the City and supporting residential and commercial development that will enhance the Missouri River.**

r. Whether the project would meet other criteria as would be considered reasonable for the best interests of the City;

**In addition to what has been included in this agenda report, the project addresses other community interests including: 1) providing support for local entrepreneurship, and 2) facilitating market-rate apartments in the downtown area.**

As required by Section 7-1-4127 MCA, due notice of the intent to consider Resolution 10342 was provided through notices of public hearing being published in the *Great Falls Tribune* on July 19, 2020 and July 26, 2020.

**Concurrences:** The Planning and Community Development Department has coordinated with the Department of Revenue throughout the process.

**Fiscal Impact:** Approval of the application will allow the new property taxes generated from the expansion to gradually be added to the property owner’s existing property taxes over a five-year period in increments of 20% each year. The Department of Revenue will apply the tax benefit to the 2021 tax year.

At the current tax rate and estimated post-construction appraisal values, the estimated City tax revenue loss would be approximately for \$183,860 for Year 1 – the construction year. The estimated total City tax revenue over a four year period would be approximately \$459,690 if the City Commission approved the benefit.

**Alternatives:** The City Commission may choose not to adopt Resolution 10342. For such a decision, the Commission should examine the criteria above and provide an alternative basis for decision.

**Attachments/Exhibits:**  
Resolution  
Tax Abatement Application

**RESOLUTION 10342**

**A RESOLUTION APPROVING THE APPLICATION FOR TAX BENEFITS FOR REMODELING, RECONSTRUCTION, OR EXPANSION OF EXISTING COMMERCIAL BUILDINGS OR STRUCTURES; TAX BENEFIT FOR BIG SKY SELECT PROPERTIES, LLC, FOR THE PROPERTY LEGALLY DESCRIBED AS TRACT 2 OF CERTIFICATE OF SURVEY 3607, SECTION 11, T20N, R3E, PMM, CASCADE COUNTY, MT., PURSUANT TO MONT. CODE ANN. §§ 15-24-1501**

\*\*\*\*\*

**WHEREAS**, Mont. Code Ann. §§ 15-24-1501, provides the opportunity for local governing bodies to give Tax Benefits for Remodeling, Reconstruction or Expansion of Existing Commercial Buildings or Structures; and

**WHEREAS**, said encouragement allows for properties to receive a property tax reduction for the first five years; and

**WHEREAS**, the applicant, Big Sky Select Properties, LLC, has submitted an application for the Remodeling, Reconstruction, or Expansion of Certain Commercial Buildings or Structures tax benefit pursuant to Mont. Code Ann. §§ 15-24-1501 for the property described as Tract 2 of Certificate of Survey 3067, Section 11, T20N, R3E, PMM, Cascade County, MT; and

**WHEREAS**, in order for a taxpayer to receive the tax benefits, following due notice as defined in Mont. Code Ann. § 7-1-4127 and a public hearing, the City Commission, having jurisdiction, must approve by separate resolution for each project the application for tax benefits; and

**WHEREAS**, the City Commission adopted Resolution 10119 on the 1<sup>st</sup> day of December, 2015, Establishing Criteria for Evaluating Tax Abatement or Benefit Requests.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA, THAT:**

Following a public hearing and taking into consideration the criteria established in Resolution 10119, the City Commission of the City of Great Falls does hereby approve Big Sky Select Properties, LLC’s Application for Tax Exemption and Reduction for the Remodeling, Reconstruction or Expansion of Existing Commercial Buildings or Structures pursuant to Mont. Code Ann. §§ 15-24-1501.

PASSED AND ADOPTED by the City Commission of the City of Great Falls, Montana, on August 4, 2020.

\_\_\_\_\_  
Bob Kelly, Mayor

ATTEST:

\_\_\_\_\_  
Lisa Kunz, City Clerk

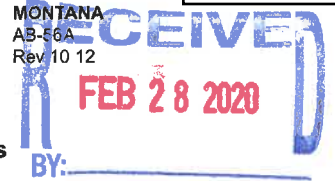
(SEAL OF CITY)

APPROVED FOR LEGAL CONTENT:

\_\_\_\_\_  
Sara Sexe, City Attorney



MONTANA  
AB-56A  
Rev 10 12



**Application for Tax Exemption and Reduction for the Remodeling,  
Reconstruction or Expansion of Existing Commercial Buildings or Structures**

This application must be submitted to the appropriate local governing body or bodies by the property owner of record or his agent. The decision of the local governing body or bodies must be mailed to the Department of Revenue before April 1 of the tax year for which the benefits are sought.

I, Big Sky Select Properties, LLC whose mailing address is \_\_\_\_\_  
Name of Applicant - Please Print  
202 2nd Avenue South, Suite 101, Great Falls, MT 59405  
Please Print

do hereby make application for tax exemption and reduction for the remodeling, reconstruction or expansion of existing commercial building(s) or structure(s), in accordance with 15-24-1502, MCA, on the following described lands. (Please attach an additional page if the legal description does not fit within this space). Legal Description: \_\_\_\_\_  
See Attachment

- ◆ I submit the following information in support of this application:
- ◆ Date that the remodeling, reconstruction or expansion will start September 15, 2020
- ◆ Date that the remodeling, reconstruction, or expansion will be completed September 15, 2021
- ◆ Date that the earliest building permit was received. N/A
- ◆ (The construction period for a specific project may not exceed 12 months.)
- ◆ Estimated cost of the remodeling, reconstruction or expansion \$ 16,440,878
- ◆ Please supply a brief description and diagram of the remodeling, reconstruction or expansion. If additional space is required, please attach additional pages.
- ◆ The commercial building or structures has not been used in a business for 0 months.
- ◆ Property taxes on the building or structures are delinquent yes  no.

Under penalty for perjury, I hereby certify the facts herein stated are true. I further acknowledge by my signature that I have reviewed the information on the reverse side of this form and understand its meaning.

[Signature] Date February 28 Year 2020  
Signature of Property Owner or Agent  
Date \_\_\_\_\_ Year \_\_\_\_\_  
Signature of Property Owner or Agent

**For County Government Purposes Only**

Application received by county governing body on \_\_\_\_\_ year \_\_\_\_\_. This application for exemption and reduction for remodeling, reconstruction or expansion of existing commercial buildings or structures is hereby:  
\_\_\_\_\_ Approved \_\_\_\_\_ Disapproved

By \_\_\_\_\_, Chairman-County Commission on \_\_\_\_\_, year \_\_\_\_\_

**For City Government Purposes Only**

Application received by city governing body on \_\_\_\_\_ year \_\_\_\_\_. This application for exemption and reduction for remodeling, reconstruction or expansion of existing commercial buildings or structures is hereby:  
\_\_\_\_\_ Approved \_\_\_\_\_ Disapproved

By \_\_\_\_\_, Authorized Agent of City Government on \_\_\_\_\_, year \_\_\_\_\_

**For Department of Revenue Purposes Only**

- ◆ Application received by Department of Revenue governing body on \_\_\_\_\_ year \_\_\_\_\_.
- ◆ The remodeling, reconstruction or expansion of the existing commercial building or structure increases the taxable value of that structure or building by at least 5% yes  no.
- ◆ This application for tax exemption and reduction for the remodeling, reconstruction, or expansion of existing commercial buildings or structures is hereby \_\_\_\_\_ Approved \_\_\_\_\_ Disapproved
- ◆ If approved, the appropriate tax benefits will be granted for the \_\_\_\_\_ tax year.

By \_\_\_\_\_, County Appraiser on \_\_\_\_\_, year \_\_\_\_\_



Commission Meeting Date: August 4, 2020

**CITY OF GREAT FALLS  
COMMISSION AGENDA REPORT**

**Item:** Resolution 10360, Remodeling, Reconstruction or Expansion of Certain Commercial Buildings or Structures; Tax Benefit for Big Sky Select Properties, LLC, 412 Central Ave, Described As Lot 4, Block 364, Original Townsite of Great Falls, Cascade County, MT

**From:** Lonnie Hill, Planner I, Planning & Community Development Department

**Initiated By:** Tim Peterson, LPW Architecture

**Presented By:** Craig Raymond, Director, Planning and Community Development Department

**Action Requested:** City Commission conduct public hearing and adopt Resolution 10360

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**Public Hearing:**

1. Mayor conducts public hearing, pursuant to OCCGF 1.2.050 and Title 17, Chapter 16, Article 6.
  2. Mayor closes public hearing and asks the will of the Commission.
- 

**Suggested Motion:**

1. Commissioner moves:

“I move that the City Commission (adopt/deny) Resolution 10360.”

2. Mayor requests a second to the motion, Commission discussion, and calls for the vote.
- 

**Staff Recommendation:** Pursuant to Section 15-24-1501 Montana Code Annotated, Staff recommends that the City Commission adopt Resolution 10360 granting a tax benefit for Big Sky Select Properties, LLC, for the property located at 412 Central Avenue, Great Falls, MT.

**Background:** Big Sky Select Properties is remodeling the 2<sup>nd</sup> and 3<sup>rd</sup> floors at 412 Central Avenue (above Mighty Mo Brewery) which historically held the Northern Hotel. The rooms were previously gutted, but the historic main stair and corridors are largely still intact. The remodel will convert the old hotel rooms into 18 market rate 1 and 2 bedroom apartments, the “Northern Lofts”.

The remodeling will include higher end finishes and will maintain and/or replace (if necessary) most of the historic finishes. All wood trim, hardwood floors, and doors in the corridors will be refinished. New historically accurate wood clad exterior windows will be installed.



This project will result in quality downtown apartments that, in conjunction with other projects, will greatly contribute to revitalizing Downtown Great Falls. The goal is that this project will be one of many, and the developers of the Northern Lofts are already seeking local and outside capital to fund additional residential development in the downtown.

Section 15-24-1501, MCA, provides local government the option of giving Tax Benefits for the Remodeling, Reconstruction or Expansion of Existing Buildings or Structures. Section 15-24-1501 MCA reads:

**15-24-1501. Remodeling, reconstruction, or expansion of buildings or structures -- assessment provisions -- levy limitations.** (1) Subject to [15-10-420](#) and the authority contained in subsection (4) of this section, remodeling, reconstruction, or expansion of existing buildings or structures, which increases their taxable value by at least 2½% as determined by the department, may receive tax benefits during the construction period and for the following 5 years in accordance with subsections (2) through (4) and the following schedule. The percentages must be applied as provided in subsections (3) and (4) and are limited to the increase in taxable value caused by remodeling, reconstruction, or expansion:

Construction period	0%
First year following construction	20%
Second year following construction	40%
Third year following construction	60%
Fourth year following construction	80%
Fifth year following construction	100%
Following years	100%

The law governing this incentive was amended in 1985, requiring that each local governing body (City and County) may approve the Tax Benefit on a project by project basis. If one local government body approves the tax benefit and the other does not, the benefit will apply only to the mills levied by the approving governing body. In addition, tax benefits do not include any relief from state-wide levies, and local government approval of the application must be made by resolution.

In December 2015, the City Commission adopted Resolution 10119 establishing certain criteria for the evaluation of tax benefit requests. The following is the criteria by which each application is to be evaluated for approval, modification or denial, along with a brief staff evaluation of the merits of the project as it pertains to each criteria:

- a. Whether the City’s financial condition at the time of the application or consideration of the application warrants granting the application;

**The City's current financial condition is fragile due to recent property tax protests and settlements, with additional concerns about future budgetary impacts related to the COVID-19 pandemic. Because the proposed tax abatement request is located within the existing Downtown Tax Increment Finance District, the most pertinent financial consideration is the condition of the Downtown TIF. Due to the re-assessment of the Energy West property, the balance in the TIF is healthy. Currently, the Downtown TIF is receiving approximately \$1.3 million of annual increment. With this said, there are requests for funding being considered in the TIF, most**

notably a forthcoming request from the City for debt service funding to renovate the façade on the Civic Center. Additionally, the Department is processing smaller requests for TIF funding for the Downtown Development Partnership and the property located at 313 and 315 Central Avenue. The Commission's decision is to determine the appropriate balance between incentivizing development requests within TIF Districts while maintaining an adequate balance for future needs.

b. Whether the application meets all pertinent statutory criteria for the particular project;

**The application meets all statutory criteria. The project is eligible to receive abatement consideration by the City Commission. As noted above, the Commission has a policy decision to make whenever it grants a property tax abatement request within a City TIF District.**

c. Whether the property taxes or other taxes and/or assessments on the property are current;

**All property taxes and assessments on the property are current.**

d. Whether the project may unreasonably affect the tax base of the City;

**If the applicant's requested tax benefit is approved, the positive TIF District and eventual tax base improvement will be delayed. The property has been providing a positive tax benefit to the TIF District prior to the applicant's investment due to the existing brewery located on the first floor. The existing 2<sup>nd</sup> and 3<sup>rd</sup> floors of the property were vacant, and were in a state of disrepair. The applicant's project: 1) will increase occupied building square footage in a prominent location on Central Avenue, 2) will completely renovate the interior of the 2<sup>nd</sup> and 3<sup>rd</sup> floors, 3) Provide market-rate apartments which have been identified as goals within the 2013 Growth Policy, Downtown Master Plan, and recent Downtown Block Visioning grant. Over the long term, the City will gain tax revenue from the property. The requested abatement will delay the City's receipt of revenue for only a short time.**

e. Whether the project would impact employment opportunities within the City;

**The applicant's project will positively impact employment opportunities in the construction trades as well as provide needed market-rate apartments in the downtown that will increase housing opportunities for potential employees of downtown companies. It is well understood that additional downtown housing provides a positive spin-off effect on the stability of existing downtown businesses as well create potential opportunities for new business investment.**

f. Whether the project is located within a Tax Increment Financing (TIF) or Targeted Economic Development (TED) District;

**The project is located within the Downtown TIF district, but not within a Targeted Economic Development (TED) District. Staff notes that granting the tax abatement will reduce the tax benefits for a five-year period to the Downtown TIF.**

g. Whether the project has already received additional financial assistance from the City or other authorities having jurisdiction;

**The applicant has not received any other financial assistance from the City to date related to this project. Additionally, this project has been included in the applicant's investment portfolio for a Federal Opportunity Zone tax credit application, which does not impact City revenue streams.**

h. As to applications filed pursuant to Mont. Code Ann. §15-24-1601 *et seq.*, whether the Montana State Historic Preservation Office has provided design review assistance and certification for qualifying properties;

**The project has received design assistance from the State Historic Preservation Office, but is not seeking certification.**

i. Whether the project will create affordable housing opportunities;

**The project will not create affordable housing opportunities, but rather market-rate apartments.**

j. Whether the project will encourage additional, unsubsidized development in the area of the project, either directly or indirectly, through "spin-off" development;

**The applicants are already looking at other unsubsidized residential development opportunities in the upper floors of other existing buildings in the downtown area, as spin-offs of this project. In addition, they are seeking local and outside capital to fund those projects. Staff also believes that the applicant's substantial investment in the property will indirectly encourage additional "spin-off" residential business development in the downtown.**

k. Whether the project will facilitate the development process and achieve development on sites which would not be developed without assistance, or would not be developed at a level of acceptable quality;

**Although unsubsidized development is the preferred community development outcome, particularly in TIF Districts, there are situations when tax abatement should be considered. In this instance, the applicant has stated interior demolition and remodeling of the apartments in an old building over an existing business has created unforeseen expenses, and the feasibility of the project is in question without the benefit of a tax abatement. The applicant has noted to staff that vacancies in the upper stories in older downtown buildings is the result of renovation projects being very difficult to achieve without public financial assistance. That being said, it should be noted that the construction project is well underway so it's difficult for staff to assess how necessary the tax benefit is to the financial viability of the project.**

l. Whether the project would encourage redevelopment of commercial and industrial areas in the City of Great Falls, resulting in a higher level and quality of re-investment;

**The redevelopment of the subject property will have a positive effect on the surrounding area and will likely encourage further re-investment and redevelopment of surrounding commercial properties, which will continue to revitalize the Downtown area.**

m. Whether the project would encourage removal of blight, or the rehabilitation of a high profile or priority site;

**The project location is located in the Downtown Central Business Core, which is considered a high priority or high profile area for blight removal and rehabilitation of older building stock. Prior to**

**the applicant's investment, the 2<sup>nd</sup> and 3<sup>rd</sup> floors of the property have been blighted and have sat idle for up to 60 years.**

n. Whether the application is sought in whole or in part because of increased costs of redevelopment, such as clean-up of a contaminated site, demolition expenses, and the like, over and above costs normally incurred in development;

**The applicant has stated that the interior demolition and remodel of an older historic building with an existing business on the first floor has created some unforeseen expenses above normally incurred costs. In addition, the applicant's intention of including high end finishes and maintaining or replacing historic finishes will lead to greater costs in comparison to more conventional building renovation projects.**

o. Whether the project could be developed without the benefit of a tax abatement; i.e., but for the allowance of a tax abatement, the project would not be developed or pursued;

**Since the tax abatement request was received after a building permit was issued and construction has begun, staff cannot attest that the project would not have been developed without the requested abatement. However, as referenced in Criteria k. and n. above, the applicant has stated that interior demolition and remodeling of the spaces in an old building over an existing business have created some unforeseen expenses, and the feasibility of the project is in question without the benefit of a tax abatement.**

p. Whether conferring the tax benefit will create an adverse impact on existing state, county or municipal services;

**Granting the tax abatement will reduce the tax benefit to the Downtown TIF for a five-year period. However, the redevelopment investment being made for the site will have a significant, positive impact on the TIF's tax base for the long term.**

q. Whether the project contributes to the implementation of other policies adopted by the City, including, but not limited to, the City's Growth Policy;

**The project significantly contributes to the goals and policies of the Growth Policy by developing new and diverse housing supply, encouraging workforce housing near to major employers, redeveloping and enhancing an underutilized property within the City and utilizing existing utilities and road infrastructure. In addition, the project contributes to a goal of the Downtown Master Plan of creating more living options in the downtown by encouraging a variety of new housing types. Within the objectives of this goal, promoting existing incentive programs to encourage residential development is identified as an objective to attract private investment and financing for downtown housing. A strong and robust downtown residential population is identified as critical to the overall health and vitality of the area.**

r. Whether the project would meet other criteria as would be considered reasonable for the best interests of the City.

**In addition to what's been included in this agenda report, the project directly addresses other community interests included in the 2012 Downtown Master Plan. Downtown residents provide a steady and consistent clientele for the retail, services, dining and entertainment uses found**

**downtown and create around-the-clock vibrancy for the area. In addition, placing residents within close proximity to jobs and amenities increases street level activity and fosters a safe and vibrant environment throughout downtown.**

As required by Section 7-1-4127 MCA, due notice of the intent to consider Resolution 10360 was provided through notices of public hearing being published in the *Great Falls Tribune* on July 19<sup>th</sup>, 2020 and July 26<sup>th</sup>, 2020.

**Fiscal Impact:** Approval of the application will allow the new property taxes generated from the expansion to gradually be added to the property owner’s existing property taxes over a five-year period in increments of 20% each year. The Department of Revenue will apply the tax benefit to the 2021 tax year.

At the current tax rate and estimated post-construction appraisal values, the approximate estimated tax revenue reduction is shown below:

- Year 1: \$20,180 estimated tax amount exempted
- Year 2: \$15,135 estimated tax amount exempted
- Year 3: \$10,090 estimated tax amount exempted
- Year 4: \$5,045 estimated tax amount exempted
- Year 5: \$0 tax amount exempted

Estimated total loss over 5 years if approved: \$50,450

**Alternatives:** The City Commission may choose not to adopt Resolution 10360. For such a decision, the Commission should examine the criteria above and provide an alternative basis for decision.

**Concurrences:** The Planning and Community Development Department has coordinated with the Department of Revenue, the City’s Finance Department, and the City Manager’s Office throughout the process.

- Attachments/Exhibits:**
- Resolution 10360
  - Tax Abatement Application

**RESOLUTION 10360**

**A RESOLUTION APPROVING THE APPLICATION FOR TAX BENEFITS FOR REMODELING, RECONSTRUCTION, OR EXPANSION OF EXISTING COMMERCIAL BUILDINGS OR STRUCTURES; TAX BENEFIT FOR BIG SKY SELECT PROPERTIES, LLC, FOR THE PROPERTY LOCATED AT 412 CENTRAL AVENUE, LEGALLY DESCRIBED AS LOT 4, BLOCK 364, GREAT FALLS ORIGINAL TOWNSITE, CASCADE COUNTY, MT., PURSUANT TO MONT. CODE ANN. §§ 15-24-1501 (2017)**

\* \* \* \* \*

**WHEREAS**, Mont. Code Ann. §§ 15-24-1501, provides the opportunity for local governing bodies to give Tax Benefits for Remodeling, Reconstruction or Expansion of Existing Commercial Buildings or Structures; and

**WHEREAS**, said encouragement allows for properties to receive a property tax reduction for the first five years; and

**WHEREAS**, the applicant, Big Sky Select Properties, LLC, has submitted an application for the Remodeling, Reconstruction, or Expansion of Certain Commercial Buildings or Structures tax benefit pursuant to Mont. Code Ann. §§ 15-24-1501 for the property located at 412 Central Avenue, described as Lot 4, block 364, Great Falls Original Townsite, Cascade County, MT; and

**WHEREAS**, in order for a taxpayer to receive the tax benefits, following due notice as defined in Mont. Code Ann. § 7-1-4127 and a public hearing, the City Commission, having jurisdiction, must approve by separate resolution for each project the application for tax benefits; and

**WHEREAS**, the City Commission adopted Resolution 10119 on the 1<sup>st</sup> day of December, 2015, Establishing Criteria for Evaluating Tax Abatement or Benefit Requests.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE**

**CITY OF GREAT FALLS, MONTANA, THAT:**

Following a public hearing and taking into consideration the criteria established in Resolution 10119, the City Commission of the City of Great Falls does hereby approve Big Sky Properties Select, LLC’s Application for Tax Exemption and Reduction for the Remodeling, Reconstruction or Expansion of Existing Commercial Buildings or Structures pursuant to Mont. Code Ann. §§ 15-24-1501.

PASSED AND ADOPTED by the City Commission of the City of Great Falls, Montana, on August 4th, 2020.

\_\_\_\_\_  
Bob Kelly, Mayor

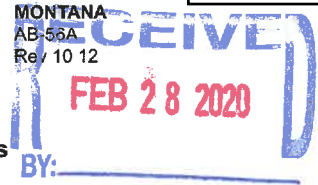
ATTEST:

\_\_\_\_\_  
Lisa Kunz, City Clerk

(SEAL OF CITY)

APPROVED FOR LEGAL CONTENT:

\_\_\_\_\_  
Sara Sexe, City Attorney



Application for Tax Exemption and Reduction for the Remodeling, Reconstruction or Expansion of Existing Commercial Buildings or Structures

This application must be submitted to the appropriate local governing body or bodies by the property owner of record or his agent. The decision of the local governing body or bodies must be mailed to the Department of Revenue before April 1 of the tax year for which the benefits are sought.

I, Big Sky Select Properties, LLC whose mailing address is 202 2nd Avenue South, Suite 101, Great Falls, MT 59405

do hereby make application for tax exemption and reduction for the remodeling, reconstruction or expansion of existing commercial building(s) or structure(s), in accordance with 15-24-1502, MCA, on the following described lands. (Please attach an additional page if the legal description does not fit within this space). Legal Description: Lot 4, Block 364, Town or Townsite of Great Falls, Cascade County, Montana

- I submit the following information in support of this application: Plans, interior renderings attached. Date that the remodeling, reconstruction or expansion will start February 26, 2020. Date that the remodeling, reconstruction, or expansion will be completed December 31, 2020. Date that the earliest building permit was received. February 26, 2020. (The construction period for a specific project may not exceed 12 months.) Estimated cost of the remodeling, reconstruction or expansion \$ 1,800,000. Please supply a brief description and diagram of the remodeling, reconstruction or expansion. If additional space is required, please attach additional pages. The commercial building or structures has not been used in a business for 0 months. Property taxes on the building or structures are delinquent yes no.

Under penalty for perjury, I hereby certify the facts herein stated are true. I further acknowledge by my signature that I have reviewed the information on the reverse side of this form and understand its meaning.

Signature of Property Owner or Agent Date February 28 Year 2020

For County Government Purposes Only

Application received by county governing body on year. This application for exemption and reduction for remodeling, reconstruction or expansion of existing commercial buildings or structures is hereby: Approved Disapproved

By, Chairman-County Commission on, year

For City Government Purposes Only

Application received by city governing body on year. This application for exemption and reduction for remodeling, reconstruction or expansion of existing commercial buildings or structures is hereby: Approved Disapproved

By, Authorized Agent of City Government on, year

For Department of Revenue Purposes Only

- Application received by Department of Revenue governing body on year. The remodeling, reconstruction or expansion of the existing commercial building or structure increases the taxable value of that structure or building by at least 5% yes no. This application for tax exemption and reduction for the remodeling, reconstruction, or expansion of existing commercial buildings or structures is hereby Approved Disapproved. If approved, the appropriate tax benefits will be granted for the tax year.

By, County Appraiser on, year





## Northern Lofts Project Narrative

Big Sky Select Properties is remodeling the 2<sup>nd</sup> and 3<sup>rd</sup> floors at 412 Central Avenue (above Mighty Mo Brewery) which floors historically held the Northern Hotel. The rooms were previously mostly gutted, but the historic main stair and corridors are largely still intact. The remodel will convert the old hotel rooms to (18) market rate 1 and 2 bedroom apartments.

The remodeling will include higher end finishes and will maintain and/or replace (if necessary) most of the historic finishes. All wood trim, hardwood floors, and doors in the corridors will be refinished. New historically accurate wood clad exterior windows will be installed.

This project will result in quality downtown apartments that, in conjunction with other projects, will greatly contribute to revitalizing downtown Great Falls. The goal is that this project will be one of many, and the developers of the Northern Lofts are already seeking local and outside capital to fund additional unsubsidized residential development downtown.

Following are items that address Resolution No. 10119:

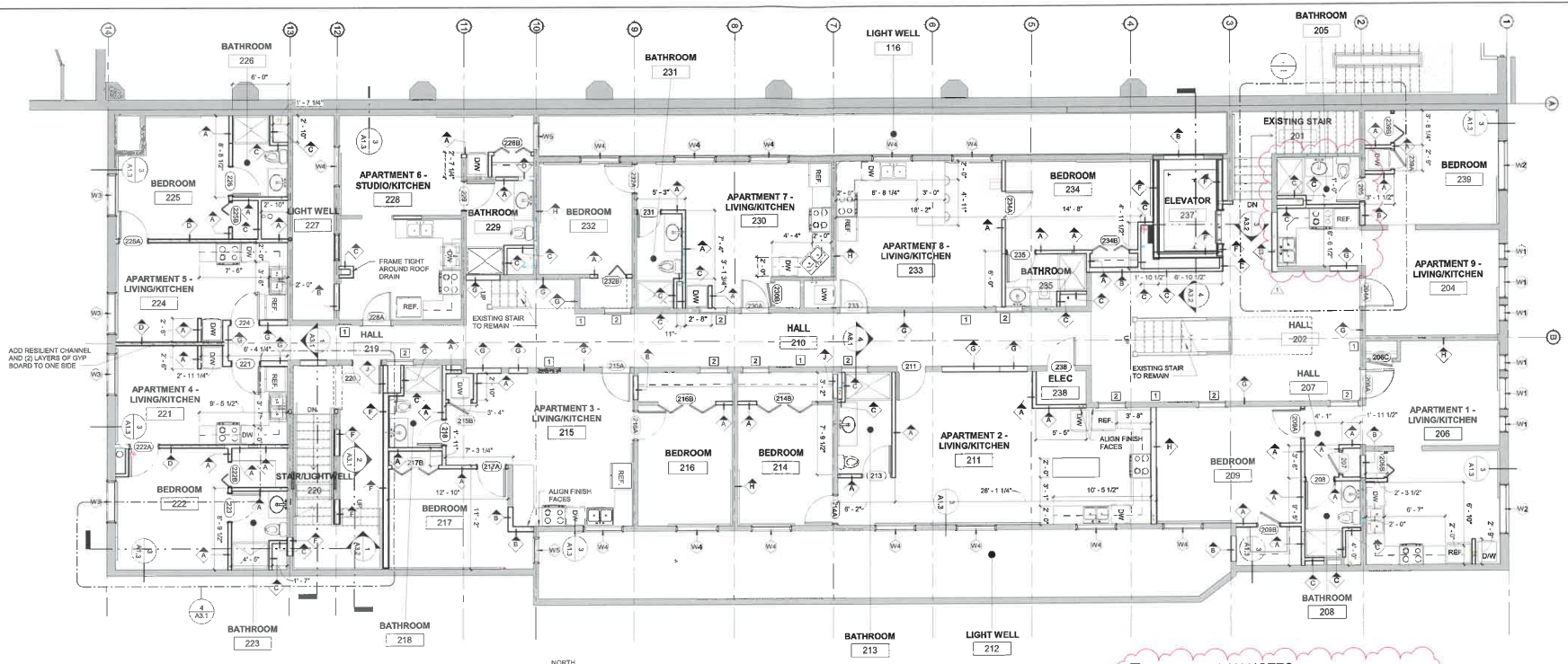
- The project will provide market-rate apartments in spaces that have sat idle for up to 60 years. During our Downtown Visioning exercise, community members pointed out that there currently is not enough affordable housing downtown and that market-rate apartments are desired.
- The one year of construction operations will positively impact employment opportunities in the City, and having market-rate apartments downtown will increase the walkability factor for potential employees of downtown companies.
- This project contributes to the city's growth policy by bringing high quality residential housing to the downtown area.
- The value of the building will increase substantially which will have a long-term positive effect on the tax base, and the project will not otherwise unreasonably affect the tax base of the City.
- The developers of the Northern Lofts are already looking at other unsubsidized residential development opportunities in the upper floors of other existing buildings downtown, as spin-offs of this project in addition to seeking local and outside capital to fund those projects.
- The project has received some design assistance from the State Historic Preservation Office, and we're in the process of putting together applications for Historical Tax Credits.
- The project has not received additional financial assistance from the City or other authorities having jurisdiction.
- Property taxes and other assessments on the property are current.

[timothy@lpwarchitecture.com](mailto:timothy@lpwarchitecture.com)

P 406.771.0770 ext. 330

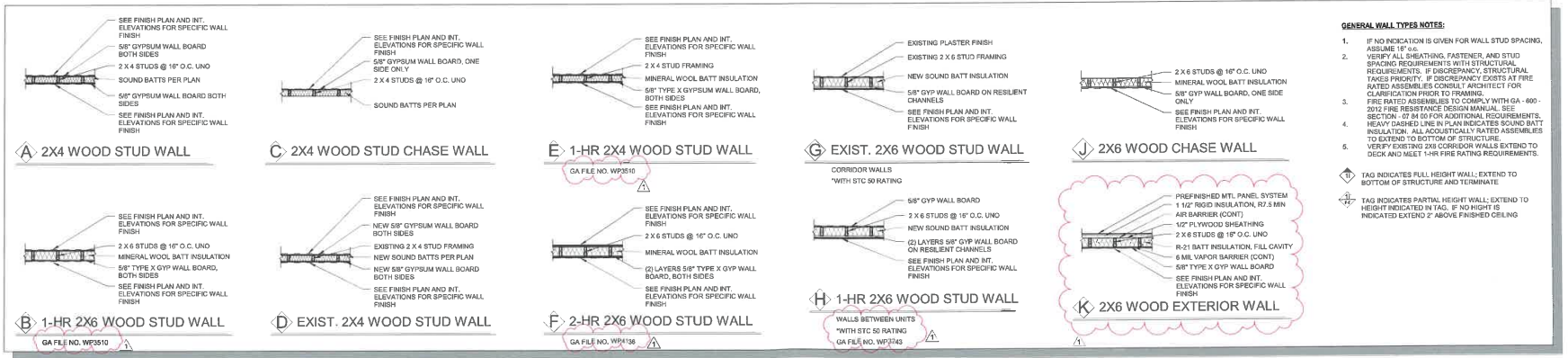
15 FIFTH STREET SOUTH  
GREAT FALLS | MT 59401

- The project is located in the Downtown Great Falls TIF District, a Targeted Economic Development District, and the Designated Opportunity Zone and is considered Qualified and Severely Distressed.
- Demolition and remodeling of the spaces in an old building over an existing business have created some unforeseen expenses, and the feasibility of the project is in question without the benefit of a tax abatement.



**1 SECOND FLOOR RENOVATION PLAN**  
 3/16" = 1'-0"

- GENERAL PLAN NOTES:**
- ON CORRIDOR SIDE OF EXISTING WALLS, ENSURE AREAS OF DAMAGED PLASTER ARE PATCHED AND REPAIRED FOR CONTINUOUS FIRE PROTECTION.
  - TAG REPRESENTS NON-OPERATIONAL DOOR, SEE DETAIL 404.1 FOR REFERENCE.



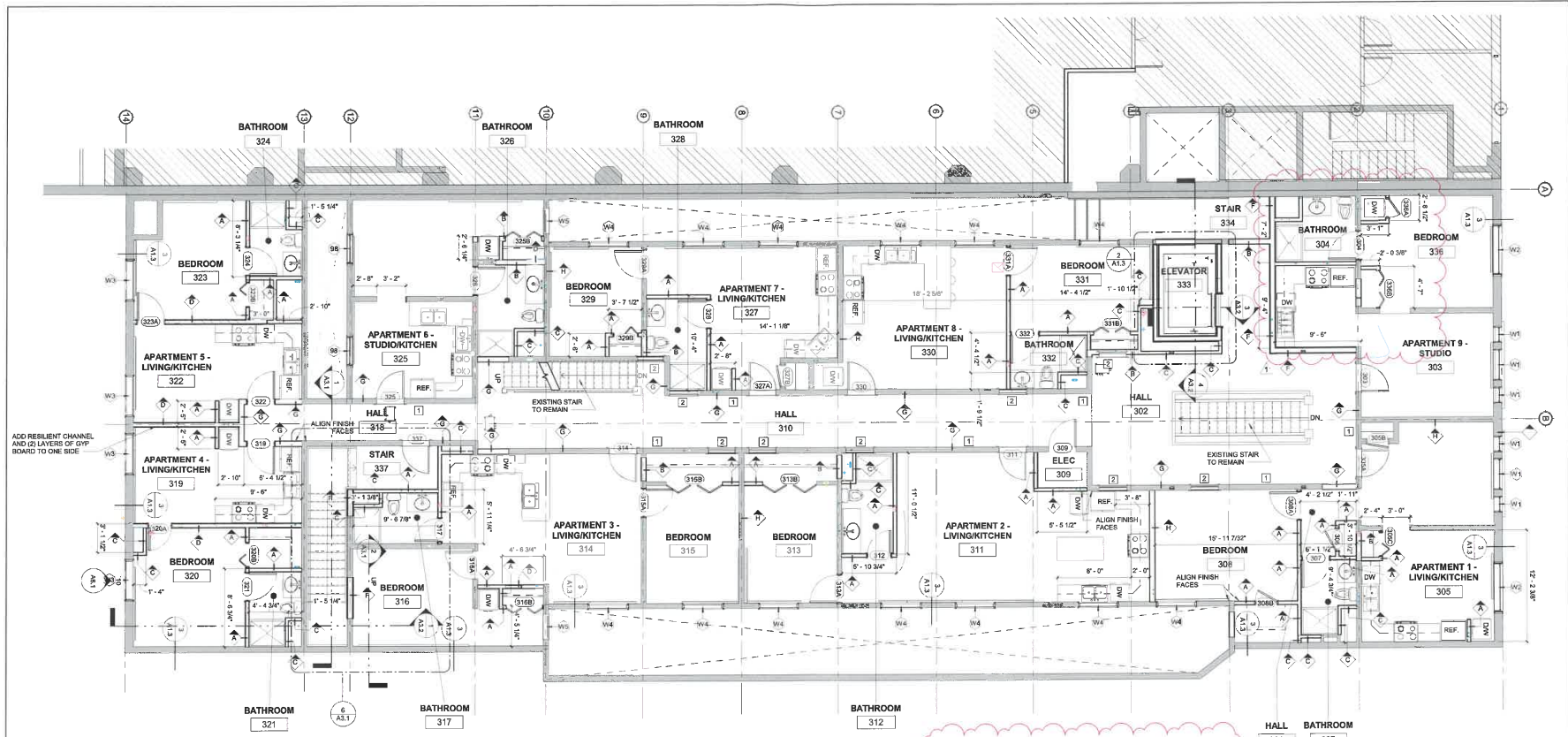
**WALL TYPES**  
 3/8" = 1'-0"

- GENERAL WALL TYPES NOTES:**
- IF NO INDICATION IS GIVEN FOR WALL STUD SPACING, ASSUME 16" O.C.
  - VERIFY ALL SHEATHING, PASTER, AND STUD SPACING REQUIREMENTS WITH STRUCTURAL REQUIREMENTS. IF DISCREPANCY, STRUCTURAL ENGINEER'S REQUIREMENTS TAKE PRECEDENCE. IF DISCREPANCY EXISTS AT FIRE RATED ASSEMBLIES CONSULT ARCHITECT FOR CLARIFICATION PRIOR TO FRAMING.
  - FIRE RATED ASSEMBLIES TO COMPLY WITH GA - 600 - 2012 FIRE RESISTANCE DESIGN MANUAL, SEE SECTION 07 41 60 FOR ADDITIONAL REQUIREMENTS. HEAVY DASHED LINE IN PLAN INDICATES SOUND BATT INSULATION. ALL ACoustically RATED ASSEMBLIES TO EXTEND TO BOTTOM OF STRUCTURE.
  - VERIFY EXISTING 2x6 CORRIDOR WALLS EXTEND TO DECK AND MEET 1-HR FIRE RATING REQUIREMENTS.
  - TAG INDICATES FULL HEIGHT WALL, EXTEND TO BOTTOM OF STRUCTURE AND TERMINATE.
  - TAG INDICATES PARTIAL HEIGHT WALL, EXTEND TO HEIGHT INDICATED IN TAG. IF NO HEIGHT IS INDICATED EXTEND 2' ABOVE FINISHED CEILING.

Revised Schedule	
No.	Date

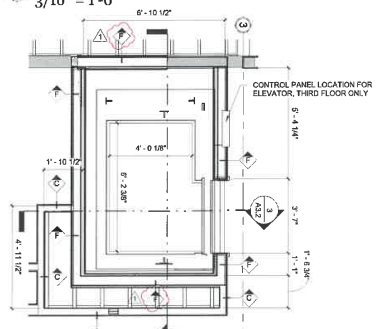
Revised Schedule	
No.	Date



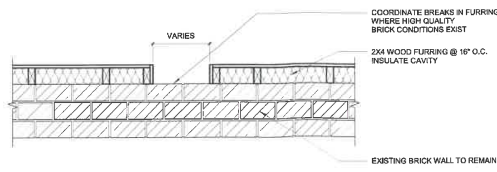
**GENERAL PLAN NOTES:**

- ON CORRIDOR SIDE OF EXISTING WALLS, ENSURE AREAS OF DAMAGED PLASTER ARE PATCHED AND REPAIRED FOR CONTINUOUS FIRE PROTECTION.
- TAG REPRESENTS NON-OPERATIONAL DOOR, SEE DETAIL 4.0A.1 FOR REFERENCE.

**1 THIRD FLOOR RENOVATION PLAN**  
 3/16" = 1'-0"



**2 ENLARGED ELEVATOR PLAN**  
 3/8" = 1'-0"



**3 EXISTING BRICK FURRING, TYP**  
 1" = 1'-0"

Revised Schedule	
NO.	DATE
1	01/15/2025

Revised Schedule	
NO.	DATE

SEE DRAWING 1, THE PROPERTY OF THE ARCHITECT, FOR THE LOCATION OF ALL EXISTING AND PROPOSED WALLS, DOORS AND WINDOWS. THE LOCATION OF EXISTING AND PROPOSED WALLS, DOORS AND WINDOWS IS SHOWN IN RED. THE LOCATION OF EXISTING AND PROPOSED WALLS, DOORS AND WINDOWS IS SHOWN IN RED.

DATE:	
DESIGNED BY:	
CHECKED BY:	
DATE:	
PROJECT NUMBER:	
SHEET NUMBER:	









Commission Meeting Date: August 4, 2020

**CITY OF GREAT FALLS  
COMMISSION AGENDA REPORT**

**Item:** Resolution 10361, Remodeling, Reconstruction or Expansion of Certain Commercial Buildings or Structures; Tax Benefit for STSA Partners, LLC, 420 Central Avenue, Described As 400 Block Condominiums Great Falls Original Townsite, Lot 6A, Block 364, Unit 420

**From:** Alaina Mattimiro, Planner I, Planning & Community Development Department

**Initiated By:** STSA Partners

**Presented By:** Craig Raymond, Director, Planning and Community Development Department

**Action Requested:** City Commission conduct public hearing and adopt Resolution 10361

**Public Hearing:**

1. Mayor conducts public hearing, pursuant to OCCGF 1.2.050 and Title 17, Chapter 16, Article 6.
2. Mayor closes public hearing and asks the will of the Commission.

**Suggested Motion:**

1. Commissioner moves:
  - “I move that the City Commission (adopt/deny) Resolution 10361.”
2. Mayor requests a second to the motion, Commission discussion, and calls for the vote.

**Staff Recommendation:** Pursuant to Section 15-24-1501 Montana Code Annotated, Staff recommends that the City Commission adopt Resolution 10361 granting a tax benefit to STSA Partners, LLC, for the property located at 420 Central Avenue, Great Falls, MT.

**Background:** The applicant is STSA Partners, LLC, who are in the planning stages of remodeling 420 Central Avenue as a theater and event space. The building at this address was home to Fairway Comfort Systems, until recently when it was split into two commercial condominium spaces. One of those spaces is now housed by Central Avenue Meats, and the remaining 8,000 square feet will be remodeled into a multi-purpose theater and event venue.

The current plans for the space include a large stage, green rooms, restrooms, a lounge and bar area, and a mezzanine area, all with the capacity to accommodate approximately 700 people. Some remodeling

has already been completed in association with the Central Avenue Meats project, such as the replacement of the roof, new HVAC rooftop units, and repaired fire sprinklers.

The applicant’s overall project goal is to create a unique downtown event venue modeled after two other projects that have been successfully undertaken in Montana communities. One is *The Wilma* concert venue space in Downtown Missoula. This space was created through the renovation of an existing historic building originally constructed in 1921. The second is the Pub Station concert venue in Downtown Billings.

Section 15-24-1501, MCA, provides local government the option of giving Tax Benefits for the Remodeling, Reconstruction or Expansion of Existing Buildings or Structures. Section 15-24-1501 MCA reads:

**15-24-1501. Remodeling, reconstruction, or expansion of buildings or structures -- assessment provisions -- levy limitations.** (1) Subject to 15-10-420 and the authority contained in subsection (4) of this section, remodeling, reconstruction, or expansion of existing buildings or structures, which increases their taxable value by at least 2½% as determined by the department, may receive tax benefits during the construction period and for the following 5 years in accordance with subsections (2) through (4) and the following schedule. The percentages must be applied as provided in subsections (3) and (4) and are limited to the increase in taxable value caused by remodeling, reconstruction, or expansion:

Construction period	0%
First year following construction	20%
Second year following construction	40%
Third year following construction	60%
Fourth year following construction	80%
Fifth year following construction	100%
Following years	100%

The law governing this incentive was amended in 1985, requiring that each local governing body (City and County) may approve the Tax Benefit on a project by project basis. If one local government body approves the tax benefit and the other does not, the benefit will apply only to the mills levied by the approving governing body. In addition, tax benefits do not include any relief from state-wide levies, and local government approval of the application must be made by resolution.

In December 2015, the City Commission adopted Resolution 10119 establishing certain criteria for the evaluation of tax benefit requests. The following is the criteria by which each application is to be evaluated for approval, modification or denial, along with a brief staff evaluation of the merits of the project as it pertains to each criteria:

- a. Whether the City’s financial condition at the time of the application or consideration of the application warrants granting the application;



**The City's current financial condition is anemic due to recent property tax protests and settlements, with additional concerns about future budgetary impacts related to the COVID-19 pandemic. Because the proposed tax abatement request is located within the existing Downtown Tax Increment Finance District, the most pertinent financial consideration is the condition of the Downtown TIF. Due to the re-assessment of the Energy West property, the balance in the TIF is healthy. Currently, the Downtown TIF is receiving approximately \$1.3 million of annual increment. With this said, there are requests for funding being considered in the TIF, most notably a request from the City for debt service funding to stabilize the façade on the Civic Center. Additionally, the Department is considering smaller requests for TIF funding for the Downtown Development Partnership and the property located at 313 and 315 Central Avenue. The Commission's decision is to determine the appropriate balance between incentivizing development requests within TIF Districts while maintaining an adequate balance for future needs.**

b. Whether the application meets all pertinent statutory criteria for the particular project;

**The application meets all statutory criteria. The project is eligible to receive abatement consideration by the City Commission. As noted above, the Commission has a policy decision to make whenever it considers a property tax abatement request within a City TIF District.**

c. Whether the property taxes or other taxes and/or assessments on the property are current;

**The property taxes and/or other assessments on the property are current.**

d. Whether the project may unreasonably affect the tax base of the City;

**One of the two condominium spaces in the building has been renovated and re-activated for the Central Avenue Meats business. The existing 8,000 square foot space proposed for the concert venue is vacant and is in a state of disrepair. While the direct positive tax base improvement will be delayed for five years, ultimately, the City will gain tax revenue from the property. The partners plan to invest approximately \$1 million into this project. The value of the building will increase substantially which will have a long-term positive effect on the tax base.**

e. Whether the project would impact employment opportunities within the City;

**During the remodeling stage, this project will support construction employment. Once the facility is open, STSA plans to hire 20-25 employees for the Newberry concert venue, including 4-5 full time employees.**

f. Whether the project is located within a Tax Increment Financing (TIF) or Targeted Economic Development (TED) District;

**The project is located in the Downtown Great Falls TIF District, but is not located in a Targeted Economic Development District. During the five year abatement period, the amount of taxable value contributing to the TIF District will impact the funding available for future requests in the short term.**

g. Whether the project has already received additional financial assistance from the City or other authorities having jurisdiction;

**The project has not received additional financial assistance from the City or other authorities having jurisdiction. The applicant has requested an application for, but has not submitted a request for Downtown TIF funding in addition to the Tax Abatement.**

h. As to applications filed pursuant to Mont. Code Ann. §15-24-1601 *et seq.*, whether the Montana State Historic Preservation Office has provided design review assistance and certification for qualifying properties;

**The building has been designated as “non-contributing” by the State Historical Preservation Office, and certification will not be pursued.**

i. Whether the project will create affordable housing opportunities;

**As a theater/event space, this project will not create affordable housing.**

j. Whether the project will encourage additional, unsubsidized development in the area of the project, either directly or indirectly, through “spin-off” development;

**This event space will encourage “spin-off” development throughout the central business core and periphery area. The substantial investment in the property should send a positive message to nearby property and business owners and trigger further development along Central Avenue and the surrounding areas. In addition, due to the nature of the business, large shows and events will positively affect downtown sales in other businesses, which will also positively affect employment opportunities in the city.**

k. Whether the project will facilitate the development process and achieve development on sites which would not be developed without assistance, or would not be developed at a level of acceptable quality;

**While unsubsidized development is always the most preferable community development outcome, there are situations when tax abatement can be considered. In this instance, tax abatement is a reasonable incentive to consider because the project is offering a unique entertainment venue to the downtown. The applicant has indicated an intent to offer over 100 performance events each calendar year. This would not only create a high-level outcome for the existing building space, but create additional opportunities for additional investment downtown.**

l. Whether the project would encourage redevelopment of commercial and industrial areas in the City of Great Falls, resulting in a higher level and quality of re-investment;

**As noted above, the redevelopment of the subject property will have a positive effect on the surrounding area and will likely encourage further redevelopment of surrounding commercial properties. This project will be a catalyst for future development downtown. The STSA partners are also looking at future needs and opportunities in the area.**

m. Whether the project would encourage removal of blight, or the rehabilitation of a high profile or priority site;

**The project is located in a high profile space. The façade of the building is currently covered with plywood, but the new façade will complement the adjacent façade of Central Avenue Meats. This development and remodeling will encourage the removal of blight in other spaces in the downtown area.**

n. Whether the application is sought in whole or in part because of increased costs of redevelopment, such as clean-up of a contaminated site, demolition expenses, and the like, over and above costs normally incurred in development;

**Converting a past retail business to a concert venue requires major structural upgrades on the roof and floor structure, and the feasibility of the project is in question without the benefit of a tax abatement. Most importantly, the project has some element of risk because it is proposing a business plan that would be new to the downtown area – a private concert venue space of sufficient quality to attract well-known entertainers to Great Falls.**

o. Whether the project could be developed without the benefit of a tax abatement; i.e., but for the allowance of a tax abatement, the project would not be developed or pursued;

**As noted above, the renovation of the existing space requires a number of structural upgrades and is more generally a unique development project to Downtown Great Falls. The applicant has indicated that the tax abatement request is key to project viability.**

p. Whether conferring the tax benefit will create an adverse impact on existing state, county or municipal services;

**Granting the tax abatement will reduce the tax benefits to the Downtown TIF for a five-year period. As noted previously, the redevelopment investment being made for the site will have a significant, positive impact on the Downtown TIF for a long period of time.**

q. Whether the project contributes to the implementation of other policies adopted by the City, including, but not limited to, the City’s Growth Policy;

**The City’s Growth Policy sets goals for utilizing existing infrastructure and utilities, promoting infill development, encouraging new small businesses, keeping downtown vibrant, and developing urban amenities and new events. The Newberry event space, with the assistance of a tax abatement, would substantially support these goals.**

r. Whether the project would meet other criteria as would be considered reasonable for the best interests of the City.

**In addition to the impacts aforementioned in this report, the Newberry project will address a niche and need that has been identified within the City.**

As required by Section 7-1-4127 MCA, due notice of the intent to consider Resolution 10361 was provided through notices of public hearing being published in the *Great Falls Tribune* on July 19, 2020 and July 26, 2020.

**Fiscal Impact:**

If approved, this tax abatement will allow the new property taxes generated from the expansion to be gradually added to the property owner’s existing property taxes. This would happen over a five-year period, set in increments of 20% each year. The Department of Revenue will apply the tax benefit to the 2021 tax year.

Based on the current tax rate, and the estimated costs of remodeling and post-construction appraisal values, the estimated City tax revenue reduction in the Downtown TIF would be \$11,200 for the first year. The estimated total City tax revenue reduction over the 5-year period would be approximately \$28,000, if the City Commission approved the abatement.

- Year 1 – estimated tax amount exempted \$11,200
- Year 2 - estimated tax amount exempted \$8,400
- Year 3 - estimated tax amount exempted \$5,600
- Year 4 - estimated tax amount exempted \$2,800

**Alternatives:** The City Commission may choose not to adopt Resolution 10361. For such a decision, the Commission should examine the criteria above and provide an alternative basis for decision.

**Concurrences:** The Planning and Community Development Department has coordinated with the Department of Revenue, the City's Finance Department, and the City Manager's Office throughout the process.

**Attachments/Exhibits:**

Resolution 10361

Tax Abatement Application

Narrative for Newberry Event Venue

RESOLUTION 10361

A RESOLUTION APPROVING THE APPLICATION FOR TAX BENEFITS FOR REMODELING, RECONSTRUCTION, OR EXPANSION OF EXISTING COMMERCIAL BUILDINGS OR STRUCTURES; TAX BENEFIT FOR STSA PARTNERS LLC, FOR THE PROPERTY ADRESSED AS 420 CENTRAL AVENUE AND LEGALLY DESCRIBED AS 400 BLOCK CONDOMINIUMS GREAT FALLS ORIGINAL TOWNSITE LOT 6A BLK 364 UNIT 420, SEC. 12, T20N, R3E, PMM CASCADE COUNTY, MT., PURSUANT TO MONT. CODE ANN. §§ 15-24-1501 AND 15-24-1502 (2019)

\* \* \* \* \*

WHEREAS, Mont. Code Ann. §§ 15-24-1501 and 15-24-1502, provides the opportunity for local governing bodies to give Tax Benefits for Remodeling, Reconstruction or Expansion of Existing Commercial Buildings or Structures; and

WHEREAS, said encouragement allows for properties to receive a property tax reduction for the first five years; and

WHEREAS, the applicant, STSA Partners LLC, has submitted an application for the Remodeling, Reconstruction, or Expansion of Certain Commercial Buildings or Structures tax benefit pursuant to Mont. Code Ann. §§ 15-24-1501 and 15-24-1502 for the property addressed as 420 Central Avenue and legally described as 400 Block Condominiums Great Falls Original Townsite, Lot 6A, Block 364, Unit 420, Cascade County, MT; and

WHEREAS, in order for a taxpayer to receive the tax benefits, following due notice as defined in Mont. Code Ann. § 7-1-4127 and a public hearing, the City Commission, having jurisdiction, must approve by separate resolution for each project the application for tax benefits; and

WHEREAS, the City Commission adopted Resolution 10119 on the 1<sup>st</sup> day of December, 2015, Establishing Criteria for Evaluating Tax Abatement or Benefit Requests.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA, THAT:

Following a public hearing and taking into consideration the criteria established in Resolution 10119, the City Commission of the City of Great Falls does hereby approve STSA Partners, LLC's Application for Tax Exemption and Reduction for the Remodeling, Reconstruction or Expansion of Existing Commercial Buildings or Structures pursuant to Mont. Code Ann. §§ 15-24-1501 and 15-24-1502.

PASSED AND ADOPTED by the City Commission of the City of Great Falls, Montana, on August 4th, 2020.

\_\_\_\_\_  
Bob Kelly, Mayor

ATTEST:

\_\_\_\_\_  
Lisa Kunz, City Clerk

(SEAL OF CITY)

APPROVED FOR LEGAL CONTENT:

\_\_\_\_\_  
Sara Sexe, City Attorney



Application for Tax Exemption and Reduction for the Remodeling, Reconstruction or Expansion of Existing Commercial Buildings or Structures

This application must be submitted to the appropriate local governing body or bodies by the property owner of record or his agent. The decision of the local governing body or bodies must be mailed to the Department of Revenue before April 1 of the tax year for which the benefits are sought.

I, Andrew William Ferrin, whose mailing address is 308 1st Ave South Great Falls, MT 59401

do hereby make application for tax exemption and reduction for the remodeling, reconstruction or expansion of existing commercial building(s) or structure(s), in accordance with 15-24-1502, MCA, on the following described lands. (Please attach an additional page if the legal description does not fit within this space). Legal Description:

420 Central Avenue Great Falls, MT 59401
Property Number 02-3015-12-2-15-11-0000
in Nov we Condo'd out the Property with Drew Hicks

- I submit the following information in support of this application:
Date that the remodeling, reconstruction or expansion will start April 15th 2020
Date that the remodeling, reconstruction, or expansion will be completed Sept 1st 2020
Date that the earliest building permit was received. do not have yet. ETA next 30 days
(The construction period for a specific project may not exceed 12 months.)
Estimated cost of the remodeling, reconstruction or expansion \$ 1.2 million
Please supply a brief description and diagram of the remodeling, reconstruction or expansion. If additional space is required, please attach additional pages. See attached Blueprints
The commercial building or structures has not been used in a business for close to 18 months.
Property taxes on the building or structures are delinquent yes X no.

Under penalty for perjury, I hereby certify the facts herein stated are true. I further acknowledge by my signature that I have reviewed the information on the reverse side of this form and understand its meaning.

Signature of Property Owner or Agent: [Signature] Date Feb 27th Year 2020

For County Government Purposes Only

Application received by county governing body on \_\_\_\_\_ year \_\_\_\_\_. This application for exemption and reduction for remodeling, reconstruction or expansion of existing commercial buildings or structures is hereby:

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_

By \_\_\_\_\_, Chairman-County Commission on \_\_\_\_\_, year \_\_\_\_\_

For City Government Purposes Only

Application received by city governing body on \_\_\_\_\_ year \_\_\_\_\_. This application for exemption and reduction for remodeling, reconstruction or expansion of existing commercial buildings or structures is hereby:

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_

By \_\_\_\_\_, Authorized Agent of City Government on \_\_\_\_\_, year \_\_\_\_\_



## The Newberry Theater Project Narrative

STSA Partners is in the planning stages of remodeling 420 Central Avenue for a theater/event space. The building most recently housed Fairway Comfort Systems. Last year, the building was split into 2 commercial condominium spaces. Drew Hicks with Central Avenue Meats is close to complete with his remodel of a craft butcher shop in his portion of the building. The remainder of the building (approximately 8,000 sf) was purchased by STSA, and will be remodeled into a multi-purpose theater and event space with a capacity of approximately 700 people.

The individuals in STSA Partners are also owners in LPW Architecture, Mighty Mo Brewing Company, Enbar Craft Cocktail Lounge, and The Block Bar and Grill downtown, and have a passion for making downtown great. They are also the founding members of Downtown Summer Jam. As experienced with the Downtown Summer Jam, the traffic generated downtown for the events at the Newberry will positively affect business for all surrounding retailers/restaurants downtown.

The remodel will include higher end finishes, similar to the vernacular of Enbar and Mighty Mo. All original hardwood floors are going to be refinished. The following spaces are going to be constructed:

- Large stage (with a state-of-the-art sound and light system)
- Green rooms (dressing rooms for performers)
- Large restrooms
- Bar/lounge/queuing area for concerts
- Mezzanine area for private events and VIP seating

The partners have already replaced the roof, installed new HVAC rooftop units for heating and air-conditioning, and repaired the fire sprinklers.

Following are items that address Resolution No. 10119:

- Property taxes and/or other assessments on the property are current.
- The project will not unreasonably affect the tax base of the City. The partners plan to invest approximately \$1 million into this project. The value of the building will increase substantially which will have long-term positive effect on the tax base.
- The one year of construction operations will impact employment opportunities in the city.
- Once the facility is open, STSA plans to hire 20-25 employees for the Newberry, including 4-5 full-time employees. Nights with large shows will positively affect downtown sales in other businesses, which will also positively affect employment opportunities in the city.

[timothy@lpwarchitecture.com](mailto:timothy@lpwarchitecture.com)

P 406.771.0770 ext. 330

15 FIFTH STREET SOUTH  
GREAT FALLS | MT 59401



- The project is located in the Downtown Great Falls TIF District, and in a Targeted Economic Development District. The property is in the Designated Opportunity Zone, and is considered Qualified and Severely Distressed.
- The project has not received additional financial assistance from the City or other authorities having jurisdiction.
- The building has been designated as “non-contributing” by the State Historical Preservation Office, and certification will not be pursued.
- As a theater/event space, the project will not create affordable housing opportunities.
- The developers of this project visited similar venues in Billings and Missoula. Owners of surrounding businesses all said that their revenues are much larger on nights that the concert venues have shows. We expect the same to happen in downtown Great Falls. 700 concert goers will need a place to park. The parking garages should see a large increase in revenue on nights that we have shows.
- This project will be a catalyst for future development downtown. The STSA partners are also looking at future needs and opportunities in the area.
- The façade portion of the building that will be remodeled for the Newberry is currently covered with plywood, certainly not a good look for downtown. The new façade will complement the Central Avenue Meats façade next door.
- Converting a past retail business to a concert venue requires major structural upgrades on the roof and floor structure, and the feasibility of the project is in question without the benefit of a tax abatement.
- This project will not be developed without the benefit of a tax abatement.



Commission Meeting Date: August 4, 2020

**CITY OF GREAT FALLS  
COMMISSION AGENDA REPORT**

**Item:** Ordinance 3220, “An Ordinance Repealing and Replacing Title 3 of the Official Code of the City of Great Falls (OCCGF), pertaining to Revenue and Finance, and review of the proposed corresponding updates to the City of Great Falls Purchasing Policy.”

**From:** Legal Department/Finance Department

**Initiated By:** Legal Department/Finance Department

**Presented By:** Sara R. Sexe, City Attorney  
Melissa Kinzler, Finance Director

**Action Requested:** Accept Ordinance 3220 on first reading and set public hearing for August 18, 2020.

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**Suggested Motion:**

1. Commissioner moves:

“I move that the City Commission (accept/not accept) Ordinance 3220 on first reading and set the public hearing for August 18, 2020.”

2. Mayor requests a second to the motion, public comment, Commission discussion, and calls for the vote.

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**Background/Recommendation:**

In order to improve on process consistency, efficiency, and predictability for City staff and outside vendors and contractors, over the past couple of years City Staff endeavored to update the City Financial Policies for City Manager and City Commission consideration. Staff formed a City Purchasing Policy Committee which included the Deputy City Manager and representatives from the Finance, Legal, City Clerk’s Office, Park & Recreation, Police, Fire, Human Resources, Planning & Community Development, and Public Works Departments. The Committee met once a week from August 2018 to February 2019 and Finance met with individuals on specific items after February 2019. The Committee made efforts to align the Policies with current law and City practice. The Committee also considered and vetted various process improvements for consideration.

The last update to the purchasing policies was in December, 2004. Since then, many City departments had questions about old outdated policies. Also, the City financial software changed on July 1, 2020. Staff intended to present these policy updates before the July 1 software implementation in order to create a smooth transition, but scheduling was delayed because of the COVID-19 pandemic.

The City's purchasing is decentralized, meaning that each Department completes its own purchases. The Committee looked at changing policies to be more efficient for staff in all departments to maintain this decentralized process, while maintaining internal controls.

At the July 21, 2020 Work Session Staff presented the City Commission with drafts of the updated Purchasing Policies and proposed Title 3 code changes. At that time, Commissioner Houck recommended changing the policy regarding tip amounts to not more than 20%, versus 15%. This change was made to the Purchasing Policy, attachment 4.

Staff refers to the proposed Purchasing Policy, the July 21, 2020 Work Session presentation, and attached forms for full details of the proposed substantive changes. A summary of the changes from the 2004 Policy, includes:

- 1) Increasing City Manager-required Approval from \$5,000 to \$25,000;
- 2) Increasing Fixed Assets threshold amounts from \$5,000 to \$25,000 (which was supported by City auditors);
- 3) Changing from a \$5,000 report to \$25,000 report (staff would alternatively suggest deleting the report entirely and instead providing a check register with all checks. Once the transition to the new software is complete a \$25,000 report and a corresponding register will be provided for the Commission to review and indicate preference);
- 4) Changing the requirement of three written quotes for purchases up to \$25,000 to two written or oral quotes or other supporting documentation;
- 5) Changing the requirement for three written quotes for purchases over \$25,000 and up to \$80,000, to requiring departments to solicit a minimum of two written quotes;
- 6) Updating the Quotes form;
- 7) Updating the Sole Source form;
- 8) Allowing for an annual Small Works Roster, so that contractors may annually sign contracts and provide insurance and other documentation to be included on the Roster and be more readily available for immediate City needs for services under \$25,000, without having to go through contract approval processes and obtaining insurance coverages and endorsements for multiple projects throughout the year;
- 9) Creating checklists and flowcharts for staff's use for compliance with processes and laws;
- 10) Adding an IT purchasing policy, requiring that technology purchases must be reviewed by the IT Manager prior to purchase;
- 11) Adding a Central Garage section, requiring purchases to be reviewed by Central Garage Fleet Manager and then approved by City Manager;
- 12) Creating an electronic Intent to Create form and processes;
- 13) Updates to the Architectural, Engineering, and Surveying Policy;
- 14) Increasing petty cash up to \$100 rather than the previous limit of \$35; and
- 15) Updating Real and Personal Property Sale, Trade, or Lease Policy to have consistent dollar amounts of \$25,000.

Staff is recommending changes to Title 3 to correspond with the proposed Purchasing Policy changes. Ordinance 3220 and Exhibit A are attached to this Agenda Report for the Commission's consideration. Staff recommends that the City Commission accept Ordinance 3220 on first reading and set it for public hearing for August 18, 2020. At the August 18, 2020 meeting, after public hearing, staff will recommend adoption of Ordinance 3220 and approval of the updated Purchasing Policies and attachments. To allow for finance consistency, staff requests that the effective date of both be noted as July 1, 2020.

**Fiscal Impact:** No direct fiscal impacts are anticipated, however, indirect efficiencies of staff time resulting from updated processes are expected.

**Staff Recommendation:** Staff recommends that the City Commission accept Ordinance 3220 on first reading and set the public hearing for August 18, 2020.

**Concurrences:**

City Manager  
Deputy City Manager  
All City Departments

**Attachments/Exhibits:**

Ordinance 3220;  
Ord. 3220, Exhibit A;  
Purchasing Policy with attachments 1-27

**ORDINANCE 3220**

**AN ORDINANCE REPEALING AND REPLACING TITLE 3 OF THE OFFICIAL CODE OF THE CITY OF GREAT FALLS (OCCGF) PERTAINING TO REVENUE AND FINANCE**

\* \* \* \* \*

**WHEREAS**, in order to improve on process consistency, efficiency, and predictability for City staff and outside vendors and contractors, City staff endeavored to update City Financial Policies which had been in effect since December, 2004; and

**WHEREAS**, the City’s purchasing is decentralized, meaning that each Department completes their own purchases, the City desires to update and change its policies to be more efficient for staff in all departments to maintain this decentralized process, while maintaining internal controls; and

**WHEREAS**, Staff formed a City Purchasing Policy Committee which included the Deputy City Manager, representatives from the Finance, Legal, City Clerk’s Office, Park & Recreation, Police, Fire, Human Resources, Planning and Community Development, and Public Works Departments, to align the Policies with current law and City practice; and

**WHEREAS**, the Committee also considered and vetted various process improvements since the last update to the purchasing policies; and

**WHEREAS**, the City financial software changed on July 1, 2020 and Staff had intended to present policy updates before the July 1 software implementation in order to create a smooth transition, but scheduling was delayed because of the COVID-19 pandemic; and

**WHEREAS**, the Title 3 requires revision, in order to correspond with the Purchasing Policy update.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF GREAT FALLS, MONTANA:**

Section 1. OCCGF Title 3 is hereby repealed and replaced as depicted by Exhibit “A” attached hereto and by reference incorporated herein, with deleted language identified by ~~strikeout~~ and inserted language **bolded**; and

Section 2. The changes to Title 3 are retroactive to July 1, 2020; and

Section 3. This ordinance shall be in full force and effect thirty (30) days after second reading and final adoption by the City Commission.

ACCEPTED by the City Commission of the City of Great Falls, Montana on first reading August 4, 2020.

ADOPTED by the City Commission of the City of Great Falls, Montana on second reading August 18, 2020.

\_\_\_\_\_  
Bob Kelly, Mayor

ATTEST:

(CITY SEAL)

\_\_\_\_\_  
Lisa Kunz, City Clerk

APPROVED FOR LEGAL CONTENT:

\_\_\_\_\_  
Sara R. Sexe, City Attorney

State of Montana    )  
County of Cascade : ss  
City of Great Falls )

I, Lisa Kunz, City Clerk of the City of Great Falls, Montana, do certify that I did post as required by law and as prescribed and directed by the Commission, Ordinance 3220 on the Great Falls Civic Center posting board and the Great Falls City website.

\_\_\_\_\_  
Lisa Kunz, City Clerk

(CITY SEAL)

Exhibit "A"

Title 3 REVENUE AND FINANCE

**Title 3 REVENUE AND FINANCE**

**Chapter**

**Chapter 1 RESERVED**

Chapter 2 - ~~BIDDING PREFERENCE FOR COMMUNITY INVESTMENT~~ **REPEALED AND RESERVED**

**Chapter 3 RESERVED**

Chapter 4 - REAL AND PERSONAL PROPERTY SALE, TRADE OR LEASE

**Chapter 5 RESERVED**

Chapter 6 - SALE OF UNCLAIMED PERSONAL PROPERTY

**Chapter 7 RESERVED**

Chapter 8 - PURCHASING

**Chapter 9 RESERVED**

Chapter 10 - CONTRACTS

**Chapter 11 RESERVED**

Chapter 12 - SPECIAL IMPROVEMENT DISTRICT REVOLVING FUND

**Chapter 1 RESERVED**

**Chapter 2 REPEALED and RESERVED ~~BIDDING PREFERENCE FOR COMMUNITY INVESTMENT~~**

**Sections:**

~~3.2.010 Purpose.~~

~~3.2.020 Preference.~~

~~3.2.010 Purpose.~~

~~To promote investment and employment in the local community, it is hereby deemed to be in the public interest to allow a preference in awarding public contracts to certain contractors who invest in employment producing businesses or institutions in Great Falls. Such a preference may be allowed at the discretion of the City Commission when the contract and investment opportunities are conducive to the application.~~

Exhibit "A"

Title 3 REVENUE AND FINANCE

**3.2.020 Preference.**

- ~~A. A public contract may be awarded to the lowest responsible bidder and, when qualifying, bids shall be compared after reducing the amount bid by a credit which shall not exceed five (5) percent of the original bid amount. A bid qualifies for the credit as follows:~~
- ~~1. The City shall allow a credit, in a ratio to be determined by the City Commission, for an amount committed by the bidder to an employment producing business or institution in the City.~~
  - ~~2. Such an investment commitment shall be expressly included in the contract and must be demonstrably employment producing in a new or expanding business or institution.~~
  - ~~3. The City Commission must approve the proposed investment to ensure compliance with the public purpose.~~
- ~~B. If the investment is not made within the contract period, the bidder will make payment in the full amount of the investment commitment to the Economic Development Revolving Fund at the expiration of said contract. Such amount may be withheld from final payments due under the contract.~~

**Chapter 3 RESERVED**

**Chapter 4 REAL AND PERSONAL PROPERTY SALE, TRADE OR LEASE**

**Sections:**

- 3.04.010 Sale, trade or lease.
- 3.04.020 Park Board.
- 3.04.030 Public hearing.
- 3.04.040 Appraisal.
- 3.04.050 Bidding.
- 3.04.060 Development proposal.
- 3.04.070 Sell, trade or lease—personal property.
- 3.04.080 Sale, trade, grant, donate or lease to governmental entities.

**3.04.010 Sale, trade or lease.**

The City may sell, trade or lease for any period of time any real property whether or not the same be held in trust for a specific purpose without a vote of the electors and when passed by a four-fifths ( 4/5 ) vote of all the members of the City Commission.

**3.04.020 Park Board.**

~~In the case of~~ **If property is held in trust for park purposes, and before the sale, trade or lease of the same, the Park Board shall review the any proposal for sale, trade or lease of the property, and make a recommendation to the City Commission.**



## Exhibit "A"

## Title 3 REVENUE AND FINANCE

**3.04.030 Public hearing.**

Before final consideration by the City Commission of the sale, trade or lease of City property, the City Commission shall hold a public hearing thereon and allow at least fifteen (15) days' notice of the time and place of such hearing to be published in a paper of general circulation in the City.

**3.04.040 Appraisal.**

- A. The City shall obtain an appraisal of the subject property for sale or trade to determine a minimum price except and unless the cost of appraisal is estimated to exceed seven (7) percent of the value of the subject property whereupon the City shall establish a minimal price by comparable sales or leases in the area. Estimated land values shall be determined by other comparable sales or leases in the area. If a minimum price or value is established by appraisal, no bid or trade shall be accepted which does not meet or exceed the appraised value.
- B. Regardless of the limitations imposed by subsection A of this section, the City Commission may require an appraisal to establish a minimum price on any or all property whenever it is deemed in the best interest of the City.

**3.04.050 Bidding.**

- A. The sale, trade, or lease of ~~said~~ **real** property must be made to the highest responsible bidder except:
  1. Where there is no actual potential for more than one (1) party interested in making a bid;
  2. For a lease of recreational facilities related to special events; ~~or~~
  3. Where the City trades or exchanges for property of a like kind with equal or greater value; **or**
  4. Where the use is to continue for a public purpose and the same is subject to a reversion to the City should the use ever be changed to any other purpose.
- B. Advertisement for bids shall be made once in a paper of general circulation in the City with the publication to be not less than five (5) nor more than twelve (12) days before consideration of bids.

**3.04.060 Development proposal.**

The City may require a development proposal for the sale, transfer or lease of property which may include but not be limited to designation of a specific use or other conditions established by the City Commission.

**3.04.070 Sell, trade or lease—personal property.**

The City may sell, trade or lease any personal property by negotiation without advertising for bids, for any period of time, unless the value thereof, either singularly or in the aggregate, exceeds ~~ten~~ **twenty five** thousand dollars (\$~~10-25,000.00~~) whereupon such sale, trade or lease must be made to the highest bidder.

- A. An appraisal may be required to determine value or establish a minimum price for such property;
- B. Advertisement for bids shall be made once in a paper of general circulation in the City with publication to be not less than five (5) not more than twelve (12) days before consideration of bids; or the City may place the item on an internet auction site with an established minimum price.

Exhibit "A"

Title 3 REVENUE AND FINANCE

- C. Where any single item of personal property ~~exceeds~~ **does not exceed** a reasonably estimated value of ~~one twenty five~~ thousand dollars (\$~~1-25~~,000.00), the same ~~must~~ **may** be declared surplus property by the ~~City Commission~~ **Department Head** prior to sale;
- D. This section is intended to supersede 7-5-4307 MCA and any other relevant statute.

**3.04.080 Sale, trade, grant, donate or lease to governmental entities.**

The City may sell, trade, grant, donate, or lease for any period of time any real or personal property to a governmental entity by negotiation without an appraisal or advertising for bids. If, by grant or donation, the real or personal property ~~must be~~ **is** retained for a direct or perpetual public benefit or use. Requirements, as specified in Sections 3.04.010, 3.04.020, and 3.04.030 herein, remain applicable to this section.

**Chapter 5 RESERVED.**

**Chapter 6 SALE OF UNCLAIMED PERSONAL PROPERTY**

**Sections:**

3.6.010 City to sell or dispose.

3.6.020 Notice of sale or disposal.

**3.6.010 City to sell or dispose.**

- A. All unclaimed, non-evidentiary personal property of a value more than twenty dollars (\$20.00), in the possession of the Great Falls Police Department (GFPD) for a period of at least three (3) months, may be sold by the City at public auction for cash to the highest bidder or disposed of in any appropriate manner not in conflict with any federal, state, or local laws or regulations.
- B. The GFPD shall attempt to notify the legal owner of unclaimed property by publishing a list of unclaimed property in its custody the first week of ~~January, April, July, and October~~ of each calendar ~~year~~ **month** on the Great Falls City website.
- C. A properly documented finder of unclaimed property that has been held in GFPD custody may take lawful possession of the property, in a manner not in conflict with any federal, state, or local laws and regulations, if the property remains unclaimed for a period of at least three (3) months.
- D. Upon proof of legal ownership, the GFPD shall restore the unclaimed property to its legal owner.

**3.6.020 Notice of sale or disposal.**

- A. If the subject property is to be sold at public auction or disposed of in any appropriate manner not in conflict with any federal, state, or local laws and regulations, or returned to a properly documented finder, notice of the time and place of the public auction or disposal shall be published not less than ten (10) calendar days prior to the date of the public auction or disposal.
- B. Notice pursuant to this section shall be published in a newspaper of general circulation in the incorporated City limits, on the Great Falls Civic Center posting board, and on the Great Falls City website.

**Chapter 7 RESERVED**

Exhibit "A"

Title 3 REVENUE AND FINANCE

**Chapter 8 PURCHASING**

**Sections:**

- 3.8.010 ~~Definitions~~ **Purchasing policies.**
- 3.8.020 ~~Methods of source selection.~~ **RESERVED.**
- 3.8.030 Competitive sealed bidding.
- 3.8.040 Competitive sealed proposals.
- 3.8.050 Small purchases.
- 3.8.060 Sole source procurement — records.
- 3.8.070 Cancellation of invitations for bids or requests for proposals.
- 3.8.080 Non-responsibility of bidders and offerors — nondisclosure.
- 3.8.090 Types of contracts.
- 3.8.100 Approval of accounting system.
- 3.8.110 Bid and contract performance security.
- 3.8.120 Contracts - terms, extensions, and time limits.
- 3.8.130 Reporting of anti-competitive practices.
- 3.8.140 Insurance requirements and limits.

**3.8.010 Definitions Purchasing policies.**

**To supplement the requirements in this Chapter and to ensure that fair, competitive and open purchasing decisions are made in the City’s best interests, the City Manager may adopt purchasing policies for use by City Departments.**

~~As used in this part, the following definitions apply:~~

~~"Cost-reimbursement contract" means a contract under which a contractor is reimbursed for costs which are allowable and allocable in accordance with the contract terms and the provisions of this chapter and a fee, if any.~~

~~"Established catalog price" means the price included in a catalog price list, schedule, or other form that:~~

- ~~A. — Is regularly maintained by a manufacturer or contractor;~~
- ~~B. — Is either published or otherwise available for inspection by customers; and~~
- ~~C. — States prices at which sales are currently or were last made to a significant number of any category of buyers or buyers constituting the general buying public for the supplies or services involved.~~

~~"Invitation for bids" means all documents, whether attached or incorporated by reference, utilized for soliciting bids.~~

~~"Purchase description" means the words used in a solicitation to describe the supplies or services to be purchased and includes specifications attached to or made a part of the solicitation.~~

## Exhibit "A"

## Title 3 REVENUE AND FINANCE

"Request for proposals" means all documents, whether attached or incorporated by reference, utilized for soliciting proposals.

"Responsible bidder or offeror" means a person who has the capability in all respects to perform fully the contract requirements and the integrity and reliability which will assure good faith performance.

"Term contract" means a contract in which supplies or services are purchased at a predetermined unit price for a specific period of time.

### 3.8.020 ~~Methods of source selection.~~ RESERVED.

- A. ~~Unless otherwise authorized by law, all City contracts for supplies and services must be awarded by competitive sealed bidding, pursuant to 3.08.030, except as provided in 3.08.040 through 3.08.060. Supplies or services offered for sale, lease, or rental by public utilities are exempt from this requirement if the prices of the supplies or services are regulated by the Public Service Commission or other governmental authority.~~
- B. ~~At the time the City or a department opens bids or proposals, if a supplier's current publicly advertised or established catalog price is received at or before the time the bids or proposals are opened and is less than the bid of the lowest responsible and responsive bidder or offeror or improves upon the conditions for the best proposal received using the same factors and weights included in the proposal, the department or purchasing agency may reject all bids and purchase the supply from that supplier without meeting the requirements of 3.08.030 through 3.08.060.~~
- C. ~~An office supply procured through bulk purchase or procured under a term contract may be purchased, without meeting the requirements of 3.08.030 through 3.08.060, from a supplier whose publicly advertised or established catalog price is less than the price offered by or under the term contract. A City office supply term contract must include a provision by which the contracting parties acknowledge and agree to the provisions of this subsection.~~

### 3.8.030 Competitive sealed bidding.

- A. An invitation for bids must be issued and must include a purchase description and conditions applicable to the procurement.
- B. Adequate public notice of the invitation for bids must be given a reasonable time prior to the date set forth therein for the opening of bids, in the same manner as provided in 7-5-4302 MCA. Notice may include publication in a newspaper of general circulation at a reasonable time prior to bid opening.
- C. Bids must be opened publicly in the presence of one (1) or more witnesses at the time and place designated in the invitation for bids. Each bidder has the right to be present, either in person or by agent, when the bids are opened and has the right to examine and inspect all bids. The amount of each bid and such other relevant information as may be specified by rule, together with the name of each bidder, must be recorded. The record must be open to public inspection after the time of award at the City Clerk's Office.
- D. Bids must be unconditionally accepted without alteration or correction, except as authorized in this eChapter. Bids must be evaluated based on the requirements set forth in the invitation for bids, which may include criteria to determine acceptability, such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Those criteria that will affect the bid price and be considered in evaluation for award must be objectively measurable, such as discounts, transportation costs, and total or life-cycle costs.
- E. After bid opening no changes in bid prices or other provisions of bids prejudicial to the interest of the City or fair competition may be permitted.

## Exhibit "A"

## Title 3 REVENUE AND FINANCE

- F. The contract must be awarded with reasonable promptness by written notice to the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the invitation for bids. If all bids exceed available appropriated funds and the low responsive and responsible bid does not exceed such funds by more than five (5) percent, the director is authorized in situations where time or economic considerations preclude re-solicitation of a reduced scope to negotiate an adjustment of the bid price, including changes in the bid requirements, with the low responsive and responsible bidder in order to bring the bid within the amount of available appropriated funds.

**3.8.040 Competitive sealed proposals.**

- A. When, not required by law, the City Manager or a department head determines in writing that the use of competitive sealed bidding is either not practicable or not advantageous to the City, a contract may be entered into by competitive sealed proposals.
- B. Proposals must be solicited through a request for proposals.
- C. Adequate public notice of the request for proposals must be given, pursuant to applicable state and federal laws and regulations.
- D. Proposals must be opened so as to avoid disclosure of contents to competing offerors during the process of negotiation. ~~A register of proposals must be prepared and open for public inspection at the City Clerk's Office after contract award.~~
- E. The request for proposals must state the relative importance of price and other evaluation factors.
- F. As provided in the request for proposals, discussions may be conducted with responsible offerors who submit apparently responsive proposals for the purpose of clarification, to assure full understanding of and responsiveness to the solicitation requirements. Offerors must be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and such revisions may be permitted, after submissions and prior to award, for the purpose of obtaining best and final offers. In conducting discussions, there may be no disclosure of any information derived from proposals submitted by competing offerors. The City may require the submission of cost or pricing data in connection with an award under this section.
- G. The award must be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the City, taking into consideration price, including the preference in 18-1-102 MCA, and the evaluation factors set forth in the request for proposals. No other factors or criteria may be used in the evaluation. The contract file shall contain the basis on which the award is made.

**3.8.050 Small purchases.**

- A. Any procurement not exceeding the amount established by 7-5-4302 MCA may be made in accordance with the **purchasing** procedures developed by the City Manager or his/her designee.
- B. Procurement requirements may not be artificially divided so as to avoid compliance with the prescribed **purchasing** procedures developed in compliance with this section.

**3.8.060 Sole source procurement — records.**

A contract may be awarded for a supply or service item without competition when the City Manager or a department head determines in writing that **the request meets the criteria in the City's purchasing policies for a sole source purchase.** ~~there is only one (1) source for the required supply or service item. The City may require the submission of cost or pricing data in connection with an award under this section.~~

## Exhibit "A"

## Title 3 REVENUE AND FINANCE

**3.8.070 Cancellation of invitations for bids or requests for proposals.**

An invitation for bids, a request for proposals or other solicitation may be canceled or any or all bids or proposals may be rejected in whole or in part, when it is in the best interests of the City. The option to cancel or reject shall apply whether or not it is specified in the solicitation.

**3.8.080 Non-responsibility of bidders and offerors — nondisclosure.**

A written determination of non-responsibility of a bidder or offeror must be made and filed with the City Clerk. The unreasonable failure of a bidder or offeror to promptly supply information in connection with an inquiry with respect to responsibility may be grounds for a determination of non-responsibility with respect to such bidder or offeror.

**3.8.090 Types of contracts.**

Subject to the limitations of this section, any type of contract that will promote the best interests of the City may be used, except that the use of a cost-plus-percentage-of-cost contract is prohibited. A cost-reimbursement contract may be used only when a determination is made in writing that such contract is likely to be less costly to the City than any other type or that it is impracticable to obtain the supplies or services required except under such a contract.

**3.8.100 Approval of accounting system.**

Except with respect to firm fixed-price contracts, no contract type may be used unless it has been determined by the City that:

- A. The proposed contractor's accounting system will permit timely development of all necessary cost data in the form required by the specific contract type contemplated; and
- B. The proposed contractor's accounting system is adequate to allocate costs in accordance with generally accepted accounting principles.

**3.8.110 Bid and contract performance security.**

- A. For City contracts for the procurement of services in the amount established by 7-5-4302 MCA or less or of supplies, the City may in its discretion require the filing of:
  1. Bid security;
  2. Contract performance security to guarantee the faithful performance of the contract and the payment of all laborers, suppliers, material-men, mechanics, and subcontractors; or
  3. Both bid and contract performance security.
- B. For City contracts for the procurement of services exceeding the amount established by 7-5-4302 MCA, the department shall require bid security and contract performance security, except **that the department, in its discretion, may require bid security and contract performance security for small or sole source purchases as described in this eChapter.**
- C. If security is required under subsection (4A) or (2B), the following types of security may be required to be made payable to and deposited with the City:
  1. A good and sufficient bond with a licensed surety company as surety;

## Exhibit "A"

## Title 3 REVENUE AND FINANCE

2. An irrevocable letter of credit not to exceed one hundred thousand dollars (\$100,000.00) in accordance with the provisions of Title 30, Chapter 5, part 1 MCA;
  3. Lawful money of the United States;
  4. A cashier's check, certified check, bank money order, or bank draft, any of which must be drawn or issued by any banking corporation incorporated under the laws of Montana or by a banking association located in Montana; or
  5. Certificates of deposit or money market certificates not to exceed one hundred thousand dollars (\$100,000.00) issued by any bank or savings and loan association licensed to do business in Montana.
- D. The amount and type of the security mentioned above must be determined by the City to be sufficient to cover the risk, except that the same shall not be less than ten (10) percent of the bid price for bid security and twenty-five (25) percent of the total contract price for contract performance security, and must be payable to the City of Great Falls. In determining the amount and type of contract performance security required for each contract, the City shall consider the nature of the performance and the need for future protection. In determining the need for an amount of bid security, the City shall consider the risks involved if a successful bidder or offeror fails to enter into a formal contract; such considerations shall include but are not limited to the type of supply or service being procured, dollar amount of the proposed contract, or delivery time requirements. The City may adopt rules to assist it in making these determinations and in dealing with irrevocable letters of credit. Bid and contract security requirements must be included in the invitations for bids or requests for proposals.
- E. If a bidder or offeror to whom a contract is awarded fails or refuses to enter into the contract or provide contract performance security as required by the invitation for bid or request for proposal, after notification of award, the City may, at its discretion, require the bidder to forfeit the bid security to the City and become immediately liable on the bid bond, but not in excess of the sum stated therein. The liability of the bidder or offeror, the liability of the maker of the security or bid bond, or the liability on the bid bond shall not exceed the amount specified in the invitation for bid or request for proposal.
- F. Negotiable instruments provided as bid security must be refunded to those bidders or offerors whose bids or proposals are not accepted.

**3.8.120 Contracts - terms, extensions, and time limits.**

- A. A contract, lease or rental agreement may be extended or renewed if the terms of the extension or renewal, if any, are included in the solicitation and funds are available for the first fiscal period at the time of the agreement. Payment and performance obligations for succeeding fiscal periods are subject to the availability and appropriation of funds therefore.
- B. Prior to the extension or renewal of a contract, it must be determined in writing that:
1. Estimated requirements cover the period of the contract and are reasonably firm and continuing; and
  2. The contract will serve the best interests of the City by encouraging effective competition or otherwise promoting economies in state procurement.
- C. When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract must be canceled.

**3.8.130 Reporting of anti-competitive practices.**

If for any reason collusion or other anticompetitive practices are suspected among any bidders or offerors, a notice of the relevant facts shall be transmitted to the Attorney General by the City.

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**3.8.140 Insurance requirements and limits.**

All bid specifications must contain a description of the required insurance and limits as pertains to the type of contract being let for bid. Work may not commence until such certificates of insurance and any endorsements are received, reviewed and accepted by the City.

**Chapter 9 RESERVED**

**Chapter 10 CONTRACTS**

**Sections:**

**3.10.010 Contracts.**

The City may contract for any period of time and this chapter is intended to supersede 7-5-4304 and 7-5-4306 MCA and any other relevant statute.

**Chapter 11 RESERVED**

**Chapter 12 SPECIAL IMPROVEMENT DISTRICT REVOLVING FUND**

**Sections:**

3.12.010 Creation.

3.12.020 Providing funds.

3.12.030 Loans from special improvement district revolving fund.

3.12.040 Lien of loan.

3.12.050 Use of excess special improvement district revolving fund.

3.12.060 Continuing obligation.

**3.12.010 Creation.**

In order to secure the prompt payment of any special improvement district bonds and warrants issued in payment of improvements made in any special improvement district, or districts and the interest thereon, as it becomes due (the "Bonds" and "Warrants"), unless such Bonds or Warrants by their terms are not secured by such fund, there is hereby created and established a fund to be known and designated as "Special Improvement District Revolving Fund" (hereafter the Revolving Fund).

**3.12.020 Providing funds.**

A. For the purpose of providing funds for the Revolving Fund, the City Commission:

1. May, in its discretion, from time to time, transfer to the Revolving Fund from the General Fund of the City (the General Fund), such amount or amounts as may be deemed necessary, which amount or amounts so transferred, shall be deemed and considered and shall be loans from such General Fund to the Revolving; and
2. May include in the costs of the improvement to be defrayed from proceeds of the Bonds or Warrants an amount up to five (5) percent of the principal amount of the Bonds or Warrants and deposit it in the Revolving Fund upon receipt of such proceeds;



## Exhibit "A"

## Title 3 REVENUE AND FINANCE

- B. Shall, in addition to such transfer, or transfers, from the General Fund, or in lieu thereof, levy and collect for said Revolving Fund a tax, hereby declared to be for a public purpose, on all the taxable property in the City as shall be necessary to meet the financial requirements of said fund. However, a tax may not be levied if the balance in the Revolving Fund exceeds five (5) percent of the principal amount of the then-outstanding Bonds and Warrants secured thereby. If a tax is levied, the tax may not be an amount that would increase the balance in the fund above five (5) percent of the then-outstanding Bonds and Warrants secured thereby.

**3.12.030 Loans from special improvement district revolving fund.**

Whenever any Bond or Warrant which is secured by the Revolving Fund, or interest thereon, shall be, or shall become due and payable, and there shall then be either no money, or not sufficient money, in the appropriate special improvement district fund with which to pay the same, an amount sufficient to make up the deficiency shall, by order of the City Commission, be loaned by the Revolving Fund to such district fund. Thereupon, such Bond or Warrant or such interest thereon shall be paid from the money so loaned, or from the money so loaned when added to the insufficient amount, as the case may require.

**3.12.040 Lien of loan.**

- A. Whenever any loan is made to any special improvement district from the Revolving Fund, the Revolving Fund shall have a lien therefore on all unpaid assessments and installments of assessments pledged to such funds (whether delinquent or not) and on all moneys thereafter coming into such funds, to the amount of such loan, together with interest thereon from the time it was made at the rate or percentage borne by the Bond or Warrant for payment of which, or if interest thereon, such loan was made.
- B. Whenever there shall be moneys in such special improvement district fund which are not required for the payment of any Bond or Warrant, or of interest thereon, so much of such moneys as may be necessary to pay such loan shall, by order of the City Commission, be transferred to, and become a part of, the Revolving Fund.

**3.12.050 Use of excess special improvement district revolving fund.**

- A. Whenever there is an amount in the Revolving Fund, in excess of the amount deposited in the Revolving Fund pursuant to 3.12.020.A hereof and in excess of five (5) percent of the outstanding Bonds and Warrants and the City Commission considers any part of the excess to be greater than the amount necessary for the payment or redemption of maturing Bonds or Warrants secured thereby, or interest thereon, the City Commission may:
1. By a vote of all its members, at a meeting called for that purpose, order such excess, or any part thereof, transferred to the General Fund of the City; or
  2. Use such excess, or any part thereof, for the purpose of purchase of property at sales for delinquent taxes or assessments, or both, or which may have been struck off or sold to the County of Cascade for delinquent taxes or assessments, or both, and against which property there then be any unpaid assessments for special improvements on account whereof there are outstanding Bonds or Warrants of the City.

**3.12.060 Continuing obligation.**

That so long as any Bonds or Warrants secured by the Revolving Fund are outstanding, or any interest thereon remains unpaid, the City may not abrogate its responsibilities or obligations hereunder or under any resolution authorizing the issuance of Bonds and Warrants secured by the Revolving Fund.

## Exhibit "A"

## Title 3 REVENUE AND FINANCE

(**Ord. 3220, 2020**; Ord. 3186, 2018; Ord. 3154, 2017; Ord. 2897, 2005; Ord. 2893, 2004; Ord. 2731, 1997; Ord. 2696, 1995; Ord. 2655, 1993; Ord. 2613, 1991; Ord. 2607, 1991; Ord. 2595, 1991; Ord. 2586, 1991; Ord. 2585, 1991; Ord. 2581, 1990; Ord. 2284, 1981; Ord. 2255, 1981; Ord. 1979, 1976; Ord. 1973, 1976; Ord. 1967, 1976; Ord. 1930, 1976; Ord. 1912, 1976; Ord. 1911, 1976; Ord. 1884, 1976; Ord. 1863, 1975; prior codes §6-7-2, §6-7-1)

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## City of Great Falls Purchasing Policy

### Introduction

The City of Great Falls (City) Purchasing Policy is to ensure that the purchasing function meets the current and future needs of the City. The City will take care to ensure that it complies with Federal laws, Montana laws and City ordinances for all expenditures. The public can rely on the City to make fair, competitive, and open purchasing decisions that are in the best interest of the City.

### General Provisions

- 1) No employee will personally benefit from a contract or purchase entered into by the City.<sup>i</sup>
- 2) No employee will use City funds for personal purchases of any nature.<sup>ii</sup>
  - a) Authorized personal use of City provided cell phone, data services, and internet usage is allowed in certain cases, according to the City's Employee Conduct and Technology Policies in the [Personnel Policy Manual](#) .<sup>iii</sup>
  - b) Authorized personal use of City provided vehicles for commuting is allowed in certain cases, according to an Administrative Order 3-06 issued by the City Manager.<sup>iv</sup>
  - c) Itemized receipts and invoices are required for all purchases; details must be shown to ensure the public can determine exactly what is being paid for including individual units purchased and/or hours of service and associated rate for each.
  - d) All boards, committees or other recognized entities of the City wherein a City employee is the authorized approver of the board's purchases must comply with this purchasing policy. Any board or committee given independent purchasing authority by law or the City Commission including Library Board Trustees, should comply, to the greatest extent possible, with the requirements of this policy.
- 3) Department Head, Finance Director and City Manager, when required, will electronically approve all purchases through the accounts payable system.
- 4) Purchase Orders will be completed and approved electronically PRIOR to purchase as required by this financial policy.
- 5) Trading or bartering services, equipment, supplies, etc. is prohibited.

### Transactions with Employees, Appointed or Elected Officials, and Related Parties

City employees are subject to the provisions of Title 2 of the Official Code of the City of Great Falls (City Code) and Title 2, Chapter 2, Montana Code Annotated (MCA). This portion of the City Code and Montana law essentially restricts public employees or their family members, from utilizing information, accepting gifts, benefits, or participating in or having interest in business undertakings or employment, which would affect their economic interests, influence the faithful and impartial discharge of their public duties, or create the appearance of impropriety.<sup>v</sup>

### Credit Card Transactions

The purpose of the credit card program is to establish a more efficient, cost-effective method of purchasing. The program was designed as an alternative to the traditional purchasing process for supplies, materials, and travel. The credit card can be used with any supplier that accepts the designated bankcard as a form of payment. It should be noted, however, that users shall conform to the City purchasing policy as well as state purchasing laws when using the credit card program. The Finance

Director will approve all credit card applications. The Finance Department will monitor activity of all credit card transactions.

- 1) Departments requesting a new credit card or changes to an existing credit card must be made in writing to the Finance Director and must include the following information:
  - a) Reason for the card
  - b) Dollar limit of the credit card
  - c) Who will be in charge of the credit card
- 2) If cardholder experiences denials when using the City credit card the employee should notify the Finance Director as soon as possible so the denial can be investigated.
- 3) The Finance Department will maintain a list of available credit cards for all departments, which will include the credit limit and expiration date of each card.
- 4) Credit cards may be removed from department's possession at the discretion of the Department Head or Finance Director.
- 5) When a credit card is checked out from the department or the credit card number information is given, a check-out/check-in procedure is necessary. The check-in/check-out form must include the following information:
  - a) Date and time of removal
  - b) Name of person card checked out to
  - c) Approved by
  - d) Purpose of use
  - e) Receipts returned with credit card
  - f) Date and time of return
  - g) Checked in by
- 6) Any employee checking out the credit card will need to read and sign the City Credit Card Procedures Employee Acknowledgment form available from the Finance Department.
- 7) Documentation detailing the purchase with the City credit card is required for all transactions. Adequate documentation may consist of, but is not limited to original detailed receipts, credit slips, etc. At no time shall the City approve payment of credit card invoices without adequate documentation.
- 8) City credit cards shall not be used for purchase of personal purchases, cash advances, or other category exclusions (alcohol, tobacco, entertainment, cash refunds for returned purchases, etc.)
- 9) Any employee of the City of Great Falls who violates the provisions of the credit card policy shall be subject to disciplinary action, up to and including discharge and/or civil and/or criminal action. The Disciplinary Policy is located in the [Personnel Policy Manual](#) or applicable Collective Bargaining Agreements.
- 10) Employees to whom credit cards are issued for City purchases shall be responsible for the protection and custody of the credit card, if the card is lost or stolen, the employee will immediately notify the issuer of the credit card, Department Head, and the Finance Director. Employees shall not knowingly post or otherwise make publicly available credit card data that could potentially result in fraudulent charges.
- 11) Employees to whom credit cards are issued for City purchases shall immediately surrender the card upon termination of employment or layoff from active work status.
- 12) All benefits derived from use of credit cards are property of the City.
- 13) The credit card shall not impact the employee's personal credit references. The City issued credit card is a City liability, not a personal liability card.
- 14) No credit cards of any type shall be applied for, or accepted, without the written consent of the Finance Director.
- 15) City credit cards will be reconciled monthly

- a) Each time a purchase is made the receipt or other documentation will be given to the proper personnel in the department to process and enter into Accounts Payable for payment.
- b) When the monthly statement is received, each department will verify all charges are accurate and have been submitted for payment.
- c) The balance due on any credit card account shall be paid in full by the due date listed on the statement but in no case no later than sixty days from the original statement date. All finance and late charges will be charged to the department that acquires them. Consistent finance and late charges may be grounds for cancellation of department credit card.
- d) All credit card statements will be mailed to the individual departments, each department will reconcile the statement, and process any needed payments.

### Meal and Food Purchases

In many cases, it is to the City's advantage to provide food to employees and volunteers while they are conducting City business, or in special cases of recognition or award. Meal and food purchases are subject to all existing purchasing and approval requirements. The [Travel Policy](#) is located on the City's intranet in Shared Documents.<sup>vi</sup>

- 1) Non-Per Diem meal and food purchases must have itemized receipts signed by Department Head and may include a tip up to 15%.
- 2) Per Diem amounts are established by the Travel Policy, and do not require receipts, refer to Travel Policy for specific information.
- 3) The purchase of alcohol or tobacco with City funds is prohibited.

### Information Technology Services, Software, & Hardware Purchases

All technology related purchases must be approved and coordinated by the Information Technology Operations Manager PRIOR to purchase. This includes hardware (e.g. computers, laptops, tablets, monitors, routers, telephones, printers, etc.), software (e.g. Microsoft Office, PDF Editors, etc.) and services (e.g. Web/application hosting, adding network lines, etc.) Excluded are cellular/smart phones as each department manages their own devices/plans. The Information Technology department often receives special pricing due to bulk ordering and/or the availability of national, regional and state technology-related contracts. Refer to the Information Technology Purchasing Policy for specific information.<sup>vii</sup>

### Central Garage

All vehicle and mobile equipment (trailers, other types of mobile equipment, etc.) related purchases must be reviewed by the Central Garage Fleet Supervisor and approved by the City Manager, if required, PRIOR to purchase through the electronic purchase order process.

### Prevailing Wage Requirements

Contracts over \$25,000 must be reviewed for Montana's prevailing wage requirements Section 18-2-402 MCA.<sup>viii</sup> Federally funded projects may require the use of Federal prevailing wage rates for projects over \$2,000, The Davis Bacon Act.<sup>ix</sup> Each project must be individually reviewed for prevailing wage and funding requirements.

## Documentation and Selection of Vendors

The City seeks the lowest life-cycle costs when comparing like goods. Estimated useful life and maintenance costs must be documented whenever the costs are factored into purchasing decisions. Contracts for services are awarded to the lowest most responsible vendor or bidder. When determining which vendor or bidder is the “lowest responsible” the City may take into consideration generally available information regarding the vendors or bidders skill, ability, integrity, conscientious work, and ability to promptly fulfill the contract according to its letter and spirit. (Considerations may include, but not limited to, qualifications, available staff, references, delivery date, inspection, testing, quality and workmanship, etc.) **Dividing related elements of the same project into multiple parts, in order to avoid bidding or vendor quote requirements is prohibited<sup>x</sup>.** The purchase amount requirements are listed below.

## Purchasing Supplies and Equipment

Purchases of supplies and equipment are items such as office supplies, office furniture, vehicles, mobile equipment, etc. Supplies are not items that would be used in construction of any project, repairs, or maintenance.

- 1) **Purchases up to and including \$25,000** the department may purchase at the Department Head’s discretion. Two written or oral quotes or other supporting documentation is recommended.
- 2) **Purchases over \$25,000 and up to \$80,000** the department shall solicit a minimum of two written quotes. Documentation must accompany the request for approval. The City Manager must approve the purchase through the electronic purchase order process prior to ordering the supply or equipment.
- 3) **Purchases over \$80,000** for automobiles, trucks, other vehicles, road machinery, other machinery, apparatus, appliances, equipment, must follow the formal advertisement process outlined in Montana law and have City Commission approval by agenda item.<sup>xi</sup>
- 4) **Replacement** of current vehicles and equipment the vehicle or equipment may be traded-in as a part of the replacement purchase.<sup>xii</sup> Trade-in values should be clearly stated on the invoice, and approved by the Department Head. All vehicle and mobile equipment (vehicles, trailers, mobile equipment, etc.) related purchases must be reviewed by the Central Garage Fleet Supervisor and approved by the City Manager, when required, PRIOR to purchase through the electronic purchase order process. Machinery and Equipment forms must be filled out and returned to the Finance Department.
- 5) **Cooperative Purchasing Agreements** for supplies, equipment, and other professional services may be purchased through purchasing agreements entered into with another government entity or use of state contracts without additional bids or advertisements when done so at a savings to the City. Some of the state contracts and City agreements include but are not limited to US Communities, Source Well, NIPA, HGAC, etc.<sup>xiii</sup>
  - a) It should be noted that these purchasing arrangements are often, but not always, the lowest prices available.
- 6) **Special Cases for Sole Source Purchases** bids or quotes are not required where it is in the best interest of the City to maintain a compatible and/or reliable system provided by a single vendor or professional. The sole source form must be provided to the Finance Department for approval through the electronic purchasing process prior to purchase.<sup>xiv</sup>
  - a) The requirements for formal advertising process for purchases of supplies/equipment and services over \$80,000 may be waived by the City Manager. Approval must be documented and obtained PRIOR to purchase.
  - b) The waiver applies when:

- i) There is only one source for the supply or service of the item ( e.g. a vendor’s warranty service, exclusive vendor required maintenance agreements), or
    - ii) Only one source is acceptable or suitable for the supply or service item, or
    - iii) The supply or service must be compatible with current supplies or services, or
    - iv) A collective bargaining agreement or other contract requires the utilization or employment of a specific good or professional.
  - c) Where state and local law require a good or service to be provided by a specific entity (Election Administration, Detention Center Fees, etc.), quotes are not required.
- 7) Regardless of the amount of a purchase that includes both supplies/equipment and services, the policy thresholds will apply to a “supplies and/or equipment purchase” when 51% of the total purchase price is for supplies/equipment. The same method applies to a “services purchase” when 51% of the total purchase price is for services.<sup>xv</sup>

### Repairs to Equipment

Repairs to equipment includes repairs and maintenance to items such as copiers, overhead doors, windows, water heaters, etc. Repairs do not include work such as alterations, remodeling, etc.

- 1) **Repairs up to and including \$25,000** the department may purchase at the Department Head’s discretion. Two written or oral quotes or other supporting documentation is recommended.
- 2) **Repairs over \$25,000 and up to \$80,000** the department shall solicit a minimum of two written quotes. Documentation must accompany the request for approval. The City Manager must approve the purchase through the electronic purchase order process and it must be listed on the contracts list for the City Commission approval prior to scheduling repairs.
- 3) **Repairs or maintenance over \$80,000** must follow the formal advertisement process outlined in Montana law and have City Commission approval by agenda item.<sup>xvi</sup>
- 4) **In the case of an emergency or disaster** declared under Title 10, Chapter 3, Section 401 MCA, the purchasing rules may be suspended.
- 5) **Special Cases for Sole Source Purchases** bids or quotes are not required where it is in the best interest of the City to maintain a compatible and/or reliable system provided by a single vendor or professional. The sole source form must be provided to the Finance Department for approval prior to purchase.<sup>xvii</sup>
  - a) These requirements for purchases of supplies/equipment and services over \$80,000 may be waived by the City Manager. Approval must be documented and obtained PRIOR to purchase.
  - b) The above applies where:
    - i) There is only one source for the supply or service of the item (e.g. a vendor’s warranty service, exclusive vendor required maintenance agreements), or
    - ii) Only one source is acceptable or suitable for the supply or service item, or
    - iii) The supply or service must be compatible with current supplies or services, or
    - iv) A collective bargaining agreement or other contract requires the utilization or employment of a specific good or professional.

### Architectural, Engineering, and Land-Surveying Services

Architectural, engineering, and land surveying services and negotiated contracts for such professional services are made based on demonstrated competence and qualifications for the type of professional services required and at fair and reasonable prices. Refer to the separate Architects, Engineers, and Surveyors policy prepared by Public Works. Any project involving construction, remodeling, master



planning, or rate study should receive an Office File number and a project number assigned by an [Intent to Create Form](#).

### Construction

Construction includes new construction, remodeling, additions to existing buildings, etc. Any project involving construction, remodeling, master planning, or rate study should receive an Office File number and a project number assigned by an [Intent to Create Form](#).

- 1) **Construction up to and including \$25,000** the department may purchase at the Department Head's discretion. Two written or oral quotes or other supporting documentation is recommended.
- 2) **Construction over \$25,000 and up to \$80,000** the department shall solicit a minimum of two written quotes. Documentation must accompany the request for approval. The City Manager must approve the purchase through the electronic purchase order process and it must be listed on the contracts list for the City Commission approval prior to the beginning of construction.
- 3) **Construction over \$80,000** must have the City Commission approval by agenda item and follow the formal advertisement process outlined in Montana law.<sup>xviii</sup>
- 4) **In the case of an emergency or disaster** declared under Title 10, Chapter 3, Section 401 MCA, the purchasing rules may be suspended.

### Non-Construction Services

Non-construction services may include maintenance, custodial, security services, mail handling, etc.

- 1) **Non-Construction services up to and including \$25,000** per agreement, may be purchased at the Department Head's discretion.
- 2) **Non-Construction Services over \$25,000 and up to \$80,000** per agreement, the department may solicit a minimum of two written quotes or other documentation. The City Manager must approve the purchase through the electronic purchase order process and it must be listed on the contracts list for the City Commission approval prior to services being rendered.
- 3) **Non-Construction services over \$80,000** per agreement have the City Commission approval by agenda item and. The City Manager may require that a published "Request for Proposals" or "Request for Qualifications" be made, with the "lowest most qualified and/or responsible vendor" selected.

### Other Professional Services

Other Professional Services other than those defined in the Architectural, Engineering, and Surveying policy (maintained by Public Works) are exempt from bidding as identified in 7-5-4301 MCA.

Professional Services include planning, design, and consultation not implementation, installation or construction. Any project involving construction, remodeling, master planning, or rate study should receive an Office File number and a project number assigned by an [Intent to Create Form](#).

- 1) **Professional services totaling up to and including \$25,000** per agreement, may be purchased at the Department Head's discretion.
- 2) **Professional Services over \$25,000 and up to and including \$80,000** per agreement, the department may solicit a minimum of two written quotes or other documentation. The City Manager must approve the purchase through the electronic purchase order process and it must be listed on the contracts list for the City Commission approval prior to services being rendered.

- 3) **Professional services over \$80,000** per agreement and may require City Commission approval by agenda item. The City Manager may require that a published “Request for Proposals” and/or “Request for Qualifications” be made, with the “lowest most qualified and/or responsible vendor” selected.

### Small Works Roster

The purpose of the Small Works Roster (Roster) policy is to make it simpler for departments to get small jobs and repairs completed using a list of preapproved vendors. The Risk Management Specialist will maintain the list of preapproved vendors for the City. The Roster will include vendors that have completed the Small Works Roster application, have met all of the requirements, and have been approved. The City reserves the right to select an appropriate vendor.

### Approval of Purchases

At least two electronic approvals are required for the payment of any good or service purchased by the City. Electronic approval must be the Department Head, the Finance Director, and the City Manager, when required by this purchasing policy.

### Emergency Purchasing Provisions

In the case of an emergency<sup>xix</sup> or disaster<sup>xx</sup> caused by fire, flood, explosion, storm, earthquake, riot, insurrection, or other similar emergency the City Commission may vote, with three-fourths of the members present, to suspend the purchasing rules for purchases related to the declared emergency.

### Violations of this Policy

Violations of this policy will be investigated and appropriate disciplinary action may be taken in accordance with the Personnel Policy Manual, and any applicable collective bargaining agreements, and/or applicable federal, state, and local laws.

### Definitions

**Architectural, Engineering, and Land Surveying Services (A/E/S)** – A specific policy for contracting architects, engineers, and surveyors maintained by the Public Works Department for the City.

**Construction** – To build something new or remodeled e.g. a building, an addition to a building, a room inside of an existing building, etc.

**Cooperative Purchasing Agreements** – A Commission approved and signed purchasing agreement with another entity in order to procure items at a lower prices.

**Documentation** – Material that provides official information that serves as a record. Materials can be but is not limited to quotes, a form for verbal quotes (should contain contact information, what is being quoted, price, etc.), item pricing from a catalog, item pricing from an internet site, e-mails, etc.

**Intent to Create Form** - Is used to have an Office File number and/or a Project Number created. The Office file number is the method the City uses to track documentation associated with a project and is assigned by the City Engineer. Project numbers are assigned to track expenditures and revenues of projects and are assigned by the Budget Analyst or the Finance Director in the Finance Department for projects other than Public Works projects all Public Works projects are assigned by the Engineering Division. Any project involving construction, remodeling, master planning, or rate study should receive an Office File number. [Intent to Create Form Instructions](#)

**Lowest Responsible Bidder** – The City may take into consideration generally available information regarding the vendors or bidder’s skill, ability, integrity, conscientious work, and ability to promptly fulfill the contract according to its letter and spirit. (Considerations may include, but not limited to, qualifications, available staff, references, delivery date, inspection, testing, quality and workmanship, etc.)

**Non-Construction Services** – May include maintenance, custodial, security services, mail handling, etc.

**Other Professional Services** - Planning, design, and consultation requiring technical expertise or experience.

**Professional Services** - Defined as professional, technical, engineering, or legal services are exempt from bidding as identified in 7-5-4301 MCA.

**Project Number** - Are assigned to track expenditures and revenues of projects and are assigned by the Budget Analyst or the Finance Director in the Finance Department for projects other than Public Works projects all Public Works projects are assigned by the Engineering Division.

**Repairs** – To fix something that has broken, not construct a new item.

**RFP** – Request for proposal.

**RFQ** – Request for qualifications, which may include completing the Standard Government Form (SF) 330.

**Sole Source** - Purchases bids or quotes are not required where it is in the best interest of the City to maintain a compatible and/or reliable system provided by a single vendor or professional. The sole source form must be provided to the Finance Department for approval prior to purchase.

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<sup>i</sup> Section 7-5-4109, Montana Code Annotated (MCA) and Title 2.21.030 in the Official Code of the City of Great Falls (OCCGF)

<sup>ii</sup> Sec 2.21.050 OCCGF

<sup>iii</sup> Sec 13 of the City of Great Falls Policy Manual

<sup>iv</sup> Administrative Order 3-06

<sup>v</sup> Title 2 OCCGF and Sec 2-2, MCA

<sup>vi</sup> City of Great Falls Travel Policy

<sup>vii</sup> Information Technology Purchasing Policy

<sup>viii</sup> Sec 18-2-402, MCA

<sup>ix</sup> The Davis Bacon Act

<sup>x</sup> Sec 7-5-4305, MCA

<sup>xi</sup> Sec 7-5-4302, MCA

<sup>xii</sup> Sec 7-5-4307, MCA and Title 3.04 OCCGF

<sup>xiii</sup> Sec 18-4-402, MCA

<sup>xiv</sup> Sec 18-4-306, MCA

<sup>xv</sup> Sec 7-5-4301-(2)-(a), MCA

<sup>xvi</sup> Sec 7-5-4302, MCA

<sup>xvii</sup> Sec 18-4-306, MCA

<sup>xviii</sup> Sec 7-5-4302, MCA and 18-8-212 (2), MCA

<sup>xix</sup> Sec 7-5-4303, MCA

<sup>xx</sup> Sec 10-3-401, MCA

## City of Great Falls Credit Card Policy

### Credit Card Policy

This policy provides an overview of the credit card program as well as the range of related procedures and forms associated with the program. The purpose of the credit card program is to establish a more efficient, cost-effective method of purchasing. The program has been designed as an alternative to the traditional purchasing process for supplies, materials, and travel. The credit card can be used with any supplier that accepts the designated bank card as a form of payment. It should be noted, however, that users shall conform to City of Great Falls purchasing policy as well as state purchasing laws when using the credit card program. All credit cards applications will be approved by the Finance Department Director. The Finance Department will monitor activity on all credit card transactions.

1. Departments requesting a new credit card or changes to an existing credit card must be made in writing to the Finance Department Director and must include the following information:
  - a. Reason for the card
  - b. Dollar limit of the credit card
2. If cardholder experiences denials when using the City credit card. The employee should notify the Director of Finance as soon as possible so the denial can be investigated.
3. The Finance Department will maintain a list of available credit cards for all departments which will include the credit limit and expiration date of each card.
4. Credit cards may be removed from department's possession at the discretion of the Department Head or Director of Finance.
5. When a credit card is checked out from the department or the credit card information is given a check-out/check-in procedure is necessary. The check-in/check-out form, provided by the Finance Department, must include the following information:
  - a. Date and time of removal
  - b. Name of person card checked out to
  - c. Approved by
  - d. Purpose of use
  - e. Receipts returned with credit card
  - f. Date and time of return
  - g. Checked in by
6. Any employee checking out the credit card will need to read and sign the City Credit Card Procedures Employee Acknowledgment form provided by Finance Department.
7. Documentation detailing the purchase with the City credit card is required for all transactions. Adequate documentation may consist of, but is not limited to original detailed receipts, credit slips, etc. At no time shall the City approve payment of credit card invoices without adequate documentation.
8. City credit cards shall not be used for purchase of personal purchases, cash advances, or other category exclusions (alcohol, tobacco, entertainment, cash refunds for returned purchases, etc.)

9. Any employee of the City of Great Falls who violates the provisions of the credit card policy shall be subject to disciplinary action, up to and including discharge and/or civil and/or criminal action. The Disciplinary Policy is located in the Personnel Policy Manual.
10. Employees to whom credit cards are issued for City purchases shall be responsible for the protection and custody of the credit card; if the card is lost or stolen the employee will immediately notify the issuer of the credit card, Department Head, and the Finance Department Director. Employees shall not knowingly post or otherwise make publicly available credit card data that could potentially result in fraudulent charges.
11. Employees to whom credit cards are issued for City purchases shall immediately surrender the card upon termination of employment or layoff from active work status.
12. All benefits derived from use of credit cards are property of the City of Great Falls.
13. The credit card shall not impact the employee's personal credit references. The City issued credit card is a City liability, not a personal liability card.
14. No credit cards of any type shall be applied for, or accepted, without the written consent of the Finance Department Director.
15. City credit cards will be reconciled monthly
  - a. Each time a purchase is made the receipts or other documentation will be given to the proper personnel in the department to process and enter into Accounts Payable for payment.
  - b. When the monthly statement is received each department will verify all charges have been submitted for payment.
  - c. The balance due on any credit card account shall be paid in full by the due date listed on the statement but in no case no later than sixty days from the original statement date. All finance and late charges will be charged to the department that acquires them. Consistent late finance and late charges may be grounds for cancellation of department credit card.
  - d. All credit card statements will be sent to Accounts Payable in the Finance Department, the statement will be sent to the individual department, each department will reconcile the statement, and process any needed payments.

**CITY OF GREAT FALLS  
CREDIT CARD USE PROCEDURES  
EMPLOYEE ACKNOWLEDGMENT**

The purpose of the credit card program is to establish a more efficient, cost-effective method of purchasing. The program has been designed as an alternative to the traditional purchasing process for supplies, materials, and travel. The credit card can be used with any supplier that accepts the designated bank card as a form of payment. It should be noted, however, that users shall conform to the City of Great Falls (City) purchasing policy as well as state purchasing laws when using the credit card program. All credit cards applications will be approved by the Finance Department Director. The Finance Department will monitor activity on all credit card transactions.

The City's US Bank credit card represents our trust in you. You are empowered as a responsible agent to safeguard City assets. Your signature below is verification you have read this policy and agree to comply with it. It also acknowledges that you have checked out the card listed below:

\_\_\_\_\_

1. I understand the card is for City approved purchases only and I agree not to charge personal purchases or other category exclusions (alcohol, tobacco, entertainment, cash refunds for returned purchases, etc.)
2. If the card is lost or stolen, I will immediately notify the issuer of the credit card and the Finance Department Director.
3. I agree to shall immediately surrender the card upon termination of employment or layoff from active work status.
4. Any employee of the City of Great Falls who violates the provisions of the credit card policy shall be subject to disciplinary action, up to and including discharge and/or civil and/or criminal action. The Disciplinary Policy is section 15 of the Personnel Policy Manual.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Approving Administrator Signature

\_\_\_\_\_  
Employee Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Approving Administrator Printed Name

\_\_\_\_\_  
Date

City of Great Falls Credit Card Check out

Last four numbers of Credit Card: \_\_\_\_\_

Assigned to: \_\_\_\_\_

Date/ Time Checked Out	Person Checking Out Card	Approved By	Purpose (Vendor name for purchases or destination for travel)	Receipts turned in with card	Date/ Time Checked In	Checked in By
				YES NO		
				YES NO		
				YES NO		
				YES NO		
				YES NO		
				YES NO		
				YES NO		
				YES NO		
				YES NO		
				YES NO		
				YES NO		
				YES NO		
				YES NO		
				YES NO		
				YES NO		
				YES NO		

By Completing and signing this form I agree to follow the City of Great Falls Credit card Policy.

## City of Great Falls

### Travel Policy

#### Introduction

It is the policy of The City of Great Falls (City) to reimburse staff for reasonable and necessary expenses incurred during travel for City business. The City requires all out-of-state and foreign travel to have authorization from the City Manager's Office prior to incurring any expense or travel; in-state travel requires department head approval. All expenses must be reasonable, necessary, and have a valid business purpose. Transportation to entertainment is not a reimbursable expense. When traveling by car, all traffic laws must be followed. Should a rental car be necessary during travel, pre-authorization is required by the City Manager's office. Police travel for undercover work and/or transportation of suspects or victims is covered by separate police policy.

It is expected that the staff member will use good judgment when making travel arrangements and inquire if the destination will waive taxes for tax-exempt entities.

#### Personal Conduct

While traveling on City business, staff is expected to act as a representative of the City. The standards of conduct, as detailed in the City Personnel Policy Manual, apply to all staff traveling on City business. Should an incident occur involving a City employee while traveling on City business notify your supervisor at your first opportunity.

#### Purchasing

A City credit card must be used to purchase as much of the travel expenses as possible including airline tickets and registrations for City related travel rather than the staff member purchasing these items and then being reimbursed.

#### Travel Requisition Form

The City has two travel requisition forms - one for out-of-state travel and one for in-state travel. The correct form must be completed as early as possible to provide time for discounts on travel, approval, and a travel advance. Complete the appropriate form for preapproval with the estimated travel expense and as much back-up documentation that is available, i.e., copy of registration form, estimate of hotel expenses, per diem, and air or ground travel.

#### Airline Travel

All City staff are advised to use economy, coach, or other comparably priced fares. Staff should select flights based on the lowest fare available and never solely on direct flights or participation in a frequent flyer program. Staff is encouraged to make flight arrangements as early as possible and price check in order to keep costs to a minimum.

The City will pay for one checked bag that is personal and not over weight.

#### Personal Car Travel

The City will reimburse a staff member for mileage when a personal vehicle is used. The mileage rate is the allotment allowed by the United States Internal Revenue Service. This reimbursement covers all



vehicle related expenses such as gas, oil, maintenance, insurance, etc. other than parking. Mileage for travel will be calculated by using the distance from the City of Great Falls to the destination and back by using [www.mapquest.com](http://www.mapquest.com). Parking receipts may also be submitted for reimbursement. Any employee who chooses to drive a personal vehicle should be aware the City does not provide coverage for loss or damage to personal vehicles. It is strongly suggested that City vehicles be used for all City related travel. When two or more City staff members travel together, only the staff member whose vehicle is being used will be reimbursed for mileage. When more than one staff member is traveling to the same location, carpooling is the best option.

Staff members that receive a monthly car allowance will only be reimbursed when travel is more than 10 miles outside the city limits.

If an employee chooses to use a personal vehicle over a common carrier, mileage reimbursement shall not exceed the cost of airfare.

### Rental Car

A rental car is a justifiable expense if it is cheaper than other forms of transportation; anyone requesting use of a rental car must demonstrate that it is the least cost alternative. Preapproval of a rental car must come from the City Manager’s office prior to travel.

### Meals

Meal reimbursements have set rates for travel depending on whether the travel is out-of-state or in-state. Out-of-state travel is based on the General Services Administration (GSA) rates found at <https://www.gsa.gov/travel/plan-book/per-diem-rates> or contact the Finance Department for current rates. In-state travel per diem will be reimbursed \$40 per day \$10 for breakfast, \$10 for lunch, and \$20 for dinner. The per diem rates include all tips.

The meal out-of-state allowances are a daily limit or allowance rather than a limit per meal, including any tips. In-state travel is based on a per meal or daily basis depending on the length of travel. Employees departing after 7:00 am and returning before 6:00 pm qualify for the lunch allowance only. Employees departing after 7:00 am and returning after 6:00 pm qualify for both the lunch and dinner allowances. Employees departing before 7:00 am and returning after 6:00 pm qualify for the breakfast, lunch, and dinner allowances.

<b>Departing</b>	<b>Returning</b>	<b>Meal allowed</b>	<b>Per Diem</b>
Before 7:00 am	Before 6:00 pm	Breakfast and Lunch	\$20
After 7:00 am	Before 6:00 pm	Lunch	\$10
After 7:00 am	After 6:00 pm	Lunch and Dinner	\$30
Before 7:00 am	After 6:00 pm	Breakfast, Lunch, and Dinner	\$40

### Lodging

Staff should select reasonably located and priced lodging, considering the business purpose. The government rate should be requested when the reservation is made. Staff are responsible for room

deposits and lodging payments. By completing the travel form at least ten days in advance, the cost of the hotel, out of pocket transportation and meal expenses will be given to the employee, prior to travel, to cover these expenses.

### Unallowable Expenses

Alcoholic beverages and expenditures of a personal nature are not allowable. Examples include but are not limited to:

- Room service.
- Mini bar and amenity charges.
- Porter service for personal luggage.
- Transportation expense for dining out (unless hotel/motel does not have dining facilities or there are none within walking distance.) □ Optional valet parking.
- Parking tickets or other traffic tickets.
- Fees at a conference or meeting for social events or the entertainment of a spouse or guest.
- Other expenditures, otherwise allowable, may be rejected without proper travel authorization.

### Receipts

While traveling for City business the staff member must retain and submit original receipts for all expenses. The exceptions to that is if the City employee is using per diem for meals or pays a parking meter, where a receipt is not produced. Should a receipt become lost, the staff member should try to get a copy of the receipt(s) from the vendor. If the receipt cannot be recreated, the staff member may list the expense on the travel form when they return with an explanation of the expense and noting the receipt was lost and unable to be recovered. The City honors all reasonable travel claims.

Receipts are required to have the following information:

Lodging: Detailed lodging bill includes room, fees, and taxes.

Registration: Receipt, copy of registration form, and other applicable documentation.

Transportation: Receipt taxi, bus, shuttle, rental car, airline, rail ticket, etc. tips are not to exceed 20%.

Parking: Receipt needed unless paying a parking meter where a receipt is not printed.

Telephone: Receipt needed for City related calls.

Other: Detailed receipts for City related business expenses for example copies, faxes, etc.

### Coordinated Personal Travel

There are benefits associated with coordinating business travel with personal travel, especially when it results in cost savings for the City. Extending a personal trip into a business trip, or taking personal time after completing the business portion of a trip often results in lower travel costs for the City.

Coordinating personal travel must follow the City Personnel Policy Leave Policy and the supervisor must approve leave. Transportation costs and per diem will be allowed only for the most direct route to the destination for the City business trip. Reimbursement and payment for meals and lodging will be allowed only during the time the employee is in City travel status.

## Other

All travel reconciliations must be submitted within five days of returning to work. If the claim is more than the travel advance the employee will be issued a check. If the claim is less than the advance the employee will reimburse the City for the difference at the time the reconciliation is submitted.

Trip reports may be requested by Department Head or City Manager and should be submitted within five days of the request.

**CITY OF GREAT FALLS TRAVEL VOUCHER**  
**\*\* PLEASE READ BEFORE TRAVELING \*\***

**FORM COMPLETION:**

Each travel voucher must be as complete as possible before advances/reimbursements will be made. The correct account numbers must be provided.

**TRAVEL VOUCHERS MUST BE RETURNED TO FISCAL SERVICES WITHIN 5 DAYS AFTER RETURN.**

**REIMBURSABLE EXPENSES:**

Employees need authorization (requisition/purchase order, etc.) prior to incurring an expense on behalf of the City. To be reimbursed for all authorized expenses, employees submit an expense report/voucher accompanied by receipts. A supervisor must approve the expense report/voucher prior to submittal. Generally, claims will not be paid without proper documentation.

Receipts must support reimbursement claims. Support can include receipts for individual meals (if the base allowance is exceeded), transportation (plane, train, rental car, etc.), lodging, enrollment and registration, and miscellaneous business expenses.

There are occasions when receipts are not required. These include instances when individual meal claims fall within the base allowance, personal transportation claims fall within the rate per mile, and for costs associated with incidental miscellaneous expenses where receipts are not normally available (pay phones, taxis, parking, etc.).

Employees who have lost a receipt but know the amount or approximate amount of an expense may submit their claim as usual and note the receipt loss in a brief, written explanation. The City honors all reasonable travel claims.

The meal allowance is not a daily allowance or limit; it is an allowance or limit per meal, including any tip. Employees departing after 7:00 a.m. and returning before 7:00 p.m. qualify for the lunch allowance only. Employees departing after 7:00 a.m. and returning after 7:00 p.m. qualify for both the lunch and dinner allowances. Employees departing before 7:00 a.m. and returning after 7:00 p.m. qualify for the breakfast, lunch and dinner allowances.

If a meal is not associated with a business meeting, or if a meal exceeds the standard meal allowance, the meal may qualify under special meal circumstances. The City understands that some locations are, by their nature, more expensive. Employees in locations such as these may exceed individual meal allowances. Any extra costs may be claimed. Employees should attach a receipt and a brief, written explanation to their claim form for each meal. The request for additional meal expense coverage will be subject to the claim approval process.

Public transportation for City purposes shall be limited to coach rates, unless special circumstances exist and are documented.

Employees should try to reduce overall business travel costs. The timing of travel can result in savings associated with taking advantage of special rates. Accordingly, the City may prefer to pay additional lodging, meals, etc. if the result is a net savings.

- Lodging: Receipts, DETAILED lodging bills, includes room and tax only.
- Meals: Receipt if meal exceeds standard meal allowance with written explanation of excess.
- Tips: Actual expense to a maximum of 15% per eligible meal receipt.
- Registration: Receipt, copy of registration form, and other applicable documentation.
- Transportation: Receipts for taxi, bus, airport limousine, and other. Copy of ticket for air or rail, coach and tourist only.
- Parking: Receipt needed.
- Personal Vehicle: Current Internal Revenue Service mileage allowance.
- Telephone: City related
- Other: Receipts for city related expenses for copies, faxes, car rental and other expenses.

If you have any questions or concerns regarding travel vouchers, please call Fiscal Services 455-8424 or 455-8425

**City of Great Falls In-State  
Travel Advance/Reimbursement Request Form**

Employee: \_\_\_\_\_ Date: \_\_\_\_\_  
 Destination: \_\_\_\_\_ Department: \_\_\_\_\_  
 Travel Reason (be specific): \_\_\_\_\_  
 Departure Date & Time: \_\_\_\_\_ Return Date & Time: \_\_\_\_\_  
 Other Employees Attending This Function: \_\_\_\_\_  
 Account Number: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Project Number: \_\_\_\_\_ %/Amount: \_\_\_\_\_  
 Account Number: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Project Number: \_\_\_\_\_ %/Amount: \_\_\_\_\_  
 Account Number: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Project Number: \_\_\_\_\_ %/Amount: \_\_\_\_\_  
 Transportation Used: Air \_\_\_\_\_ Car Rental \_\_\_\_\_ Personal Vehicle \_\_\_\_\_ City Vehicle \_\_\_\_\_

Travel Advance Estimate of Expenses	PR # & Amount for Direct Payments to Vendors:	Reconciliation/Reimbursement	
		* Receipts Required	Actual Expenses
Motel Nights _____ Rate _____	_____	Motel * Nights _____ Rate _____	_____
Car Rental	_____	Car Rental *	_____
Airfare	_____	Airfare *	_____
Registration Fees	_____	Registration Fees *	_____
Miscellaneous (Be specific): _____	_____	Miscellaneous * (Be specific): _____	_____
Mileage Miles _____ Rate <u>0.580</u>	_____	Mileage Miles _____ Rate <u>0.575</u>	_____
Meals _____ # of Breakfasts @ \$10.00 _____ # of Lunches @ \$10.00 _____ # of Dinners @ \$20.00	_____	Meals _____ # of Breakfasts @ \$10.00 _____ # of Lunches @ \$10.00 _____ # of Dinners @ \$20.00	_____
Total Advance Requested _____ -	Total Direct Paid _____ -	Total Actual Costs _____ -	_____ -

Employee Initials \_\_\_\_\_ Date \_\_\_\_\_  
 Department Head Initials \_\_\_\_\_ Date \_\_\_\_\_  
 Finance Director Initials \_\_\_\_\_ Date \_\_\_\_\_

Fiscal Services Department Use Only:

Reconciled by \_\_\_\_\_ Amount Advanced to Employee \_\_\_\_\_ - Advance Check No. \_\_\_\_\_  
 Total cost of trip \_\_\_\_\_ - Total Itemized Travel Expenses \_\_\_\_\_ - Advance Check Date \_\_\_\_\_  
 Amount Due to Employee \_\_\_\_\_ - Due Employee Check No. \_\_\_\_\_  
 2018 Amount Due to City \_\_\_\_\_ - Due Employee Check Date \_\_\_\_\_

**CITY OF GREAT FALLS TRAVEL VOUCHER**  
**\*\* PLEASE READ BEFORE TRAVELING \*\***

**PRIOR APPROVAL**

**ALL out of state travel MUST be approved by the City Manager's Office PRIOR to incurring any expenses or travel.**

**FORM COMPLETION:**

Each travel voucher must be as complete as possible before advances/reimbursements will be made. The correct account numbers must be provided.

**TRAVEL VOUCHERS MUST BE RETURNED TO FISCAL SERVICES WITHIN 5 DAYS AFTER RETURN.**

**REIMBURSABLE EXPENSES:**

Employees need authorization (requisition/purchase order, etc.) prior to incurring an expense on behalf of the City. To be reimbursed for all authorized expenses, employees submit an expense report/voucher accompanied by receipts. A supervisor must approve the expense report/voucher prior to submittal. Generally, claims will not be paid without proper documentation.

The policy for the City of Great Falls is the City will pay for one checked bag that is personal and not overweight. Anything over that must be covered by the employee.

Receipts must support reimbursement claims. Support can include receipts for transportation (plane, train, rental car, etc.),

There are occasions when receipts are not required. These include instances when personal transportation claims fall within the rate per mile, and for costs associated with incidental miscellaneous expenses where receipts are not normally available (pay phones, taxis, parking, etc.).

Employees who have lost a receipt but know the amount or approximate amount of an expense may submit their claim as usual and note the receipt loss in a brief, written explanation. The City honors all reasonable travel claims.

The meal allowance is a daily allowance or limit; and is based on the per diem rates provided by the General Services Administration (GSA) rates can be found at <https://www.gsa.gov/travel/plan-book/per-diem-rates> or contact the Finance Department for current rates.

Public transportation for City purposes shall be limited to coach rates, unless special circumstances exist and are documented.

Employees should try to reduce overall business travel costs. The timing of travel can result in savings associated with taking advantage of special rates. Accordingly, the City may prefer to pay additional lodging, meals, etc. if the result is a net savings.

- Lodging: Receipts, DETAILED lodging bills, includes room and tax only.
- Registration: Receipt, copy of registration form, and other applicable documentation.
- Transportation: Receipts for taxi, bus, airport limousine, and other. Copy of ticket for air or rail, coach and tourist only.
- Parking: Receipt needed.
- Personal Vehicle: Current Internal Revenue Service mileage allowance.
- Telephone: City related
- Other: Receipts for city related expenses for copies, faxes, car rental and other expenses.

If you have any questions or concerns regarding travel vouchers, please call Fiscal Services at extension 481.

**City of Great Falls Out-of-State  
Travel Advance/Reimbursement Request Form**

Employee: \_\_\_\_\_ Date: \_\_\_\_\_  
 Destination: \_\_\_\_\_ Department: \_\_\_\_\_  
 Travel Reason (be specific): \_\_\_\_\_  
 Departure Date & Time: \_\_\_\_\_ Return Date & Time: \_\_\_\_\_  
 Other Employees Attending This Function: \_\_\_\_\_  
 Account Number: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Project Number: \_\_\_\_\_ %/Amount: \_\_\_\_\_  
 Account Number: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Project Number: \_\_\_\_\_ %/Amount: \_\_\_\_\_  
 Account Number: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Project Number: \_\_\_\_\_ %/Amount: \_\_\_\_\_  
 Transportation Used: Air \_\_\_\_\_ Car Rental \_\_\_\_\_ Personal Vehicle \_\_\_\_\_ City Vehicle \_\_\_\_\_

Travel Advance Estimate of Expenses	PR # & Amount for Direct Payments to Vendors:	Reconciliation/Reimbursement	
		* Receipts Required	Actual Expenses
Motel		Motel *	
Nights _____		Nights _____	
Rate _____	-	Rate _____	
Car Rental		Car Rental *	
Airfare		Airfare *	
Registration Fees		Registration Fees *	
Miscellaneous (Be specific):		Miscellaneous * (Be specific):	
Mileage		Mileage	
Miles _____		Miles _____	
Rate <u>0.580</u>		Rate <u>0.575</u>	
Meals		Meals	
Daily Per Diem Rate varies by location of travel		Daily Per Diem Rate varies by location of travel	
<a href="https://www.gsa.gov/travel/plan-book/per-diem-rates">https://www.gsa.gov/travel/ plan-book/per-diem-rates</a>		<a href="https://www.gsa.gov/travel/p&lt;br/&gt;lan-book/per-diem-rates">https://www.gsa.gov/travel/p lan-book/per-diem-rates</a>	
Total Advance Requested _____ -	Total Direct Paid _____ -	Total Actual Costs	-

Employee Initials \_\_\_\_\_ Date \_\_\_\_\_  
 Department Head Initials \_\_\_\_\_ Date \_\_\_\_\_  
 Fiscal Services Director Initials \_\_\_\_\_ Date \_\_\_\_\_  
 City Manager's Office Approval \_\_\_\_\_ Date \_\_\_\_\_

Fiscal Services Department Use Only:

Reconciled by \_\_\_\_\_ Amount Advanced to Employee \_\_\_\_\_ - Advance Check No. \_\_\_\_\_  
 Total cost of trip \_\_\_\_\_ - Total Itemized Travel Expenses \_\_\_\_\_ - Advance Check Date \_\_\_\_\_  
 Amount Due to Employee \_\_\_\_\_ Due Employee Check No. \_\_\_\_\_  
 Amount Due to City \_\_\_\_\_ - Due Employee Check Date \_\_\_\_\_

August 2018

### CITY OF GREAT FALLS

## QUOTES

Purchases up to and including \$25,000 may be purchased at the Department Head’s discretion, two written quotes, oral quotes, or other supporting documentation is recommended. Departments must identify all information for the items/services being requested. This information may be read over the phone to each vendor or provided in written form.

Department/Division: \_\_\_\_\_ Date: \_\_\_\_\_

Individual Obtaining Quotes: \_\_\_\_\_

Supply/Service Description: \_\_\_\_\_

\_\_\_\_\_

<b>VENDOR NAME</b>			
<b>CONTACT PERSON OR SOURCE</b>			
<b>PHONE #</b>			
<b>PRICE QUOTED</b>			

PREFERRED VENDOR: \_\_\_\_\_

**I certify that the information provided above is, to the best of my knowledge, true and correct.**

Individual Obtaining Quotes: \_\_\_\_\_  
Signature Date

Approval:

Department Head: \_\_\_\_\_



Tracking # \_\_\_\_\_

**CITY OF GREAT FALLS  
REQUEST FOR SOLE SOURCE**

DATE: \_\_\_\_\_ DEPARTMENT: \_\_\_\_\_

REQUESTOR: \_\_\_\_\_ PHONE NUMBER: \_\_\_\_\_

BUSINESS NAME: \_\_\_\_\_

CONTACT: \_\_\_\_\_ PHONE NUMBER: \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP CODE: \_\_\_\_\_

SOLE SOURCE REQUEST PURPOSE:

\_\_\_\_\_

SOLE SOURCE JUSTIFICATION:

\_\_\_\_\_

**Special Cases for Sole Source Purchases:**  
Bids or quotes are not required where it is in the best interest of the City to maintain a compatible and/or reliable system provided by a single vendor or professional. The sole source form must be provided to the Finance Department for approval prior to purchase.  
a. These requirements for purchases of supplies/equipment and services over \$80,000 may be waived by the City Manager. Approval must be documented and obtained PRIOR to purchase.  
b. The above applies where:  
i. There is only one source for the supply or service of the item ( i.e. a vendor's warranty service, exclusive vendor required maintenance agreements), or  
ii. Only one source is acceptable or suitable for the supply or service item, or  
iii. The supply or service must be compatible with current supplies or services, or  
iv. A collective bargaining agreement or other contract requires the utilization or employment of a specific good or professional.  
c. Where state and local law require a good or service to be provided by a specific entity (Election Administration, Detention Center Fees, etc.), quotes are not required.

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
PRINT NAME

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
DATE

### CITY OF GREAT FALLS

## NEW OR DISPOSED OF MACHINERY AND EQUIPMENT FORM

This form should be completed whenever a vehicle, trailer, or equipment valued at \$5,000 or more is acquired or disposed. Please complete form with as much information as possible and send to the Finance Department.

### Asset Information

New Asset                       Disposal                      Asset Number \_\_\_\_\_

Item: \_\_\_\_\_

Original Funding Source: \_\_\_\_\_

Acquisition Date: \_\_\_\_\_

Original Purchase Price: \_\_\_\_\_

Manufacturer: \_\_\_\_\_

Model: \_\_\_\_\_

Model Year: \_\_\_\_\_

Serial Number: \_\_\_\_\_

Disposal Date: \_\_\_\_\_

Reason for Disposal: \_\_\_\_\_

Sale Price or Trade In Value: \_\_\_\_\_

## City of Great Falls Annual Small Works Policy

### Introduction

The purpose of the Small Works Roster (Roster) policy is to make it simpler for departments to get small jobs and repairs, up to \$25,000, completed using a list of preapproved vendors. The Risk Management Specialist will maintain the list of preapproved vendors for the City. The Roster will include vendors that have completed the Small Works Roster application, have met all of the requirements, and have been approved. The City reserves the right to select an appropriate vendor for the repair or project

### Roster Registration

The City will run an annual legal advertisement inviting vendors to register or renew their status on the Roster, which will provide the process to apply.

Vendors that would like to be on the Roster must provide the following:

- Complete application;
- Insurance, naming the City as additionally insured;
- Proof of worker's compensation coverage and/or independent contractor exemption certificate;
- Proof of all applicable and required contractor, business and state licenses;
- List of three references, minimum of three;
- List of similar projects completed within the last two years
- Current W9.

To remain current on the Roster, vendors will need to annually:

- Complete annual renewal application
- Submit the certificate of insurance to the City's Risk Management Specialist on a yearly basis prior the expiration of the current certificate;
- Keep all contact information up to date;
- Comply with all Federal, State, and Local laws; and
- Current W9

By registering, the City does not notify vendors of opportunities. To keep up with City bids, RFPs, and/or Small Works Projects, sign up for notifications on the City's website: <https://greatfallsmt.net/rss>. Click on the Bids and RFPs feed and enter e-mail contact information.

CITY OF GREAT FALLS

SMALL WORKS ROSTER APPLICATION

NEW APPLICATION

RENEWAL

BUSINESS NAME: \_\_\_\_\_

CONTACT: \_\_\_\_\_ PHONE NUMBER: \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_ FAX NUMBER: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP CODE: \_\_\_\_\_

FEDERAL TAX ID NUMBER: \_\_\_\_\_

MT CONTRACTOR LICENSE NUMBER: \_\_\_\_\_

CONTRACTOR FILING STATUS:

Sole Proprietor

Limited Liability Company

Corporation

Partnership

Other: \_\_\_\_\_

INSURANCE COMPANY: \_\_\_\_\_

POLICY NUMBER: \_\_\_\_\_ PHONE NUMBER: \_\_\_\_\_

CONTACT: \_\_\_\_\_

Check all areas that are applicable to your expertise:

\_\_\_\_\_ Acoustical Tile

\_\_\_\_\_ Audio/Visual

\_\_\_\_\_ Boilers

\_\_\_\_\_ Carpet/Flooring

\_\_\_\_\_ Chemicals

\_\_\_\_\_ Concrete

\_\_\_\_\_ Drywall

\_\_\_\_\_ Electrical

\_\_\_\_\_ Excavation

\_\_\_\_\_ Fencing

\_\_\_\_\_ Fire Equipment

\_\_\_\_\_ Fire Sprinkler Systems

\_\_\_\_\_ General Contracting

\_\_\_\_\_ Hazardous Waste Removal

\_\_\_\_\_ HVAC/Mechanical

\_\_\_\_\_ Insulation

\_\_\_\_\_ Irrigation/Landscaping

\_\_\_\_\_ Lumber and Supplies

\_\_\_\_\_ Overhead Doors

\_\_\_\_\_ Painting

\_\_\_\_\_ Paving/Seal Coating & Striping

\_\_\_\_\_ Pest Control

\_\_\_\_\_ Plumbing

\_\_\_\_\_ Recreation Equipment

\_\_\_\_\_ Roofing

\_\_\_\_\_ Sprinkler Systems

\_\_\_\_\_ Telecommunications

\_\_\_\_\_ Tree/Stump Removal

\_\_\_\_\_ Vehicle Supplies

\_\_\_\_\_ Water Testing

\_\_\_\_\_ Window Cleaning

\_\_\_\_\_ Other: \_\_\_\_\_

The purpose of the Small Works Roster (Roster) policy is to make it simpler for departments to get small jobs and repairs completed using a list of preapproved businesses. The list of preapproved vendors will be maintained by the \_\_\_\_\_ for the City of Great Falls (City.) The Roster will include vendors that have completed the Small Works Roster application, have met all of the requirements, and have been approved. The City has created a Roster for several categories of work. The Roster has been created to reduce the time it takes departments to get repairs or minor projects completed and reduce operating costs by having prequalified vendors who can be contracted immediately. The City reserves the right to select an appropriate vendor for the repair or project.

Items to be included with application:

Vendors that would like to be on the small works roster must be able to provide the following:

- Insurance, naming the City as additionally insured;
- Proof of workers' compensation coverage or independent contractor exemption certificate;
- Proof of all applicable and required contractor, business and state licenses;
- List of references, minimum of three;
- List of similar projects completed within the last two years.

The vendors will need to submit the certificate of insurance to \_\_\_\_\_ on a yearly basis prior the expiration of the current certificate. Vendors are also responsible for keeping all contact information up to date. Registering does not notify vendors of opportunities.

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
PRINT NAME

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
DATE

## Intent to Create Form Instructions

The Intent to Create form is used to have an Office File number and/or a Project Number created. The Office file number is the method the City uses to track documentation associated with a project and is assigned by the City Engineer. Project numbers are assigned to track expenditures and revenues of projects and are assigned by the Budget Analyst or the Finance Director in the Finance Department. Any project involving construction, remodeling, master planning, or rate study should receive an Office File number.

### Steps

To create an Intent to Create Form:

1. Go to Shared Documents/All/Intent to Create on the shared drive. <O:\All\Intent to Create>
2. Open the excel file, 1 – Template Intent to Create Form Dec 2018.
3. Click on File, Save as, save document in the same folder, and name the file (the first 2-3 words of the project name.) Complete as much information as possible including project details and funding information.
4. E-mail [cogf\\_intent\\_review@greatfallsmt.net](mailto:cogf_intent_review@greatfallsmt.net), that an intent to create form is ready for review. In the subject line of the e-mail it should say Intent to Create and project name. **Do not attach document.**
  - a. Engineering will review the project information, assign an Office File number, and reply to the e-mail that information has been populated into the form.
  - b. Finance will review accounting information, assign a project number, and reply to the e-mail that information has been populated into the form.
5. Originator will contact Division Head and Department Head to have them digitally initial the form.
6. Originator will fill in completed date at the bottom of the form when all needed information and sign offs have been completed.
7. The originator will e-mail the distribution list [cogf.intent@greatfallsmt.net](mailto:cogf.intent@greatfallsmt.net) that Intent to Create Form has been complete for \_\_\_\_\_ project.
  - a. The distribution list includes
    - i. City Clerk and Assistant City Clerk – who will create the Office File record
    - ii. Finance Director
    - iii. Budget Analyst – who will make budget adjustment
    - iv. Public Works Director
    - v. City Engineer
    - vi. Engineering Admin

**CITY OF GREAT FALLS  
INTENT TO CREATE PROJECT**

COMPLETED BY ORIGINATOR \_\_\_\_\_

PROJECT TITLE \_\_\_\_\_  
 TYPE OF PROJECT \_\_\_\_\_  
 REASON FOR PROJECT \_\_\_\_\_  
 PROJECT LOCATION \_\_\_\_\_  
 PROJECT MANAGER \_\_\_\_\_  
 PROJECT START/FINISH DATE \_\_\_\_\_

**PROJECT FUNDING**

**FUNDING SOURCES (PLEASE INPUT NEGATIVE VALUES)**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	ADJUSTMENT AMOUNT
<b>TOTAL</b>		<b>\$0</b>

**FUNDING ALLOCATIONS**

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	ADJUSTMENT AMOUNT	PRIOR FUNDING	ENDING BALANCE
				\$0
				\$0
				\$0
				\$0
				\$0
				\$0
				\$0
<b>TOTAL</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

CONTACT FINANCE FOR PROJECT # \_\_\_\_\_ PROJECT NUMBER \_\_\_\_\_

COMPLETED BY ENGINEERING \_\_\_\_\_ OFFICE FILE NUMBER \_\_\_\_\_ RELATED \_\_\_\_\_

**ROUTING FOR DIGITAL INITIAL**

1. ORIGINATOR \_\_\_\_\_  
 2. DIVISION HEAD \_\_\_\_\_  
 3. DEPARTMENT HEAD \_\_\_\_\_

\$0	TOTAL FUNDING SOURCES
\$0	TOTAL FUNDING ALLOCATIONS
\$0	DIFFERENCE

DATE COMPLETED \_\_\_\_\_

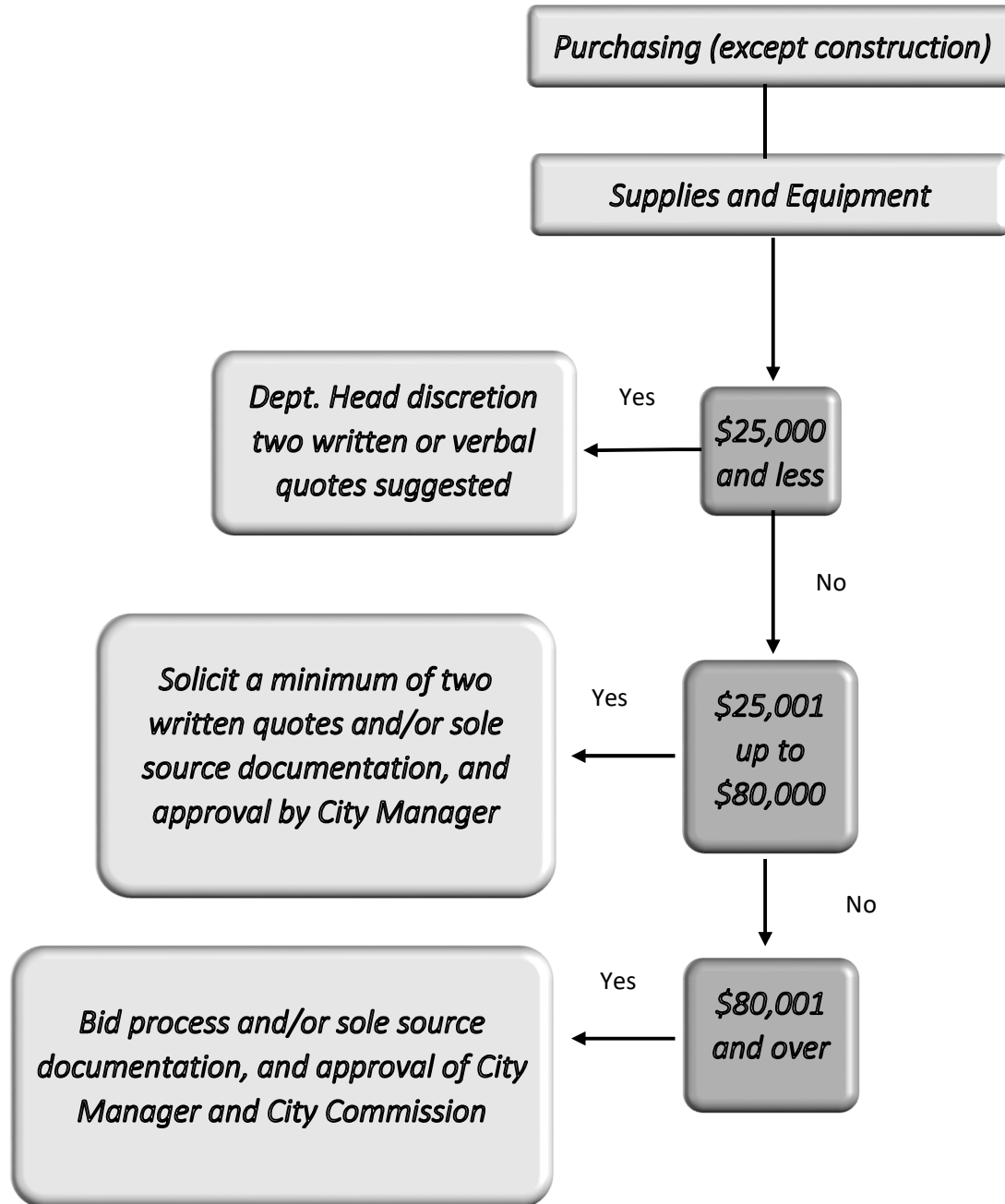
- CC:  
 CITY CLERK  
 FINANCE DIRECTOR  
 BUDGET ANALYST  
 PUBLIC WORKS DIRECTOR  
 CITY ENGINEER  
 ENGINEERING ADMIN

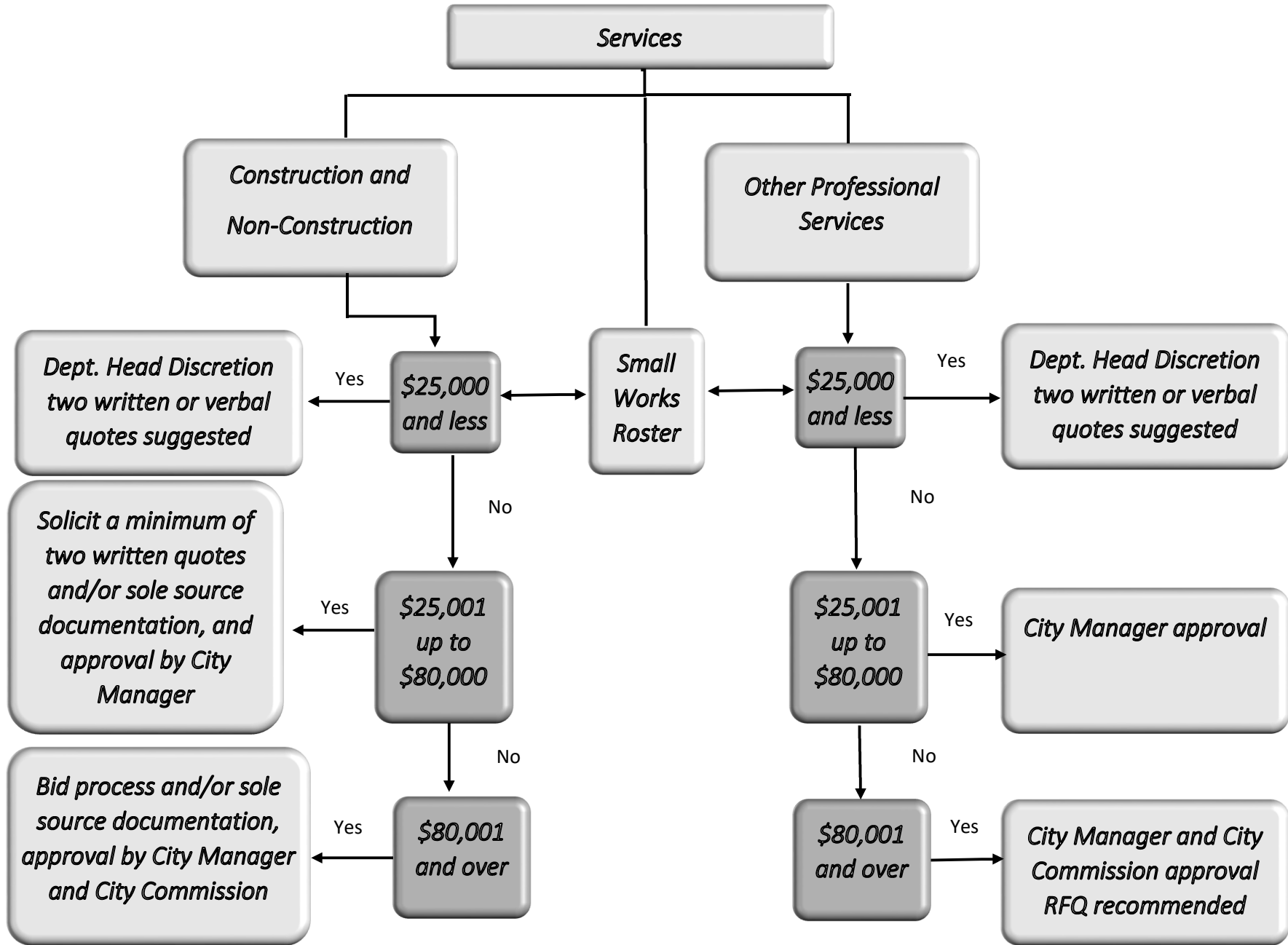
Contract and Bidding Matrix

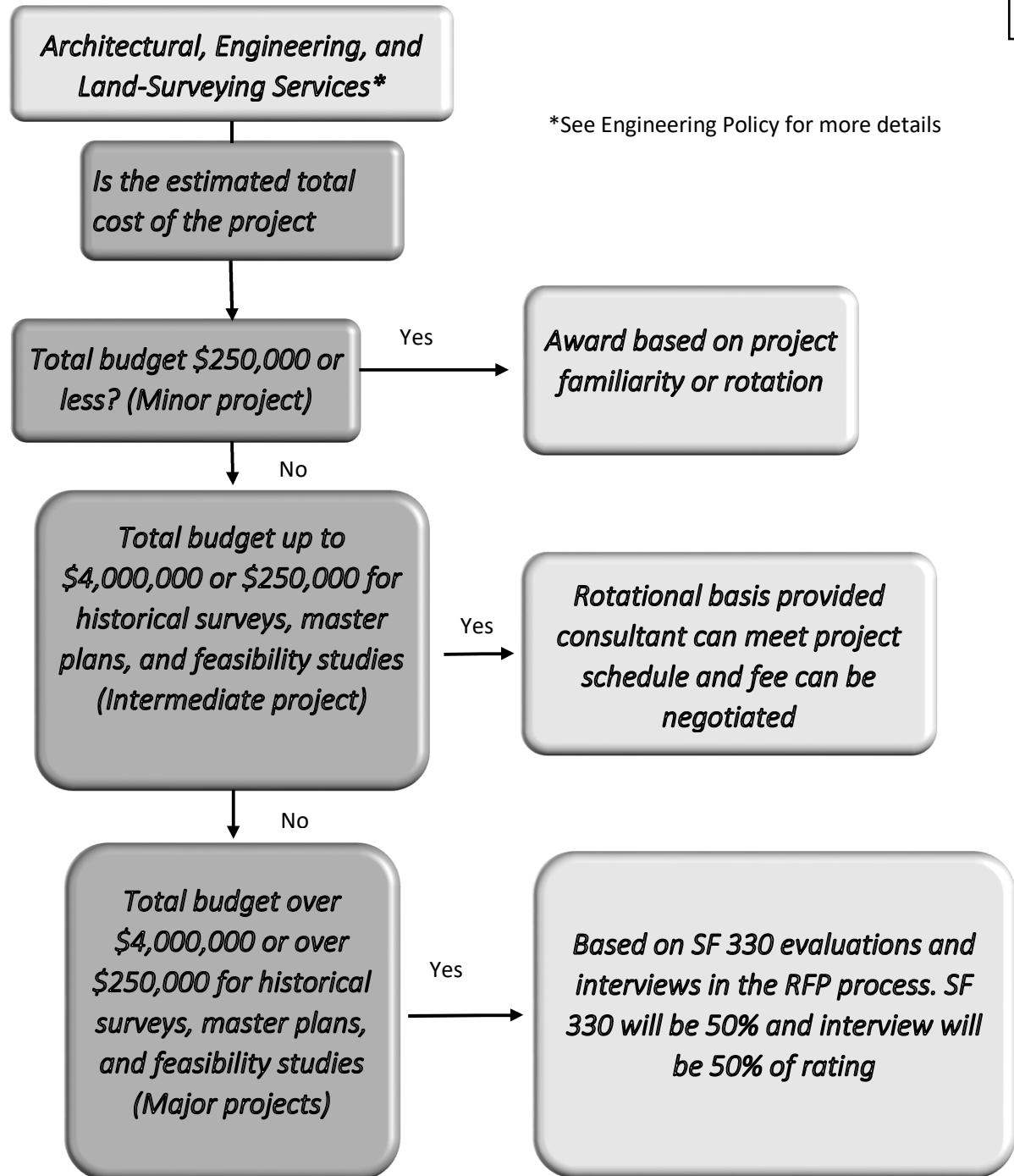
		Dept. Head Approval	City Manager Approval	2 Verbal or Written Quotes Recommended	Solicit a min. of 2 Written Quotes or approved Cooperative Purchasing Agreement	Formal Bid or Cooperative Purchasing Agreements	Contracts List	Agenda Item	Review for State Prevailing Wage Rates	Insurance	50% bona fide MT Residents	State 1% Withholding over \$5,000	Performance Bond	Payment Bond	Bid Bond	Federal Prevail. Wage Rates apply on projects over \$2,000 with Federal Funding*	Cert. of Non segregated Facilities and Non-conclusion*
Supplies and Equipment	\$0.00 to \$25,000	X		X													
	\$25,001 to \$80,000	X	X		X												
	> \$80,000	X	X			X	X							X			
Repairs***	\$0.00 to \$25,000	X		X					X								
	\$25,001 to \$80,000	X	X		X		X	X	X			X	X				
	> \$80,000	X	X			X	X	X	X			X	X	X			
Architectural, Engineering, and Land	\$0.00 to \$25,000	X							X								
	\$25,001 to \$80,000	X	X				X		X								
	> \$80,000	X	X				X		X								
Construction	\$0.00 to \$25,000	X		X					X	X	X					X	X
	\$25,001 to \$80,000	X	X		X		X	X	X	X	X	X	X	X		X	X
	> \$80,000	X	X			X	X	X	X	X	X	X	X	X	X	X	X
Non-Construction Services **	\$0.00 to \$25,000	X		X					X							X	X
	\$25,001 to \$80,000	X	X		X		X	X	X			X	X			X	X
	> \$80,000	X	X			X	X	X	X			X	X	X		X	X
Other Professional Services *****	\$0.00 to \$25,000	X							X								
	\$25,001 to \$80,000	X	X				X		X								
	> \$80,000	X	X				X		X								

- Notes:
- Quotation Requirements for Purchases up to \$25,000 will be set by the Department
  - Certain Funding Sources May Require Certified American Steel e.g. DNRC grants
  - See contract templates on City intranet for insurance requirement amounts
  - \*Applies to Federally funded projects; each federally funded project must be reviewed individually for compliance
  - \*\* e.g. Grounds maintenance, custodial or security services, material and mail handling
  - \*\*\* Repairs to equipment, overhead doors, windows, water heaters, etc. DOES NOT include construction such as alteration, maintenance and remodeling
  - \*\*\*\* Refer to Architectural, Engineering, and Land Surveying policy maintained by Public Works
  - \*\*\*\*\* e.g. Legal, Physicians, Consultants, Trainers if over \$80,000, request for qualifications is recommended but may be waived by the City Manager.









## City of Great Falls Petty Cash Policy

### Petty Cash Funds

Petty cash funds are set up and administered by a custodian in each department and are to be used by City employees for small purchases up to \$100.00. Expenditures over \$100.00 need to be approved by the department head in advance of the purchase. The use of the Petty Cash Fund is to ensure departments are able to make small purchases quickly as needed. The Petty Cash Fund is not a way to circumvent City purchasing policies. All purchasing policies must be followed. To establish a Petty Cash Fund the Department Head will request a fund along with the dollar amount requested in a Memo to the Finance Department Head. Once the Finance Director approves the fund the department will enter the request into the accounts payable system.

### Petty Cash Use Procedures

Petty cash may be advanced or reimbursed to a City employee.

If the advance method is desired the employee will receive an advance for a purchase while estimating the price of the purchase. When an advance is received, the employee will complete an "I Owe You" form with the following information listed:

- Item to be purchased,
- estimated purchase price,
- date, and
- signature.

When the purchase is completed, later the same day, the "I Owe You" form will be replaced with the itemized receipt and the correct change returned to the Petty Cash Fund.

If the reimbursement method is chosen, the employee will get appropriate approval within the City, purchase needed item(s) from vendor, and return with itemized receipt or invoice to get reimbursed by the custodian.

### Reconciliation

The custodian will maintain the Petty Cash Log to record all expenditures from the fund. The receipts listed on the log sheet plus the cash should always balance to the amount in the Petty Cash Fund. If the cash and receipts do not equal the Petty Cash Fund amount an overage or shortage should be recorded. The custodian also needs to monitor the amount of petty cash available and be sure to replenish the fund as needed through the accounts payable process.

## City of Great Falls Fixed Assets and Construction in Progress Policy

### Fixed Assets

Fixed assets are items that are purchased, constructed, or donated to the City of Great Falls (City) with a purchase price or value of \$25,000 or more and a life expectancy of more than three years. The City has several classes of Fixed Assets Land, Building and Structures, Intangible Assets, Improvements other than Buildings, Machinery and Equipment, Inventories, Infrastructure, and Plant.

Items purchased in bulk (library books, golf carts, garbage containers) may exceed \$25,000 but do not meet the criteria since the individual item is not valued at \$25,000 or more. Library books and other grouped items were once capitalized but are being removed from the fixed asset list as they are fully depreciated in order to comply with this policy. Every department is required to keep track of controlled assets, items that are City owned but do not meet the \$25,000 threshold, items such as equipment, office supplies, etc.

### Fixed Assets Classes

Land - Property the City owns and is listed as the owner on property tax bills and was not purchased for investment purposes.

Buildings and Structures - All buildings, sheds, or anything that is constructed with a fixed location on the ground.

Intangible assets - Rights of ways, easements, water rights,

Improvements other than Buildings - Sidewalks, sprinkler systems, fencing, trails

Machinery and Equipment - Vehicles, plows, mowers, items that are moveable

Inventories – Parts in Water Fund meters are no longer being added to fixed assets

Infrastructure – Sewer mains, storm drains, water mains, manholes, gate valves

Plant – Non-moveable assets related to the Water Treatment Plant and the Sewer Treatment Plant.

### Depreciation

Fixed assets purchased by governmental funds are recorded as expenditures in the fund when the asset is purchased. Depreciation is not recorded in governmental funds at the fund level. In the government wide statement of net assets and the government wide statement of activities, the assets are capitalized and depreciation is reported.

All fixed assets purchased by proprietary funds, except land and some intangible assets are depreciated by straight-line depreciation based on the estimated useful lives.

The estimated useful lives for each category are:

Buildings	20 - 50 Years
Improvements	15 - 20 Years
Equipment	3 - 25 Years
Inventories	3 - 25 Years
Infrastructure	
Plant	15 - 50 Years

### Acquisition Date

An asset is placed in service as of the date of the last invoice charged against the project. Vehicles and other Equipment are placed in service as of the date of the invoice provided the equipment was received and is on premise at the time the invoice was billed.

### Controlled Assets

Controlled assets are City owned property with a value less than \$25,000. Every department is required to track controlled assets as if they were fixed assets. The controlled asset list will be maintained regularly by each department and the list will be submitted to the Finance Department annually by, July 15<sup>th</sup> of each year.

### Construction in Progress

Construction in Progress (CIP) are projects that have not been completed by the end of the fiscal year. Once a project has been completed, the final payment has been made, the project will be removed from CIP, an asset will be created and placed into service. The project is also be closed at this time, not when the warranty period is over. Every year the Engineering Department will submit two lists to the Finance Department:

- Projects that closed within the Fiscal Year
- Current Projects

Received by the Finance Department by July 15<sup>th</sup>. The Finance Department will verify the state of the projects in CIP.

### Disposals

Fixed assets have a limited life span and need to be removed from the Fixed Asset Schedule when disposed of, traded-in, obsolete, damaged beyond repair, depleted, junk, replaced, unable to locate, or when items have been capitalized and should not have been because they do not meet the capitalization policy.

### Inventory

Inventory of all fixed assets will be completed at least once every five years, preferably 20% ever year.

## City of Great Falls

### Real and Personal Property Sale, Trade, or Lease Policy

#### Governmental Entities

The City may sell, trade, grant, donate, or lease for any period of time any real or personal property to a governmental entity by negotiation without an appraisal or advertising for bids. If, by grant or donation, the real or personal property must be retained for a direct or perpetual public benefit or use.

#### Real Property

The City may sell, trade, or lease for any period any real property whether or not the same be held in trust for a specific purpose without a vote of the electors and when passed by a four-fifths vote of all the members of the City Commission.

In the case of property held in trust for park purposes, and before the sale, trade or lease of the same, the Park Board shall review the proposal and make a recommendation to the City Commission.

Before final consideration by the City Commission of the sale, trade or lease of City property, the City Commission shall hold a public hearing thereon and allow at least fifteen days notice of the time and place of such hearing to be published in a paper of general circulation in the City.

The City shall obtain an appraisal of the subject property for sale or trade to determine a minimum price except and unless the cost of appraisal is estimated to exceed seven percent of the value of the subject property whereupon the City shall establish a minimal price by comparable sales or leases in the area. Other comparable sale or leases in the area shall determine estimated land values. If a minimum price or value is established by appraisal, no bid or trade shall be accepted which does not meet or exceed the appraised value.

The City Commission may require an appraisal to establish a minimum price on any or all property whenever it is deemed in the best interest of the City.

The sale, trade, or lease of property must be made to the highest responsible bidder except:

- Where there is no actual potential for more than one party interested in making a bid.
- For a lease of recreational facilities related to special events.
- Where the City trades or exchanges for property of a like kind with equal or greater value.
- Where the use is to continue for a public purpose and it is subject to a reversion to the City should the use ever be changed to any other purpose.

Advertisement for bids shall be made one in a paper of general circulation in the City with the publication to be not less than five nor more than twelve days before consideration of bids.

The City may require a development proposal for the sale, transfer or lease of property, which may include but not be limited to designation of a specific use or other conditions established by the City Commission.

## Personal Property

The City may sell, trade or lease any personal property, scrap, surplus, etc. by negotiation without advertising for bids, for any period of time, unless the value thereof, either singularly or in the aggregate, exceeds \$25,000 whereupon such sale, trade or lease must be made to the highest bidder.

The City may obtain an appraisal to determine the value or to establish the minimum sale price for the property.

Where any single item of personal property exceeds a reasonably estimated value of \$25,000 and staff recommends the sale or other disposition of the property, an agenda report must be provided to the City Commission to declare the item to be surplus property subject to sale, and for the Commission to approve or disapprove the sale.

Any single item of personal property that does not exceed a reasonably estimated value of \$25,000 may be declared surplus property at the discretion of the Department Head.

A listing of all items declared surplus property must be submitted to the Finance Department for comparison to the Fixed Asset listing.

Advertisement for bids shall be made once in a paper of general circulation in the City with publication to be not less than five not more than twelve days before consideration of bids; or the City may place the item for sale on an internet auction site with an established minimum price. Whether an item is sold by advertisement for bids or on an internet auction site is up to the discretion of the Department Head.

## Definitions

Lease – A contract by which one party conveys land, property, equipment, etc. to another party for a specific time in return for payment.

Personal Property – Moveable equipment.

Real Property – Land and Buildings.

Sale – Transfer of ownership for cash or equivalent.

Scrap – Inoperable equipment or discarded metal.

Surplus – Quantity of an item that is greater than needed.

Trade - Exchange of one or more items for one or more items with similar value.



## City of Great Falls Copier or Fax Security Policy

### Copier or Fax Security

Departments should be aware when leasing or renting copier equipment of the eminent threat of data security breach. Since 2002 almost all copier equipment manufactured contains a computer hard drive whereby all information that is copied, scanned or faxed from these copiers is stored on a hard drive. Any copier (rented or purchased) must not leave the premises until the hard drives have been removed and given to the IT Department. This should be performed by the copier company or lease company. This should cover both termination of the contract or equipment being swapped or upgraded. All Police Department copiers must not leave the premises without either a 3 pass DOD wipe being performed on the drives or the drives destroyed or a certain form of encryption.

To ensure that all City employees responsible for making departmental purchases for leased copier equipment and to protect the security of confidential information the following guidelines have been established:

1. Existing Lease or Rental
  - a. Prior to the end of the lease; consult the vendor regarding the purchase of the hard drive or;
  - b. Contact vendor to see if Immediate Image Overwrite (IIO) or On Demand Image Overwrite (ODIO) software can be purchased and added to copier
2. New Lease or Rental
  - a. Inquire if Immediate Image overwrite (IIO) or On Demand Image Overwrite (ODIO) software can be purchased;
  - b. Add an addendum to the contract to have the vendor erase the hard drive upon termination of lease; or
  - c. Inquire of the vendor as to the option that the hard drive can be purchased upon termination of lease.

## **City of Great Falls**

### **Payment Card Information**

### **Data Security Standards and**

### **Credit Card Acceptance Policy**

#### **Introduction**

The City of Great Falls accepts credit cards as payment for goods and services. By accepting credit cards, The City of Great Falls (City) assumes significant risks with respect to protecting cardholder data. The Payment Card Industry Security Standards Council (PCI SSC) has developed a set of comprehensive financial and information technology requirements, called Payment Card Information Data Security Standards (PCI DSS), to protect credit cardholders' data. The standards are designed to protect cardholder information of City customers to transact business with the City. This policy is designed to work with the complete PCI DSS requirements as established by the PCI SSC.

#### **Credit Card Processing Policy**

The PCI DSS requirements vary depending on how the merchant, The City of Great Falls, processes credit card transactions. The most stringent requirements are for organizations that store credit card numbers in any form. Therefore, it is the policy of the City of Great Falls that no credit card numbers may be stored in any format for any reason. Credit card transactions may be processed through PCI DSS compliant third party or online providers.

The processing of any credit card transactions for the City must meet the following requirements:

- Any proposal for a new process (electronic or paper) related to the storage, transmission or processing of credit card data must be brought to the attention of and be preapproved by the Finance Director.
- All credit card merchant accounts must be preapproved by the Finance Director. Web payments must be processed using a PCI compliant service provider preapproved by the Finance Director.
- Credit card information must not be stored on City network servers, workstations, or laptops. Credit card numbers must not be entered into a web page of a server hosted on City network.
- Departments, which accept credit cards, may be subject to a risk assessment by the IT Manager. The results of all such assessments will be reported to the Finance Director.

- All employees involved in processing credit card payments must be aware of this policy, understand the risks associated with their handling of sensitive information, and complete annual compliance training.
- Credit card information must not be transmitted via email.
- Although electronic storage of credit card data is prohibited by this policy, the City will perform periodic scans to insure that the policy has not been violated.
- Neither the full contents of any track for the magnetic strip nor the three-digit card validation code may be stored in a database, log file, or point of sale product.

## Enforcement

The Information Technology Manager (IT Manager) shall enforce compliance with the PCI DSS requirements. The IT Manager is responsible for risk assessments, vendor review and periodic scanning for sensitive information. Additionally, the IT Manager is the authorizing entity for the quarterly City compliance statements required by PCI DSS.

## Incident Response

All employees should be familiar with this policy. Anyone may report cases of suspected fraud or abuse. All employees are required to report any actual incidence of theft or fraud. If you believe that an incident has occurred, please notify the IT Manager or the Finance Director immediately. Any questions regarding this policy may be addressed to the IT Manager.

## Acceptance of Payments

All payments that are received in person must be supported by the appropriate documentation in the following list:

- The signed copy of the receipt produced by the credit card machine will be retained for City records.
- A copy of the completed sale for the customer produced by the credit card machine and given to the customer.

At no time shall a credit card number, expiration date, nor CVV code be written down, saved into any form of electronic file, or photocopied during a sales transaction.

## Additional Information

<https://www.pcisecuritystandards.org>



# Technology Project Request Form

This form was created to improve the coordination and efficiency of the City's Technology-related projects. Please use this form to submit your technology project. PLEASE RETURN to the I.T. Operations Manager.

**Select Project Type:**

Check all that apply

- New Technology
- Technology Upgrade
- Other

**Requester Name:** \_\_\_\_\_

**Department/Division:** \_\_\_\_\_

**Date of Request:** \_\_\_\_\_

**Requested Date of Completion:** \_\_\_\_\_

**Project Summary** (State the need in functional terms providing full details of the request):

**Justification Summary** (Provide justification to support the need for this request):

**Financial Impact** (Projected Year one and any recurring costs of the request, including ongoing vendor annual maintenance/support):

**Funding for Project** (Please include account(s), project number(s), awarded grants, etc. used to finance this technology

**Indicate which services this project will require (may be several):**

*Check all that apply*

	Procurement		Implementation		Training and Support	
Hardware	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Software	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cloud-Internet Service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Networking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Disk Storage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Data Backup	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
GIS Services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Web Services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\_\_\_\_\_  
Requesting Department Head Signature

\_\_\_\_\_  
I.T. Operation Manager Signature

\_\_\_\_\_  
Finance Director Signature

\_\_\_\_\_  
City Manager Signature

## City of Great Falls Standard Technology Agreement

*All technical contracts between the City and any Vendor or Provider must meet the following requirements. Meeting these requirements help ensure the City of Great Falls is meeting its own terms and conditions. Any terms and/or conditions that cannot be met requires an attached explanation or response which is acceptable to the City.*

### TERMS AND CONDITIONS

- 1) Provider agrees that it is an independent contractor for purposes of entering into a contract and is not to be considered an employee of the City of Great Falls for any purposes.
- 2) Provider agrees all work product shall become the City's property.
- 3) Provider agrees to meet any timelines which must be included in the contract and/or Statement of Work.
- 4) Included in the contract are provisions for termination in the event of non-performance, *force majeure*, or by either party upon thirty (30) days written notice prior to cancellation.
- 5) Provider agrees it will not transfer an awarded contract without prior written consent of the City.
- 6) Provider will comply with all federal, state and local laws, ordinances, rules, and regulations, including the safety rules and codes and provisions of the Montana Safety Act in Title 50, Chapter 71, MCA.
- 7) Provider will carry, maintain, and furnish proof of commercial general liability insurance to the City's satisfaction, including an Additional Insured Endorsement naming the City as an additional insured, professional liability insurance, and worker's compensation coverage.
- 8) Provider will carry, maintain, and furnish proof of 3<sup>rd</sup> party cyber security insurance.
- 9) City of Great Falls is a public entity. Provider acknowledges that any written information provided to the City of Great Falls may be subject to public inspection under Montana or other applicable law and subject to records retention laws.
- 10) Provider shall indemnify, defend and hold harmless City of Great Falls from any and all claims, lawsuits or liability, including attorney's fees and costs, arising out of, in connection with, or incident to any loss, damage or injury to persons or property or arising from a wrongful or negligent act, error or omission of Provider, its employees, agents, contractors, or any subcontractor as a result of Provider's or any subcontractor's performance pursuant to the contract.
- 11) Please note that the City of Great Falls is exempt from payment of Federal Excise Tax. Its taxpayer identification number is 816001269.

(Great Falls Technology Agreement continued)

**By signing below, Provider agrees it meets the above terms and conditions. These terms and conditions supersede all other signed agreements/contracts and are required as an addendum to all signed contracts or agreements between the City and the Provider or Vendor.**

_____	_____	_____	_____
<b>Provider/Vendor Signature</b>	<b>Date</b>	<b>Authorized City Signature</b>	<b>Date</b>

## City of Great Falls SaaS Agreement

*All Software as a Service (SaaS) contracts must meet the following requirements. Meeting these requirements help ensure the City of Great Falls is entering into agreement with a Provider that places a high value on City data and access (to that data). Unlike traditional on premise solutions (where the City assumes most of the responsibility for its own data and access), SaaS puts a greater responsibility on a Provider to deliver and maintain an available, accessible, and secure solution. The City expects all Providers to meet these minimal requirements. Any items that cannot be met requires an attached explanation/response which is acceptable to the City.*

### 1. Service Levels

- a. Provider will deliver no less than 99.5% up-time. The industry SLA standard for SaaS vendors is typically between 99.5% - 99.9%. At 95.5%, the allowable down-time should not exceed 11 hours in any given quarter. This excludes any outage that is not the fault of the Provider (for example: internet outage or natural disaster).
- b. Provider may be required to provide refunds for excessive downtime at the end of any quarter (anything less than 99.4% up-time and/or greater than 13 hours of down-time).
- c. Provider will allow the City the option to terminate all agreements without penalty should Provider up-time fall below 99% (and/or equal to 22 hours of down-time) for any given quarter.
- d. Provider will allow the City the option to terminate all agreements without penalty should a known critical software deficiency (one that is deemed by the City to cause significant negative impact to City business) extend beyond a 72 hour period without resolution. The City must give written notice of any critical software deficiencies to the Provider.

### 2. Data

- a. Provider accepts that all data is property of the City of Great Falls.
- b. Provider will host City data in a U.S. location.
- c. Provider will conduct daily backups of City data.
- d. Provider will store backups in an offsite U.S. location.

### 3. Security

- a. Provider will secure all areas that host City data.
- b. Provider will be SSAE 18 compliant.
- c. Provider will run regularly scheduled security vulnerability assessments/penetration tests.
- d. Provider will secure all client connections by VPN.
- e. Provider will secure all client connections by meeting PCI standard password requirements.
- f. Provider will run antivirus and anti-malware either at the host or on an edge device (where host is located).
- g. Provider will log access to the system/database.
- h. Provider will provide a copy of its liability insurance coverage.

(Great Falls SaaS Agreement continued)

- i. Provider will provide a copy of its 3<sup>rd</sup> party cyber security insurance.
- j. Provider shall provide a copy of its cyber liability coverage (if not included in its liability insurance coverage).

**4. Business Continuity**

- a. Provider will have a plan in place for power or critical service failure.
- b. Provider will have a plan in place for physical disasters such as fire, water, or other natural disaster.
- c. Provider will have a plan in place for security breaches such as a DDOS or ransomware attack.
- d. Provider should have a Disaster Recovery failover site.
- e. Provider will provide the City its data in a usable format upon termination of contract.

**By signing below, Provider agrees it meets the above requirements. These requirements and terms supersede all other signed agreements/contracts and are required as an addendum to all signed contracts/agreements between the City and the Provider as they relate to Cloud-based/SaaS services.**

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<b>Provider/Vendor Signature</b>	<b>Date</b>	<b>Authorized City Signature</b>	<b>Date</b>
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## City of Great Falls Technology Purchasing Policy

### Overview

In order to ensure compliance with City-wide information security policies, and to ensure that hardware and software are adequately tracked for audit, licensing and warranty purposes, the Information Technology (I.T.) Division requires that users and departments comply with certain purchasing and procurement guidelines. Compliance with these guidelines helps ensure the Information Technology Division can provide quality support that meets the needs of every user in every department.

### Purpose

These guidelines help departments understand the correct procedures for ordering new technology in compliance with the City's Technology Purchasing Policy. This policy also helps departments understand the reasoning and methodology behind such procedures.

### Scope

Covered under the scope of this policy are all departments and divisions who receive support from the I.T. Division.

### Guidelines

All technology purchases must be approved by Information Technology. Individuals and departments will not procure their own hardware, software, and/or any technology services without coordination and/or approval from the Information Technology Operations Manager. Additionally, all technology contracts must either include signed Standard Technology and/or Software as a Service (SaaS) Agreements or the vendor's contract(s) must include and/or respond to and address these requirements in full. These agreements help protect the city organization from entering into unfavorable contracts.

### Types of technology covered in this policy include, but are not limited to, the following:

- Desktop computers
- Laptop computers
- Tablets
- Servers
- Network devices (routers, switches, firewalls, Wi-Fi)
- Printers
- Scanners
- Software (including freeware)

- Technology related services (Software as a Service, cloud computing, networking adds/changes, web hosting).

#### Guidelines for procuring technology:

- 1) **Determine a technology need:** Technology need refers to the concept of gaining real benefit and/or performance from the use of technology. It is crucial to determine need vs. want as it relates to technology. Entities can expend a lot of time, effort and money pursuing technology wants rather than focusing on technology needs. e.g. An employee may want a more expensive Surface Pro laptop when a Dell tablet may serve their needs. The I.T. Division must be part of any tech-related selection and procurement processes in order to ensure compatibility with other systems.
- 2) **Determine the technology impact:** When considering technology, it is imperative to determine the potential impact(s) on departmental and organizational processes. For example, adding a computer and monitor at the Water Plant may not cause the department and/or the City organization to change any processes and/or the way business is conducted. However, implementing a new payroll system would likely impact every department, causing many City employees to be trained and/or to learn new processes.
  - A) **Low Impact Technology-** Most technology requests within the City are considered to be Low Impact. **Low impact** technologies include but are not limited to adding a computer, printer, monitor or basic software package (e.g. Microsoft Office) for an employee and/or small group of employees. These type of requests require minimal effort with regard to planning, staff involvement or training. Low Impact requests are generally fulfilled within 2 weeks (depending on product availability and/or staff availability). All Low Impact technology requests must be approved by the requesting Division Head and the I.T. Operations Manager and submitted as an e-mail request.
  - B) **Medium Impact Technology-** These technology requests require a significant level of planning, greater staff involvement and training. **Medium Impact** technology affects a significant number of employees and/or departments. For example, adding a scheduling software for Engineering would not only affect a significant number of employees but would also require planning, staff involvement and training on the new system. Medium Impact requests are typically fulfilled within 3 months (depending on vendor/staff availability).
  - C) **High Impact** technology typically affects multiple departments or the entire organization. Implementing a new Business or Finance system is a good example of a **High Impact** technology. Planning is critical. Abundant staff time, commitment and effort are crucial. Training is imperative. When confronted with High Impact technology requests, Information Technology will assign a Project Manager to assist and help ensure that these technologies are delivered successfully. Large Impact requests often take more than a year to fulfill.

## Requirement

All Medium and High Impact technology requests are considered to be projects and must officially be made using the **Technology Purchase Request Form**. This form must be approved by the requesting Department Head, I.T. Operations Manager, Finance Director and the City Manager.

**Information Technology criterion for approval includes adhering to the City's purchasing policies as well as, but not limited to, the following conditions:**

- Is the vendor and/or manufacturer reputable within the technology industry?
- Can the I.T. Division deliver and support this solution with its current infrastructure/environment?
- Is the vendor support acceptable?
- Are the support hours a minimum of Mon – Fri 9am – 5pm?
- Are support centers located in the U.S. or in foreign locations?
- Are there any recourses provisioned within warranties and/or contracts for failure to deliver satisfactory product and/or services to the City?
- Is the contract term less than 5 years (preferably 3)?
- Has the vendor or provider signed the Standard Technology Agreement?
- If applicable, has the vendor or provider signed the SaaS Agreement?

## Items to consider prior to adding new technology

- Is the technology a need? Will this technology add a benefit or positively affect workflows, efficiencies or results?
- Are there available funds that can be used for the purchase of the technology **and** any ongoing annual costs (such as maintenance and/or upgrades)?
- Is staffing available that can dedicate the resources needed to help guarantee a successful implementation? What does the project team look like? Who are the most reliable subject matter experts? Technology projects require a lot of work and commitment.
- What is the requester's role? Often times, the most critical role is simply to make sure that a technology is getting utilized and is a sound investment.
- Please keep in mind that no technology is perfect. There are strengths and weaknesses within every technology, depending on the reviewer. It is very important to consistently remind yourself and others of this fact. Even the best technologies can break and/or cause levels of frustration. Fostering a level of technology ownership generally produces positive results.
- Continue to develop and maintain a thorough understanding of the impacts technology can make on employees, department(s), policies, procedures and workflows.
- Maintain contact with your peer and other employees. Inquiring how technology may be changing their others' work processes may prove extremely beneficial.

**The role of the I.T. Division:**

- I.T. Division staff are subject matter experts on networking, systems administration, infrastructure, data storage, security, hardware/software support, project management, etc... I.T. staff are not subject matter experts on every City technology, process or workflow. For example, no one understands Emergency Call Center operations more than a 911 Dispatcher who takes calls and enters that data into the system every single day. This is why it is essential to help provide and devote that level of expertise to projects.
- I.T. will dedicate resources to technology research, demonstrations, procurement, project management, administration and support.
- I.T. will continue to provide support for any technology that is still in use and/or current in its licensing, maintenance or subscription.

## CITY OF GREAT FALLS

### ARCHITECTS/ENGINEERS/SURVEYORS SELECTION POLICY FEBRUARY 13, 2019

#### I. PURPOSE

It shall be the policy of the City to negotiate agreements for Architect/Engineer/Surveyors (A/E/S) services on the basis of demonstrated competence and qualification for the type of professional services required by the City, in the City's determination of its best interests. The main intent and purpose of the policy is as follows:

- A. To provide for a systematic procurement of A/E/S Services;
- B. To ensure the best qualified talent is obtained to perform services for the public; and
- C. To obtain professional services required by the City at fair and reasonable fees.

The City intends this policy to be applicable only to the professionals as defined in the following classification section. The City may, at its discretion, use this policy for other professional services procurement contracts.

#### II. CLASSIFICATION

For purposes of classification, the City initially establishes Architects, Engineers, and Surveyors as the categories in which each firm can classify itself.

**A. Architect Services.** Architect Services means any professional service or creative work requiring the application of advanced knowledge of architectural design, building construction, and standards and involving the constant exercise of discretion and judgement in such activities, in which the safeguarding of life, health, or property is concerned, as consultation, investigation, evaluation, planning, design, and/or inspection of construction for any public or private building.

**B. Engineer Services.** Engineer services means any service or creative work, the adequate performance of which requires engineering education, training, and experience in the application of special knowledge of the mathematical, physical and engineering sciences to such services or creative work as consultation, investigation, evaluation, planning and design of engineering works and systems, planning the use of water, teaching of advanced engineering subjects, and the inspection of construction for the purpose of assuring compliance with drawings and specifications; any of which embraces such services or work, either public or private, in connection with any utilities, structures, buildings, machines, equipment, processes, work systems, projects, and industrial or consumer products or equipment of mechanical, electrical, electronic, hydraulic, pneumatic, or thermal nature insofar as they involve safeguarding life, health, and property. The term does not include the work ordinarily performed by persons who operate or

maintain machinery or equipment, communication lines, signal circuits, electric powerlines, and/or pipelines.

**C. Surveying Services.** Surveying services means any service or work, the performance of which requires the application of special knowledge of the principles of mathematics, physical sciences, applied sciences, and; the principles of property boundary law to the recovery and preservation of evidence pertaining to earlier land surveys; teaching of land surveying subjects; measurement and allocation of lines, angles, elevations, and coordinate systems; location of natural and constructed features in the air, on the surface of the earth, within underground workings, and on the beds of bodies of water, including such work for the determination of areas and volumes; monumenting of property boundaries; platting and layout of lands, and the subdivisions of land, including the alignment and grades of streets and roads in subdivisions; preparation and perpetuation of maps, plats, field note records, and property descriptions; and locating, relocating, establishing, reestablishing, laying out, or retracing of any property line or boundary of any tract of land or road, right-of-way, easement, right-of-way easement, alignment, or elevation of any of the fixed works embraced within the practice of engineering. Aerial photography, photogrammetric mapping, and/or Lidar are excluded from the definition of surveying services due to the highly specialized equipment and technical skills required.

### III. PROCEDURE

**A. Filing Solicitation.** Every three years, the City will advertise for filing of Standard Federal Government Form (SF) 330. All completed 330 forms that are received will be filed and the respective firms will be considered for work that they are qualified to perform. The filing will be in effect until the expiration of the three-year filing period. All 330 forms or amended 330 forms may be submitted at any time during the three-year period. New filings will be required at the end of each three-year filing period. All firms within the City that desire to be placed on the minor projects list should notify the City Engineer of the desire to be included on that classification list and must provide all information necessary to be included on that list.

**B. Project Solicitation.** A City Request for Proposal (RFP) will be available on the City website, newspaper, and/or other public posting. Proposals submitted by the consultants shall contain the Standard Federal Government Form (SF) 330 and other information specifically addressing the criteria. Selections will be made as outlined in this Policy. The SF 330 may contain up to ten (10) years of historical projects.

**C. RFQ/RFP.** Requests for Proposals will include the following:

1. Estimated Project Budget;
2. Scope of Services Requested;
3. Schedule and Time Frame;
4. Fee. A maximum fee for the services requested which is established by the City in relation to project complexity. Firms will either respond or not, based on

proposed schedule and fee offered. The maximum fee may be set by the entire selection committee; and

5. Specific Fee Items:

- a) City will not pay mark up for reimbursable expenses except for sub-consultants. Sub-consultants' mark up will be limited to a maximum of 10%.
- b) City will pay Internal Revenue Service (IRS) rate for mileage reimbursement.
- c) City will not pay extra for fax usage, email, phone calls (other than long distance), and other miscellaneous office expense. Postage will be reimbursed if consultant distributes contract documents.

#### IV. PROJECT CATEGORIES

**A. Major Projects.** Projects having a total estimated budget (consultant fees plus construction) in excess of \$4,000,000 for Engineers or Architects, and projects similar to historical surveys, master plans and feasibility studies with a budget in excess of \$250,000, will be awarded based on SF 330 evaluations and interviews via the RFP process. The SF 330 and proposal evaluation will be 50% and the interview will be 50% of the total rating.

**B. Intermediate Projects.** Projects having a total estimated budget (consultant fees plus construction) of less than or equal to \$4,000,000 for Engineers or Architects, or \$250,000 for historical surveys, master plans and feasibility studies, will be awarded to consultants on a rotational basis, at the City's discretion, provided the consultant can meet the project schedule and a fee can be negotiated. City Staff will review the rotation list and identify the next three qualified consultants. City Staff will rank the three consultant firms based on project familiarity and involvement criteria. If the top consultant is unable to meet the project schedule or fee settlement, staff will contact the next qualified consultant and the first consultant will maintain its position on the list for the next upcoming project.

**C. Minor Projects.** Projects having a total estimated budget (consultant fees plus construction) of \$250,000 or less are considered minor projects. The City may award these projects, in the City's discretion, to an A/E/S based on project familiarity and involvement criteria in lieu of strictly rotational criteria. Non-selected A/E/S's shall, however, be included in the next rotation to help ensure equitable distribution of projects. The City shall endeavor to provide equal work to all consultants in this category in conjunction with the intermediate projects.

Note: The City may choose to use the RFP process for any category of project at the City's discretion.

**V. SELECTION COMMITTEE**

The selection committee will include the Public Works Director, the City Engineer, the Project Engineer, and Division Managers in charge of an asset that is being improved. The City reserves the right to include additional City personnel on the selection committee that may have an interest in the project.

**VI. SELECTION CRITERIA FOR MAJOR PROJECTS**

**A. SF 330 Point Allocation.** The point allocation criteria will be used by the Selection Committee to rank consultants submitting RFPs on major projects. The criteria will provide 50% of the point total for selection on major projects based on RFPs, with the interview providing the remaining 50%. Interviews may or may not be conducted, at the City’s discretion.

**B. Criteria.** Firms will be evaluated based on the following criteria:

<u>CRITERIA (50% of CUMULATIVE POINT TOTAL)</u>	<u>POINTS</u>
Past Performance	20
Technical Experience	20
Technical Capabilities (Staffing, Equipment, Facilities)	20
Location	20
Knowledge and Project Approach	20
 TOTAL POINTS	 100

**C. Rating Criteria Definitions.** The following definitions are to supplement the intent of the criteria as noted above in the SF 330 point allocation:

1. **Past Performance.** Check references to determine the quality of performance (however, do not limit contact to individuals listed as reference). Make on-site inspections, if possible, of projects that the consultant has worked on. Contact personnel operating a project that was designed or supervised by the consultant. How long has the consultant been in business? Did the consultant make necessary corrections to ensure the project performs properly? Exit interviews from previous projects may be utilized, if available.
  
2. **Technical Experience.** General experience of the firm and experience applicable to the specific project or tasks to be done.
  
3. **Technical Capabilities.** Availability of adequate personnel, equipment, and facilities to do the needed work. The name of the individual or individuals to be assigned to the project with particular attention to their qualifications, competence,



and service with that firm and previous firm(s). It should be noted that the age or the size of the firm is not always a prime consideration for every project.

4. **Location.** The location of a firm may allow up to 20 points to be added to an evaluation. Great Falls firms shall receive 20 points. The greater the distance from Great Falls, the fewer the points to be awarded.

5. **Project Approach.** The approach to the project work. The familiarity with the project site. The proposed time schedule for completing the work.

6. The City may place a limit on the number of pages that may be submitted in the different sections of the RFP. Limits will be provided to the consultants at the start of the RFP process.

**D.** At the completion of the RFP evaluations, the City may distribute the point rating to the consultants, if three or more consultant teams have submitted RFPs. Based on the point totals and other individual decisions, consultants may request to be omitted from the interview process. At least 10 days shall elapse between the time point totals are distributed and the time of the interviews. Consultants who request not to continue to the interview process must contact the City at least 5 days prior to the start of the interviews.

**E. Interviews.** Interviews will be rated at 50% of the cumulative point total. One interview question shall include the consultants' view of the scope of work, timetable and level of effort required. Four other project specific questions will be rated. Prior to the interview, the submitting firms will be notified of their proposal ranking and their resulting position relative to the other firms. The interview portion of the ranking will total 100 points. A listing of all firms to be interviewed will be distributed.

**F. Fee.** Sealed fee estimates will be submitted at the interview based on the response to the RFP. These fee estimates will be non-binding and non-evaluated. After the selection team chooses the number one firm to negotiate with, negotiations for fee will begin using the estimates submitted by all firms being interviewed. The fee will not be used in the selection process, but Staff will have information to negotiate an equitable fee with the number one ranked firm.

**G. Ranking and Proposals.** Total scores will be compiled from the background and interview rating to determine the firm ranking. The managing Department Director (or designee) will review the ranking and establish a date for a final proposal. The Department Director or designee will negotiate the final proposal and submit the proposal for approval according to the Finance processes. If a satisfactory proposal cannot be obtained from the top-ranked firm, negotiations will cease and the second-ranked firm will be contacted for a proposal.

## VII. CONTRACT DOCUMENT

**A. Documents.** The City's Standard Contract Document shall be used. The document may be modified during negotiations.

**B. Cost of Services.** The Cost of Services section of the contract will be broken down by phase as well as identifying classification of employee, rate per hour and estimated number of hours. The rate per hour shall include all overhead and profit.

Example: CADD Operator    \$75.00 per hour        10 hours        \$750.00

REVISED:    April 3, 1990; January 18, 1994; February 20, 2001; and February 13, 2019.

Arch-Eng Select2019