

**BUDGET COMMITTEE OF THE WHOLE
CITY COUNCIL CHAMBERS
140 WEST PINE STREET
MISSOULA MONTANA
June 3, 2009, 9:35am/2:50pm**

Members present: Ed Childers, President; Stacy Rye, Marilyn Marler; Renee Mitchell; Pam Walzer; Jason Wiener; Dick Haines; John Hendrickson; Dave Strohmaier; Jon Wilkins; Bob Jaffe.

Members absent: Lynn Hellegaard.

Others present: Donna Gaukler, Kathy Mehring, Shirley Kinsey, Brentt Ramharter, Bruce Bender, Mayor Engen, Mike Painter, Cheryl Schatz, Steve King, Dee Krevey.

I. Administrative Business

Approve committee minutes dated: [May 27th, 2009](#) –approved as submitted

Public Comment on items not listed on the agenda-None

II Regular Agenda

Resolution fixing the annual appropriations for the Fiscal Year 2010 budget ([memo](#)).—Regular Agenda (Brentt Ramharter) (Referred to committee: 04/20/09)

Parks and Recreation:

Stacy Rye asked for an overview on the cuts Parks made to their budget, in particular Urban Forestry and what programs still remain.

Donna Gaukler, Director of Parks and Recreation, explained that initially the baseline budget cuts were \$128,939.00, however, because some of the cuts impact the revenue generated we actually had to cut \$152,116. She said her staff and Parks Board reviewed the core services provided and what our citizens expect. The main priority was to insure that the core permanent staff remained, that we could meet the minimally mandated required services and continue to generate the revenue levels. She pointed out that last year Parks had a reduced budget and Council reinserted some maintenance and improvement CIP's, but then they had to use \$31,000 for the Mountain Water Meter Conversion, and returned \$65,000 for last years cuts. The following cuts have been proposed without cutting into services:

- Remove a scholarship Fun Run –sponsored by local businesses.
- Reduce phone answering hours during peak season-hoping the new website will help.
- Reduction in printing and mailing-using more electronic media.
- Reducing security and the bathroom season.
- Reduce Police overtime in spring and fall.
- Reduce office repair and maintenance.
- Decrease in Port-o-lets in the shoulder seasons.
- Decrease surplus vehicle allotment.
- Decrease in parks maintenance: restroom cleaning, trimming and mowing.
- Decrease in tree plantings.
- Reduction in field supplies: sports nets, garbage cans and park benches.
- Deferring replacement schedule for ropes, helmets and bases.
- Reduction in tree pruning.
- Reducing intermittent summer recreation staff.
- Restructuring day camps for more efficiency
- Providing less variety, but not less quality for children.

Ms Gaukler stated that her department can get by this year, but is very concerned about the FY11 budget year and deferred park maintenance.

Dick Haines expressed concerns about the reduction in Police overtime and feels it is a benefit to the community to have those police officers present.

Mayor Engen responded that just because we don't do the overtime does not mean we won't have a Police presence in the parks.

Stacy Rye commented she was amazed by the fact that the Parks Department has to pay for a Police Officer out of their budget, when the Parks are located in the City and are owned by the City. She advised finding ways to get Police Officers in the parks without the Parks Department having to pay for it. She said she would like to add Urban Forestry to the tickler list and added, since other departments have found ways to increase their revenue therefore not having to cut their budgets, perhaps they make a small cut and shift the money to Parks.

Mr. Engen said they would look into it further.

Jason Wiener expressed concerns about dirty restrooms, picnic tables, benches and garbage cans in our City parks. He said when those items are dingy and run down, it gives a poor impression about the quality of the City services. He would like to add this to the ticker list. He added that youth development is extremely valuable not something to cut back on.

Mr. Hendrickson suggested hiring temps as urban foresters.

Meeting recessed 10:00am

Meeting reconvened 2:53

Fire Department:

Ms Rye requested an overview of the Fire Department budget and the cuts that were made.

Mayor Engen commented that the Department of Revenue will not deliver certified taxable values until the third week of August.

Mike Painter, Fire Chief, explained 90% of their budget is personnel, so they reviewed the non-fixed costs and made a 4% cut across the board. The administration has given them credit for the *Staffing for Adequate Fire and Emergency Response* (SAFER) grant funding, and overtime was reduced by 10% to help them reach their budget reduction goals.

Ms Rye asked how much the grant is.

Mr. Painter replied that it is \$257,000. He point out that these federal funds do reduce each year, and this year it was 80% of the qualified salary costs for eight new fire fighters at Fire Station Five.

Mr. Childers asked how reducing over time affects their department.

Mr. Painter responded that if we can keep people healthy we should not have a hard time staffing.

Mr. Ramharter commented that we have received substantial grants for Fire and Police, and it's been excellent.

Mr. Painter said his department will continue to apply for grants.

Ms. Walzer asked about grants available for solar energy at the fire stations.

Mayor Engen said we will be presenting a proposal and a plan for funding.

Mr. Painter said Jason Diehl has contacted Northwestern Energy who has a matching fund program.

Mr. Painter concluded the presentation and complimented Cheryl Schatz for all her work on budgeting and expenditure tracking.

Public Works Administration:

Steve King, Director of Public Works, explained that he has worked with all of the division heads and each division has found their own way to increase revenue or reduce costs. Brian Hensel, from the Street Division has not only found substantial cost savings in operations, but has also obtained outside maintenance contracts as well. For example he received a pavement maintenance contract with the State Department of Transportation for Stephens Ave. We also have arrangements with Missoula Redevelopment Agency picking up costs and with the Parks Department for their improvements through grant and SID money that saves general fund.

The Engineering Division is increasing revenue and delivering the service of additional sidewalks in the community. They have worked with Finance to reorganize the Engineering Division. We expect to have more revenue by more project delivery this year.

Mr. Wiener asked why they eliminated the Project Coordinator's cell phone.

Mr. King responded that the Project Coordinator position is primarily an office job and we realize he can do without a cell phone. He explained that they have looked at every way to cut costs large and small without reducing services.

Ms. Rye requested to see the department's budget cuts and questioned the new requests in regards to the new sidewalk positions, workload indicators and bike rack installations.

Mr. King said Mr. Smith from the Bike Pedestrian Program has found alternative sources for bike racks like the bike corral on Higgins Ave, and has grant money for bike rack installation and is responsive to requests from citizens and the requests have fallen off.

Ms. Rye asked about traffic calming devices installed this year. She said she gets a lot of requests for traffic calming devices.

Mr. King said there will be two traffic calming devices installed later this summer, on Phillips Street and Pattee Creek Drive. One of our budget savings recommendations is for traffic calming to be cut, that doesn't eliminate traffic calming, just the general fund match. We are still able to work with property owners who request them to set up SID's.

Mr. Ramharter commented that there are six new requests for Public Works Engineering this year for a total of \$179,991 and offsetting revenue of \$182,426, so they are effectively well supported for their level of requests.

Mr. King said they are reducing their supply budget and will get by this year by using what they have on hand, however next year there will need to be an additional supply budget.

Ms Rye wanted more information on the new requests in particular, the sidewalk.

Mr. King replied that it is the largest request. Our service level change is expected to have a net revenue increase of \$36,169. We contract with local consulting and surveying firms for the *engineering services for design*, and we are requesting an additional \$13,000 for those services. The ADA handicapped ramp construction is a \$15,000 item, however the economic stimulus funds has significant revenue available for ADA handicapped ramps through out the community and we may not spend that entire amount. We are over estimating that amount.

Ms. Rye pointed out that in the older neighborhoods where there are sidewalks there are new *Safe Route to School Signs*, however, the curbs are about 11 inches high. Are the Safe Routes to School going to be targeted for ADA compliance.

Mr. King responded that it is a perfect match for those ADA funds and it is a top priority.

Mr. Jaffe asked about the Bike Ambassador Program

Mr. King said it is an ongoing CMAQ grant that funds the Bike Ambassador Program and is not a new request.

Public Works Streets Division:

Mr. King reviewed one new program request for water metering on the street flushers and street sweepers for \$11,210

Mr. Wilkins asked if it will it reduce water costs?

Mr. Bender responded that we don't know the consequences yet.

Mr. King commented that we have always had a water cost, but not a water meter rental cost.

Mr. Bender pointed out that it is the Public Service Commission is requiring it, not Mountain Water.

Mr. Jaffe had questions and concerns about hauling used asphalt to the dump and not grinding and reusing it.

Mr. King explained that the Streets Department has more asphalt that they can grind and use and there is no market for it because the haul costs are more than the value of new material. To use completely recycled materials, would not meet standards. We allow for 80% new and 20% recycled materials.

Mr. Jaffe asked if the cost of grinding the used asphalt exceeds the costs of new materials and commented that it seems wasteful take it to Allied Waste.

Mr. King explained that we do grind it and put it in alleys, when we get chunks of material that's where it costs more, is to rent the grinder to crush it. We don't have an asphalt batch plant to mix the 80/20 and put it back out on the streets. We pay for that service.

Mr. Hendrickson commented that if we can't stock pile it for future use, when we are buying new materials from Jensen or Knife River, can we provide the 20% of the recycled material, thusly reducing our new materials cost.

Mr. King said he will meet with Mr. Hensel and inquire about it.

Ms. Rye asked if there was any reduction in streets.

Mr. Bender said there is no reduction in streets. They provided revenue to offset the cuts.

Ms. Rye asked if it was possible for Streets to make a 1% cut and shift the revenue to the Parks Department.

Mayor Engen said he is willing to take a look at it, and the question becomes, where do you want to do less.

Ms. Rye suggested cutting 1% of Streets equipment requests and shift it over to Parks.

Ms. Walzer also recommended a similar scenario with the \$7,000 of garbage reductions.

Mr. Jaffe expressed concerns about this situation, he said we found money in the Health Plan and we moved it around to balance the budget. If one department has indentified money they don't need to spend, then why save that money and shift it to use in another department.

Mr. King stated that he is very sensitive to the cost saving initiatives; he is hopeful the garbage savings will be more than the proposed amount. He said he would like see the \$12,000 for equipment maintenance costs reduced, and will press Mr. Hensel to achieve those savings. It looks like his actual costs can be less than his budgeted amount, which can be helpful to another department or the general fund, which will help our overall budget.

Mr. Jaffe requested more detail on the Leaf Program, and asked if the 4700 hours listed are spent on leaf removal. He pointed out, that seems excessive and suggested instead of removing, having the citizens mulch their leaves.

Mr. Bender replied that the 4700 hours are for street cleaning and sweeping and while individuals can recycle their leaves into mulch, we can't expect them to clean the streets.

Public Works Vehicle Maintenance:

Mr. King explained there are no enhancements or new programs. A surplus vehicle contingency cut of \$40,000. Mr. Stucky has no other means of reduction, other than reducing staff.

Ms. Walzer pointed out some errors in the budget worksheets and requested corrections for next week's discussion.

Mayor Engen apologized for the errors and said they will be fixed.

Ms. Rye asked about fuel reductions, and how Mr. Stucky saved on his fuel budget.

Mr. King replied that Mr. Stucky has a menu of many items to save fuel; from checking tire pressure, to driving less than the speed limit, to upgrading the fleet. It's probably the combination of several items.

II. Adjournment
The meeting was adjourned at 4:30 pm

Respectfully submitted,

Dee Krevey
Administrative Secretary