

JOURNAL OF COMMISSION WORK SESSION
January 20, 2026 – City Commission Work Session
Civic Center Commission Chambers, Room 206 -- Mayor Reeves Presiding

CALL TO ORDER: 5:30 PM

ROLL CALL/STAFF INTRODUCTIONS:

City Commission members present: Cory Reeves, Joe McKenney, Rick Tryon, Shannon Wilson, and Casey Schreiner.

Also present were Deputy City Manager Jeremy Jones, City Attorney David Dennis, Finance Director Melissa Kinzler, Public Works Director Chris Gaub, Development Review Coordinator Mark Juras and City Engineer Jesse Patton, Planning and Community Development Director Brock Cherry, Acting Fire Chief Mike McIntosh, Police Chief Jeff Newton, and Deputy City Clerk Darcy Dea.

PUBLIC COMMENT

Ron Paulick, City resident, commented that he and Mr. Ben Forsyth had traveled to Helena for the Children, Families, Health and Human Services Interim Committee. Mr. Paulick explained that a Cannabis Control Division (CCD) report stated that the total cannabis 2024 revenue coming into the State was approximately \$54 million, \$21 million of that was dispersed to other programs, and \$31 million goes into the State General Fund. Mr. Paulick commented that it is not right for that pot to get all that money and it should be dispersed to safety, fire and medical. Also, the marijuana Local Option Tax should be raised from 3% to 5%.

Ben Forsyth, City resident, commented that for the last 15 years he has studied the scientific harms of marijuana and it is affecting citizens of the community. Mr. Forsyth read comments from a federal agency that Montana ranks first in the nation for suicide rates and has the highest number of children who have experienced adverse childhood experiences. Montana ranks fourth in the nation for the highest number of children per capita in foster care and ranks second in the nation for the highest number of parents who have had their parental rights terminated. Montana children are noted for entering foster care for negligence at a 33% higher rate than the national average. Mr. Forsyth opined that the City Commission is contributing to this by violating local laws.

Judy Mortensen, City resident, commented that she supports Mr. Forsyth's concerns about marijuana. The school district has seen phenomenal rates of increase of abuse and marijuana use among parents as well as children. Now is the time for citizens and the City Commission to take a serious look at our plans moving forward, specifically the laws that were enacted

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when marijuana was passed and to be more active in trying to curve and prevent any more damage from this.

Referring to Agenda Item 2, **Jolene Schalper**, City resident, commented that she is looking forward to the next phase of this study. There are 2,200 parcels included in this and many of those owners are unaware of the study. As the study progresses, it will be a fantastic opportunity to include MAFB and the owners of the parcels in dialog regarding these land-use decisions and potential land use recommendations.

Referring to Agenda Item 3, Ms. Schalper commented that the SCIR is an excellent public policy that helps with infrastructure costs. There are numerous developers wanting to develop housing and mixed-use on 57th and this gives them a tool where the infrastructure can be brought to those developments in a shared cost structure. Ms. Schalper expressed concern that the definition of ineligible uses on page 4 of the 90% Draft SCIR Policy Summary included infrastructure benefiting only a single development. She commented that the definition is important because some housing projects or mixed-uses might come in under the opsis of one development when there are really 15 mini-developments in one. We want to make sure we do not hamstring City staff to point to that as a reason to deny a great project that they think otherwise fits. Ms. Schalper commented that she would like to know who is responsible for the infrastructure lifecycle analysis on page 9 of the 90% Draft Application and Scoring Rubric.

Joe Aline, City Resident, commented that he owns 550 acres adjacent to Malmstrom Air Force Base (MAFB) on the north side, the Roehm family owns a substantial amount, and this is the first they have heard about this zoning. He was told there was a map that indicated their land was now open space, which virtually zones people out. No one has contacted them about this, and they would like to be involved in the decision making.

WORK SESSION ITEMS

1. MONTANA LAND USE PLANNING ACT (MLUPA) CODE COMPLIANCE – VARIANCES AND APPEALS

Planning and Community Development Director Brock Cherry reviewed and discussed PowerPoint slides (available in the City Clerk’s Office). Highlights included:

- What’s Changing per MCA
 - Planning Advisory Board plus Zoning Commission will be consolidated into a single Planning Commission.
 - Variance (Land/Development Appeals Process).
 - MLUPA Variance Process Variances decided by the:

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- Planning Administrator (PCD Director).
 - Appeal to Planning Commission.
 - Appeal to City Commission.
 - Appeal to the District Court.
- Key Impact: Removes the Board of Adjustment/Appeals from zoning and land-use variances.
- Why This Matters?
 - Review of last 5 years of Board cases: 95% were land-use variances now governed by MLUPA; 5% were general City code appeals; Ongoing difficulty maintaining full Board membership; Infrequent meetings create a recurring learning curve.
 - Policy Direction Needed: Retain Board of Appeals for non-land-use appeals only or eliminate the Board and route all general appeals directly to the City Commission.

Commissioner Tryon requested staff to provide an example of a non-land use appeal.

City Engineer Jesse Patton responded that a resident complained that another resident's fence was within two feet of the city sidewalk. It had to be taken to the Board of Adjudication to determine that staff had read the code correctly and the fence needed to be moved away from the sidewalk.

Commissioner Schreiner inquired about the appeal process currently and how the transition would work.

Director Cherry responded that the current process for a variance or appeal is it goes to the Board of Adjustments and public noticing requirements are met. With the changes now, instead of going to that body, when it comes to variances regarding land-use development, it would go straight to the Planning Administrator with more details regarding what qualifies for a variance. He added that there are no current variance or appeal applications.

Commissioner McKenney received clarification that the change to the variance process could speed up the process of completing projects because there is no public hearing associated with it.

It was the consensus of the Commission to eliminate the Board of Appeals and route all general appeals directly to the City Commission.

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2. RESILIENCE AND COMPATIBILITY STUDY – MALMSTROM AFB MIRR PROJECT

Public Works Director Chris Gaub reported that this journey with MAFB started approximately three years ago. One goal of the study is to identify infrastructure projects that would strengthen the City’s public infrastructure and increase MAFB’s resilience. These projects must be off base, and it allows the City to compete for future grant funding to design and execute those projects. The other subsidiary goal is to look at land uses around MAFB and identify those considerations for MAFB, the City and County to keep in mind as we grow and develop in that area while protecting MAFB’s mission and resiliency. Part of the study was to feed the long-term planning of public utilities and growth policy process. This study is not a decision or policy document, and the scope of the work does not include public participation.

There was confusion over slide 6 between City staff and the consultant over how that slide was portrayed, so it was pulled. That slide highlighted that there are a lot of different interests at play between the County, City, MAFB, developers and Great Falls Development Alliance (GFDA). The success with that slide in this study is it validated that there is a lot more conversation to be had in those areas.

Nate Weisenburger, Advanced Engineering and Environment Services, LLC. reviewed and discussed PowerPoint slides (available in the City Clerk’s Office). Highlights included:

- Primary Objective: Assess City infrastructure and overall system resilience to identify and prioritize capital improvements that support the mission of MAFB.
- Stationed at MAFB: 3,371 active and 647 civilians; 2,817 family members live and work in Great Falls; 6,000 retired veterans live and work in Great Falls; Economic Impact is \$444 million.
- Milestone Events: February 20, 2025 kickoff meeting; April 17, 2025 basis of planning/stakeholder workshop; August 19, 2025 preliminary concepts workshop; September 19, 2025 tabletop exercise; January 13-20, 2026 presentation to MAFB/City Commission; June 2026 Grant Application submittal; January 2027 Grant Award; End of 2027 Design/Bidding; 2028 Construction.
- Focus Areas:

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- Water Utility: Replace aging pumps at treatment plant; Upgrade electrical gear and assess backup power; Add east zoning storage and pumping capacity; Increase connection size or add third connection for redundancy.
- Wastewater Utility: Develop concept plan for second sanitary sewer interceptor for capacity and redundancy; Evaluate equalization storage and companion facility to improve peak flow reliability.
- Storm Water Utility: Implement Storm Water Master Plan improvements considering planned and industrial development; Focus on intersection improvements and erosion control north of key areas.
- Franchise Utilities: Continue coordination with electric, gas, and communications providers to meet Sentinel project demands.
- Transportation – Recommendations:
 - Perform study along various segments for improvements.
 - Study signal upgrades for convoy priority (Blue Light Lane).
 - Assess feasibility of northern route connection via coordination with Montana Department of Transportation (MDT).
- Emergency Management Tabletop Exercise (TTX).
 - Infrastructure:
 - Water: Add redundancy; explore temporary treatment.
 - Sewer: Increase capacity; add lift station; emergency plans.
 - Power: Backup power at critical sites.
 - Stormwater: Expand capacity; shared retention.
 - Roads: Improve access; consider landfill alternatives.
 - Comms: Emergency system update (Current backup 911 is at MAFB).
 - Overall:
 - Regular multi-agency drills.
 - Formal communication protocols.

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- Update SOPs.
- Improve CIP and mutual aid coordination.
- Capital Improvement:
 - Additional east zone water system storage and pumping capacity.
 - Provide redundant lift station, force main crossing, and parallel sewer interceptor.
 - Upgrade high-service pump and electrical systems at WTP.
 - Assess backup power for critical water facilities; improve power reliability.
 - Add standby power to critical lift stations.
 - Implement stormwater plans for added impervious and industrial development.
 - Perform CCTV inspection of 30-inch sanitary sewer serving MAFB.
 - Increase 8-inch water service to MAFB or add third service for 12-inch equivalent.
 - Study backup water source/treatment (e.g., groundwater).
 - Evaluate north route bypass MAFB transportation connection.
 - Develop improved backup 911 dispatch center and communications system.
- Action Plan:
 - Negotiate and Implement a Cost Share Strategy for Transportation and Utility Infrastructure Projects: Align regional efforts via partnerships reflected in formal agreements to pursue funding for the design and construction of prioritized infrastructure.
 - Housing and Local Workforce Development to Support Recruitment and Retention: Coordinate housing and workforce development to support military families and defense workers.

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- Compatible Development, Land Use, Zoning, and Environmental Permitting: Ensure MAFB is able to participate on City boards to provide input, align land use, and coordinate resilience efforts.

Commissioner McKenney received clarification that approximately 14% of the population are veterans. With regard to the “Action Plan” slide, Commissioner McKenney inquired if a developer could ask the Department of Defense for help with infrastructure costs because of the shortage of workforce housing for the military.

City Engineer Jesse Patton responded that the request would need to come from the City; however, if public utilities needed to be extended to support resiliency or readiness of MAFB, the City could apply for the Office of Local Defense Community Cooperation (OLDCC) grant to help get that infrastructure put in place.

Commissioner McKenney received further clarification that it could take a couple of years from the grant request until funds are received.

Commissioner Tryon received clarification that the recommendations in the study are not city policy; however, some of the items affecting the utilities are recommendations. Transportation would be an ongoing conversation with MDT and MAFB about how to best improve or develop transportation corridors to support the mission. The land-use component is not intended to be any kind of recommendation.

Commissioner Tryon inquired if the alternatives cross over into the current land-use draft growth policy.

Public Work Director Gaub responded that he does not consider them to be alternatives and are perspectives of different entities. The draft land-use planning and compatibility study identifies areas of potential land-use conflicts, and any changes to future underlying land-uses would require appropriate local government processes and public participation.

Planning and Community Development Director Brock Cherry added that the growth policy process is a state mandated requirement that the City needs to go through, defining the next 20 years of what the City needs to do. The Resilience and Compatibility Study helps to inform the greater process with the growth policy and has various perspectives. The growth policy is the most important future land-use planning map and is the document the City will refer to when it pursues annexations or land-use changes. The growth policy is a plan, and the Resilience and Compatibility Study is a study.

Commissioner Tryon emphasized that this study did not require public engagement because it is just a study. When the policies come before the Commission, will be the appropriate time for public engagement. He asked about the recommendations in this study impacting the success of any future grant applications.

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Public Works Director Gaub responded that it is not helpful in future grants related to land-use; however, it is essential to future grants to do the study and then the design of future infrastructure projects.

Deputy City Manager Jeremy Jones explained that a map was removed from the presentation because it caused some confusion. This grant was between MAFB and the City regarding what the City can do to shore up its infrastructure to ensure that MAFB can continue to do its mission. The Capital Improvement slide identifies areas that the City are short in to make sure that MAFB could continue to operate and function during a disaster. It overlapped into some areas that caused some consternation; however, those are all public policies that will have the public vetting process as this moves forward and must go through state statute to allow for those changes to come. What it has done is resonated that the City must align with the County, MAFB and GFDA to bring these processes together.

Commissioner Wilson inquired if the study was complete because she had heard that input from property owners and others was still needed.

Mr. Weisenburger responded that the study is at the point where we are wrapping up the documentation based on the feedback received from the City and MAFB and County.

Planning and Community Development Director Cherry added that property owners could contact him to discuss this. The growth policy process is still happening and there will be opportunities for public engagement and participation.

Commissioner Wilson noted that there was a study commissioned by the legislature two years ago about the number of veterans in the community. There are approximately 10,662 veterans in Cascade County and 7,700 veterans in the City.

Commissioner Schreiner commented that he appreciates staff explaining the process and that the slide of the map was removed. It makes sense that property owners were concerned when government funds any sort of document that produces a map that has any definition of someone's property. It gives the City pause to understand that when it publishes things, to take someone's private property into account, because whether it is a study or not, it still creates an asset for future proceedings if someone were to challenge something or in court cases, studies get brought up all the time.

3. STRATEGIC CAPITAL INVESTMENT RESERVE (SCIR) UPDATE

Public Works Director Chris Gaub reported that the Commission had requested staff to establish a reserve fund that would provide an opportunity to fund projects that would potentially help SCIR development and improve city infrastructure. It will be a transparent process, and developers will submit applications presented to the Commission for approval. Smaller developers will have an opportunity as well. It

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raises \$2 million per year in the water, storm and sewer utilities. Since last summer, City staff have been putting in countless hours into designing this policy and how it would be implemented.

Public Works Development Review Coordinator Mark Juras and City Engineer Jesse Patton, Planning and Community Development Director Brock Cherry, and Finance Director Melissa Kinzler reviewed and discussed PowerPoint slides (available in the City Clerk's Office). Highlights included:

- Main Themes or Objectives:
 - Overview of proposed SCIR program.
 - Request Commission approval to begin public comment period.
 - Posture for adoption of SCIR program on April 7th.
- Recent Commission Development Discussions:
 - April 2025 – Utility Rates Work Session.
 - April 2025 – City Manager Development Memo.
 - June 2025 – Resolution 10574 – Rate Increase.
 - September 2025 – City Manager Development Update.
 - Today – SCIR Recommendation.
- Typical Development Hurdles:
 - Cost of public infrastructure.
 - Deficiencies in existing infrastructure system.
 - Lack of local capital.
 - Geographical constraints (prevailing land slopes, MAFB, etc.).
 - Challenging soils.
 - Ability to provide public safety.
- What options do we have, and what about our peers?:
 - TIF; Unscheduled Development Funds; SID? Not used for 20 years; Impact Fees? Not enough growth/slow growth.

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- June 3rd, 2025: Resolution 10574 adopted:
 - Goal: establish \$2m reserve in each utility fund (water, sewer, storm) – Revenue of \$6m total in SCIR per year.
 - Assist City and Developers with meeting public infrastructure needs.
 - Investment to both: Improve existing infrastructure and support development.
- Typical Utility Budget Process:
 - Project revenue; Project O&M requirements; Designate CIP investment; Commission Approval; Contingent on Utilization/Revenue.
- Revised Utility Budget Process:
 - Project revenue; Project O&M requirements; Designate CIP investment; Commission Approval; Contingent on Utilization/Revenue (Designate SCIR \$6m/\$2m each fund and SCIR Award = Change).
- Water Fund SCIR Carryover Illustration:
 - FY27 - \$21M from Rates; Budget for FY27: \$19 M to CIP and Operations \$2M to SCIR; CIP Funds Spent \$17M; SCIR Funds Spent \$0.7M; SCIR Fund Obligated \$1.0M; FY28 \$21M From Rates; Budget for FY28: \$19M to CIP and Operations \$2M to SCIR; CIP Budget \$21M (\$19M + \$2M); SCIR Budget \$2.3M (\$2M + \$.3M); SCIR Obligated \$1.0M.
- SCIR Balances:
 - SCIR balances reviewed at budget time; \$6m cap per utility of non-obligated funds.
- Policy Highlights:
 - Interdepartmental collaboration – working group; Public outreach is next step; Pilot principle (implementation phase of a year or more); Regular review and assessments to make changes as needed; Bi-annual reviews with budget cycle; Commission approves all major changes post-pilot.
 - Transparency – Commission awards are mandatory.

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- Funding Structure:
 - Maximum award - \$1.75m per year per utility (water, sewer storm); Awards must occur prior to solicitation of bids or re-bid; Awards must follow city purchasing policies (public bid/wage rates); Disbursement – after completion of public infrastructure with mandatory timeliness; Small project reserve – Up to \$250k per utility per year for eligible projects on first come first served basis.

- Eligible Activities:
 - Public water, sewer or storm infrastructure and associated costs (Must benefit existing public infrastructure system and potential development).
 - Exclusions: Private utilities, roadways, projects outside city limits.
 - Incorporated city areas only – prior or concurrent land use entitlement approvals are required.

- Application Process:
 - Eligible Applicants: Developers, NGOs, City Public Works Department.
 - Deadlines: Greater than \$250k: Bi-Annual (April 15, October 15), awards in July or January.
 - Deadlines: Less than \$250k: Year-round, first-come basis.
 - Requirements: Pre-application meeting, complete application, scoring rubric, land use entitlement approvals.
 - Failure to apply before bidding = ineligibility or re-bid.

- Review and Scoring Criteria:
 - Benefit to existing public infrastructure; Enablement of future development; Economic Impact (Tax base, jobs, infrastructure, lifecycle analysis).
 - Growth Policy alignment, infill, high-density or mixed use.
 - Project readiness, leveraging non-city funds, developer experience.
 - Geographic distribution across Neighborhood Council districts.

- Match Requirements:

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- Not required but may increase score.
- Proposed SCIR Timeline:
 - January 20, 2026 Work Session – Commission approves Intent.
 - Communication Timeline: February 2026 through March 2026 - – Begin Public Comment Period; Developer Roundtable; Town Hall; End Public Comment Period; Finalize Draft Documents.
 - March 6, 2026: Check in with the Commission to see if another Work Session is necessary, if so, it would be on March 17, 2026.
 - April 7, 2026: Present SCIR program to the Commission for adoption via Resolution.
 - April 15, 2026: Applications Due.
 - July 7, 2026 City Commission Meeting: Award Applications.
 - October 15, 2026: Second Application Deadline.
 - January 2027: Second Awards.
- Key Questions to Answer:
 - Is this ready for public outreach? (To target FY27 awards in July, Recommendation is yes.
 - Can the Public Works Department apply for this fund? (Recommendation is yes, why: Strategic focus versus single developer focus; Regional knowledge to facilitate projects that address infrastructure issues that can benefit multiple developments.

It was the consensus of the Commission that staff begin the public comment period and apply for the funds.

Commissioner McKenney suggested having another Work Session on March 17, 2026, after receiving community feedback.

Commissioner Schreiner suggested that staff report back to the Commission regarding the following items:

- Who will be making these scores so there is no conflict of interest when the scoring comes to the Commission for award.

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- Is there a way to make sure that the City is not taking up this entire fund for the next decade.
- Where would the funds roll over to if the \$6 million cap was reached.

DISCUSSION OF POTENTIAL UPCOMING WORK SESSION TOPICS

Deputy City Manager Jeremy Jones reported that a 2026 downtown stormwater/water main project update and an ARPA project update will be topics for the February 3, 2026, work session. An annual update from BID, Park and Recreation general update and natural resources/Boulevard District update will be topics at the February 17, 2026, work session.

ADJOURN

There being no further discussion, Mayor Reeves adjourned the informal work session of January 20, 2026 at 6:47 p.m.