

JOURNAL OF COMMISSION WORK SESSION
March 17, 2026 -- City Commission Work Session
Civic Center, Gibson Room 212 -- 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 City Manager Greg Doyon and Deputy City Manager Jeremy Jones; City Attorney David Dennis; Finance Director Melissa Kinzler, Planning and Community Development Director Brock Cherry and Deputy Director Lonnie Hill; Public Works Director Chris Gaub, Development Review Coordinator Mark Juras and City Engineer Jesse Patton; Human Resources Training/Development Coordinator Mark Willmarth; Fire Chief Jeremy Virts; Police Chief Jeff Newton; and, Deputy City Clerk Darcy Dea.

PUBLIC COMMENT

Jeni Dodd, City resident, commented that page 11 of the Work Session Agenda Packet states that extending sewer and water infrastructure is eligible activity for the SCIR funds. Under Montana law, municipal water and sewer systems are generally prohibited from charging existing ratepayers for specific costs of extending infrastructure to benefit private developments. This directly conflicts with what the City is proposing with the SCIR fund.

The governing principle in Montana statutory framework and case law is at the cost of extending services to a new subdivision or development must be borne by the developer or specific users benefiting from the extension rather than the general tax rate payer base. Montana Code Annotated (MCA) established that rates must be just and reasonable and the Montana Supreme Court has historically viewed the subsidization of private development through public utility rates as an inequitable distribution of cost.

What the City is trying to do should be done under the Montana Impact Fee Act. Impact Fees were specifically designed and implemented because municipal water and sewer utilities do not have the right to charge existing rate payers for the cost of extending utilities to new developments, instead, the law requires that new growth pay its own way through impact fees or direct developer financing to ensure that existing residents do not subsidize private expansion. In Montana, the primary

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responsibility for the infrastructure within the new development and off-site extension required to connect that development to the main municipal system lies with the developer. Under the Montana Subdivision and Plotting Act, local governments may even require developers to install or pay for the installation of water and sewer lines as a condition of subdivision approval.

Regarding oversizing an existing system, there is a narrow exception if a city requests a developer to install a 12-inch pipe instead of the 8-inch pipe required for their specific project in order to allow for future city-wide growth and the city may be responsible for the cost difference. The city might use general utility funds because the oversizing benefits the entire system, not just the developer. However, the base cost of the extension remains the developer's burden. If a municipality attempts to bypass this by using ratepayer funds for private extensions, it may be subject to legal challenge under the public purpose doctrine of the Montana Constitution which prohibits the use of public funds for private benefit.

Ms. Dodd requested that the City stop charging existing ratepayers for a fund that exists mainly to benefit developers.

Mayor Reeves requested that Ms. Dodd email him the case laws that she referenced.

Jolene Schalper, City resident, Great Falls Development Alliance, commented that she was a part of the Public Works meetings with developers. Ms. Schalper provided and discussed a draft SCIR Policy summary for public comment handout with suggested exclusionary changes from some of the developers and local attorney Jennifer Bishop. Exclusionary changes included the following:

- Page 2 – Remove Latecomer's Fees. This limits the city and should be on a case-by-case basis.
- Page 3 – Remove Debt service use. Debt service is an eligible use in Tax Increment Financing (TIF) funds and developers use SCIR funds to repay any debt.
- Page 3 – Eligible Activities. Add "including" after Public Water, Sewer and Stormwater Infrastructure, and Other Cost.
- Page 3 – Remove the Exclusionary paragraph. There is already another section with exclusions.
- Page 4 – Remove Infrastructure benefiting only a single development. The city could still exclude projects that are only benefiting a single developer, but it can also include projects that benefit the city.
- Page 4 – Remove Debt service or unrelated capital costs.

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- Exclude that it is for only one project.

Ms. Schalper explained that this is a great opportunity to take care of deferred maintenance on system-wide public water sewer, and stormwater utility infrastructure.

Jake Clark, City resident, Great Falls Development Alliance, discussed a draft Application and Scoring Rubric for public comment for the SCIR Policy with suggested exclusionary changes that included the following:

- Page 8 – Tax Base. Increase the points and amount to approximately \$50M for the full 5 points.
- Page 8 – Jobs. Increase the points and use a more specific metric for calculating those jobs.
- Page 8 – Infrastructure Lifecycle Analysis. This caused confusion in the group meetings and needs more clarity as to what it means and how to measure those.
- Page 8 – High Density or Mixed-Use Housing. Reduce the point value.
- Page 8 – Infill Development and Growth Policy Plan Alignment. Alter the eligibility language for infill and pass it into the rubric for review.
- Page 8 – Leveraging of Non-City Funds. Reduce the percentage for max points to 50% and then step down from there to mirror some of the other programs that exist.
- Page 8 – Developer’s Experience. Have a metric for grading this as it seems somewhat subjective.
- Page 9 – SCIR Geographic Distribution by Neighborhood Council (NC) District. Do not limit the application geographically for a distribution of projects within the last five years within a NC.

WORK SESSION ITEMS

1. STRATEGIC CAPITAL INVESTMENT RESERVE (SCIR) FOR PUBLIC WATER, SEWER AND STORMWATER INFRASTRUCTURE

Public Works Development Director Chris Gaub and Review Coordinator Mark Juras reviewed and discussed PowerPoint slides (available in the City Clerk’s Office). Highlights included:

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- Main Objectives of SCIR Program:
 - Improve performance and resilience of existing utility system
 - Business friendly initiative to support community benefit via development
 - Ensure transparency via Commission approved funding
- SCIR Work Session Objectives:
 - Update Commission
 - Tee up for April 7 Commission approval via Resolution
- 2026 Water and Sewer Residential Rates:
 - Butte - \$112.40
 - Kalispell - \$100.06
 - Bozeman - \$98.16
 - Missoula - \$68.76
 - Helena - \$65.14
 - Great Falls - \$64.66
 - Billings - \$64.25
- June 3, 2025: Resolution10574 adopted:
 - Goal: establish \$2m/yr 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
- Water Fund SCIR Carryover Illustration:
 - FY27 - \$21m from rates: Budget for FY27 \$19m to CIP and Operations and \$2m to SCIR. CIP funds spent \$17m; SCIR funds spent \$0.7m; SCIR fund obligated \$1.0m

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- FY28 - \$21m from rates: Budget for FY28 \$19m to CIP and Operations and \$2m to SCIR. CIP Budget \$21m (\$19m + \$2m); SCIR Budget \$2.3m (\$2m + \$.3m; SCIR obligated \$1.0m
- Policy Summary Review and Scoring Criteria:
 - Benefit to existing public infrastructure (rate payer)
 - 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
 - New vs. Frequent users
- Appeals:
 - Applicants may appeal to City Commission within 30 days
 - Commission decisions are final
- Policy Review:
 - Pilot Period: First year for refinement and feedback
 - Periodic Review: Bi-annual reports during budget cycles
 - Adjustments: Post pilot policy changes require Commission approval
- Proposed SCIR Timeline:
 - January 2026 - work session for commission approval of intent
 - February 2026 – formal public comment period, developer roundtable, town hall and received written comments
 - March 2026 – finalized draft documents and work session
 - April 7, 2026 – commission adopt proposed program via resolution
 - April 15, 2026 – applications due

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- July 2026 – awards occurring and execute SCIR agreements
- October 15, 2026 – second application deadline
- Public Comment Period Summary:
 - #1 Topic: Can the City apply for SCIR? If City applies, must have a formal letter of endorsement from a Developer. City not eligible for less than the \$250k fund. The Commission is the approving authority that approves all awards
- Public Comment Period Summary:
 - #2 Topic: Can SCIR infrastructure benefit only a single development, and how is that defined? Eligibility criteria – SCIR may not pay for on-site utilities developer would normally be responsible for. On-site eligible improvements include those which provide regional benefit as scored on the rubric
 - Developer Roundtable February 12, 2026: Non-city match funds are eligible for latecomer’s fees. City not eligible for less than the \$250k pot. Increase points for leveraging of non-city funds in rubric. Clarifying eligibility criteria
 - Open House February 25, 2026: Debt service clarification. Infrastructure lifecycle cost clarifications. Phased SCIR awards are not eligible. Contingencies and change orders clarified. Partial awards are not allowed
 - Written Comments: Received four written comments in total – to be included in the April 7 Commission Meeting Packet. All written comments were considered in SCIR policy revisions
- Key Reminders:
 - Pilot, we can change it
 - Adoption via Resolution on April 7th
 - First round of applications due April 15th

Development Review Coordinator Mark Juras explained that the SCIR Working Group included himself, Public Works Director Chris Gaub and City Engineer Jesse Patton; Planning and Community Development Director Brock Cherry and Deputy Director Lonnie Hill; Finance Director Melissa Kinzler; and the Legal Department.

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Mayor Reeves inquired if City staff will consider GFDA's concerns.

Development Coordinator Juras responded that GFDA's written comments were based on the 90% draft and some of the changes have already been made.

Commissioner McKenney received clarification that if there is more revenue than projected, it could be applied to the CIP or other emergency uses and if the revenue comes in lower, the CIP might have to be used. He further received clarification that there are safeguards built into the pilot SCIR program that establish mandatory timelines so if a project falls through and a developer cannot meet the obligations of the agreement, the funds are forfeited.

Commissioner Wilson inquired if there are several applicants waiting in the wings for this, with the adoption being scheduled for April 7, 2026, and the first round of applications due April 15, 2026.

Development Coordinator Juras responded that he expects applications to come in and because of the tight turnaround, a delayed deadline to allow for more applications to come in could potentially be considered during this first implementation. Ultimately, All the ducks need to be in a row in June for recommendation and inclusion into the budget cycle.

Commissioner Tryon received clarification that no applications have been received right now. Public Works Development Coordinator Juras is the Strategic Development Officer, and the Working Group will manage the SCIR program until that position is created and funded. The Working Group will review and score applications as a team. The Strategic Development Officer position will be forthcoming in the budget proposal.

City Manager Greg Doyon explained that there was some concern amongst the Commissioners about how to fund the Strategic Development Officer position and his last recommendation was to wait until the budget process to determine what the Commission is comfortable with.

Commissioner Tryon commented that it is a good thing that this is a pilot program because he can see some possible issues. He inquired if a letter of recommendation from a developer for a city project could accompany an application so there is some discretion regarding a city project benefiting a developer.

Public Works Director Gaub responded that the two objectives of this program include that it will benefit existing rate payers and developers. If those two objectives are not accomplished, it might be difficult to acquire a recommendation from a developer.

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Planning and Community Development Director Brock Cherry added that for certain projects a developer may prefer the City being the applicant to accomplish the project because these monies must follow the City's spending rules.

Commissioner Schreiner received clarification that it is by design that the expectation is the letter would come from the developer that benefits this.

Commissioner McKenney inquired about how these projects benefit the ratepayers.

Planning and Community Development Director Brock Cherry responded that projects are based on a CIP, which is not coordinating with market demands. SCIR is a strategic way of ensuring that the City is being responsive to market demands as the City pursues projects that need to be done with developer input. SCIR should not be to the sole benefit of developers, and it must make the system better for existing ratepayers, while also allowing for development opportunities.

Commissioner Schreiner commented that this program is designed to follow market needs and there could be parts of the community that are not advantageous to develop that get left behind over time. As this program is being developed, he does not want to see parts of the community never getting addressed.

2. RECOMMENDATIONS FROM THE GREAT FALLS PARKING SUMMIT

Training/Development Coordinator Mark Willmarth and Deputy City Manager Jeremy Jones reviewed and discussed PowerPoint slides (available in the City Clerk's Office). Highlights included:

- City of Great Falls Parking Summit
 - Facilitate 3 four-hour meetings with downtown business, property and residents on parking
 - Facilitated a similar group in Bozeman three years ago and came to appreciate the complexity of parking and our issues are different than Bozeman
 - Parking is a very complex issue with no one right answer and it is never free
 - Parking is as much a psychological issue as it is a technical one
 - This Parking Summit group has done really good work
 - The core group are committed, passionate, reasonable people that want downtown to be successful and are willing to support and advocate for a more effective, efficient system that pays for itself
- Focus of Discussions/Solutions

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- Financial sustainability must be addressed directly
- Infrastructure and technology modernization are essential
- Enforcement and system integration must be credible and consistent
- Customer experience and public education are critical to the success of the parking program
- There is shared stakeholder responsibility – we are all part of the success and must support and advocate for the parking program
- Parking is not a problem to be solved. It's a problem to be managed.
- The Challenges:
 - Downtown parking revenues
 - Confusion in parking systems
 - Aging infrastructure
 - Lack of technology to drive decisions
- Bringing the Right People to the Table:
 - Created the Downtown Parking Summit
 - Participants included residents, retailer, property owners and patrons
 - Group given parameters that must be met by the City Commission
- What We Heard:
 - Through several work sessions, participants discussed experiences, concerns, and ideas
 - The goal was simple: Identify practical ways to better manage downtown parking
- Across all discussions, three priorities emerged: Technology, Infrastructure and Safety
- Challenges of Current System:
 - Aging infrastructure and outdated technology

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- Confusing parking rules and multiple types of uses
- Perception of safety in the garages
- Limited promotion and marketing
- Financial Realities of Parking
 - For enforcement to exist, there must be revenues to support it
 - Over half of parking revenue is generated from curbside parking
 - Parking garages are highly underutilized
- Interim Steps Implemented:
 - March 3 the curbside rate was increased from \$1.00/hr to \$1.50/hr
 - Increases to parking tickets
 - Elimination of courtesy tickets and warning letters
 - First 2 hours parking in garages is free
- Parking Summit Recommendations:
 - The stakeholders of downtown support the interim changes and recommend making them permanent
 - Pursue technology that is user-friendly and allows for data-driven decision criteria
 - Address deferred maintenance
 - Address perceived safety issues
 - Continue with month-to-month contract with SP+ to allow for time for new rate evaluation (6 and 12 month)
- Technology and Infrastructure:
 - Modern parking systems are easier to use and easier to enforce
 - Improvements include: license plate reader technology; automated garages; improved signage and system integration; cashless parking system

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- Safety Improvements: Public confidence in garages is critical
 - Improved lighting and technology (gates and automation)
 - Clear branding and wayfinding
 - Coordination with GFPD for patrol presence
- Investment in Downtown Parking System:
 - The Downtown Parking Summit group recommends utilizing up to \$2.5 million of downtown TIF funding to purchase the technology and perform the maintenance needed to modernize our parking system
- Downtown Stakeholder Opportunities:
 - Monthly parking passes
 - A voluntary business parking validation program for patrons
 - Future exploration of creating a Parking Improvement District (PID) to allow for more flexibility in the parking rates
- Implementation Timeline: - Upon recommendation from the City Commission to move forward:
 - Parking Advisory Committee along with the established working group will immediately begin to evaluate technology needed to modernize our system
 - Monthly evaluation of new rates to monitor effectiveness
- The Big Picture: There is no FREE parking. Even if there is no parking fee, there are still expenses to cover
 - There is no solution to parking
 - The goal is better management through modern technology, strong infrastructure, and working without downtown community stakeholders

Kellie Pierce, Great Falls Business Improvement District, commented that the Great Falls Parking Summit was an opportunity for stakeholders to be the voices for the community to help educate and communicate why turnover, a parking program and enforcement are important for downtown businesses.

On behalf of the Commission, Mayor Reeves expressed appreciation to everyone who participated in the Great Falls Parking Summit for their work and dedication.

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Commissioner McKenney commented that he appreciates the Great Falls Parking Summit's creativity and for thinking outside the box. The downtown business owners are the property taxpayers and risk takers.

Commissioner Tryon inquired if the City would continue with the SP Plus contract indefinitely until there are detailed recommendations.

Deputy City Manager Jones responded that the recommendation is to maintain what the Commission already implemented on March 3, 2026. The parking garage rates will change, a month-to-month contract with SP Plus will continue and \$2.5 million will be invested to Downtown Tax Increment Financing (TIF) to address safety issues, infrastructure and technology.

Commissioner Tryon commented that there are issues with the Parking Summit's recommendations and he is not comfortable agreeing to them. The recommendations need to be more specific and have public input. He expressed opposition to continuing with the status quo while continuing to look at the problem and it was his understanding the Commission had agreed to do something different.

Deputy City Manager Jones mentioned that projected revenues were included in the agenda packet and not on this PowerPoint. Those revenues were based on historical data at a \$1.50 rate on Central Avenue alone and did not include what is recommended for the parking garages. Projections of the \$1.50 rate on the side streets was only what technology allows the City today. With the Interim changes, a \$6,000 loss for the year is projects, which is far from what the City was losing monthly. As the group utilizes the fund to address infrastructure issues and the ability to reduce how many FTE's are needed to run the program, the expenses are going to be reduced, the user experience will improve and will be able to gain in all the other rates to offset that \$6,000 loss.

DISCUSSION OF POTENTIAL UPCOMING WORK SESSION TOPICS

City Manager Greg Doyon reported that a Gibson Flats and Growth Policy update will be topics at the April 7, 2026 work session.

Commissioner Schreiner requested a more thorough discussion about the exploration of a Parking Improvement District (PID).

ADJOURN

There being no further discussion, Mayor Reeves adjourned the informal work session of March 17, 2026 at 6:46 p.m.