

State of the City Address
Mayor James E. Smith
City of Helena, Montana
January 23, 2017

Good evening ladies and gentlemen. Welcome to our meeting tonight and to the annual State of the City Address. The City Charter is very clear about the assignment:

“The mayor shall communicate to the city commission and to the general public a statement of the affairs of the city, each January, and may make recommendations regarding these matters.”

The annual state of the city address presents an opportunity for us to look back, to look ahead and to look around; and we plan to do a little of each tonight.

I am very pleased to be able to say for the 16th consecutive year the state of the city is good. The Preamble to our City Charter begins with this precious statement:

“Helena, Montana is the proud seat of our state government. It is a community with a colorful past and a vibrant future. There is an openness and basic decency that beckons each of our citizens to contribute to its unique identity.”

The openness and decency that existed here in 1976, when our City Charter was adopted, still animates the people of Helena; and they are still contributing to our city’s unique identity. Consequently, in 2017, Helena is well governed, well managed, well-staffed and well supported.

I would like to begin by welcoming the ladies and gentlemen of the 65th Session of the Montana Legislature to Helena. The 150 legislators are working hard and we’re honored to have them in town this winter. Being the seat of state government is quite a distinction for us in the capital city. Our staff at the city of Helena works closely with the departments, agencies and people at the state of Montana all the time, year in and year out. Again this legislative session the City of Helena in partnership with the state Legislative Services Division is pleased to

provide the Capitol Shuttle. This free service transports visitors, guests, lobbyists and employees to and from the Capitol all day every day.

While we're honored to be hosting the 65th Legislative Session in the capital city, their business here will impact Helena and all local governments in Montana; and there are areas of concern that ought to be mentioned tonight.

Working with the Montana League of Cities and Towns and the Montana Association of Counties, we are carefully monitoring the programs and funding that comes to local governments through the state of Montana. Arguably, the most useful tool in the local government toolbox is a program that allows cities and counties to create Tax Increment Financing (TIF) Districts in order to revitalize certain areas of our communities. There are proposals under consideration at the session that would significantly alter the TIF program. Similarly, cities and counties are well served through the Treasure State Endowment Program (TSEP), as well as the Renewable Grants and Loan Program. We need those programs fully funded; and the decisions about allocations for the 2019 biennium made sooner rather than later in the session. Another area of concern is the 911 Fund at the Department of Administration. That's a reserve fund intended to enable the dispatch centers around the state to upgrade their technology in order to deploy Enhanced 911 and Reverse 911 services in their jurisdictions. One ill-conceived proposal on the table would sweep the funds from that account into the state general fund for budget balancing purposes. Another area of great concern is the fact the Governor's budget proposes to continue the state imposed cap on reimbursement rates at local facilities for the next two years, including here at the Lewis and Clark County detention center. State reimbursement to counties was reduced by about \$1.5 million at the very end of the 2015 session. It's a major disappointment to see the Governor proposing to carry this funding reduction forward for another two years. All the while Sheriffs and county commissioners are trying to finance new facilities, upgrade existing ones, develop new services for incarcerated persons in areas like mental health, substance abuse, anger management, housing, budgeting and other life skills. Through our own efforts and in

partnership with other cities and counties we'll be working hard on these and other issues at the Session for the next four months.

For example, the city of Helena, along with the League of Cities and Towns, is an original member of the Montana Infrastructure Coalition. The member organizations include the Montana AFL-CIO, the Montana Contractors Association, the Montana Chamber of Commerce, the Montana Association of Oil and Gas Counties, several other cities, counties, businesses and associations. The Coalition is working very hard to finally pass a major infrastructure funding bill in the 65th session. All the members of the Coalition want to get to work here in Montana; whether it's building new water treatment plants, expanding existing water and wastewater systems or rebuilding roads and bridges all across the state.

Right here at home, I'd like to recognize and congratulate District Court Judge Mike McMahon, County Commissioner Jim McCormick and Clerk of District Court Angie Sparks for their elections to their respective offices. We're looking forward to working with you to serve the citizens of our respective jurisdictions in the coming year.

Helena is well governed by a diverse, hard-working city commission. I would like to recognize and thank Commissioners Dan Ellison, Robert Farris-Olsen, Andres Haladay and Ed Noonan for their continued service to the citizens. The five of us do our best to lead and serve you every year; working together for the people of Helena. We're different people with different opinions, perspectives and beliefs.

I don't think the citizens of Helena expect us to march in lockstep, and we don't. I can assure you, however, that we take our governance role seriously, that we do our best to keep our debates civil and respectful, and that we are all deeply committed to this community and to the people of Helena.

The city is well supported. There are close to three hundred (300) citizens serving on advisory boards, authorities and other standing or ad hoc committees. All of these people are volunteers. They give freely of their time and expertise in

order to make Helena a better place to live. I can't thank them all properly or often enough for their great contributions.

In particular I'd like to recognize the members of the Helena Citizens Council (HCC). The HCC has become an increasingly important and effective body to city government. I'd like to thank the current Chair of the HCC, Mr. Gary Spaeth for his commitment and leadership these last few years.

The city is well managed. Our City Manager, Ron Alles, and the department directors are an outstanding group of professionals, working together as a management team to produce positive outcomes and good results for the people of Helena on a daily basis.

Our employees are our highest priority; we recognize that as best we can from year to year by investing in them with the funding available to us through taxes, fees and assessments. Their work is measured by the quality of services they deliver every day to the citizens of Helena.

Our ability to compensate our employees from year to year depends first and foremost on property tax revenues, and upon the fees and assessments paid by our citizens. The Commission did not approve a Cost of Living Adjustment for city employees for FY17. The city has a well-crafted, market based pay plan within which employees are able to progress based on merit, performance and longevity.

We're very deliberate and careful when it comes to increasing taxes, fees and assessments. We're careful in good times; and we've been especially careful the last few years.

We need to be doing all we can to assure that Helena continues to have a vital and vibrant private sector. The valuation of commercial and residential building permits issued in 2016 was close to \$74 million. The city is very committed to supporting the private sector; by having motivated professional staff on board to do the city's work; by having excellent infrastructure on and in the ground; and by providing economic re-investment opportunities in the community.

Our responsibility to the taxpayers is to operate within our means through prioritization and budgeting. It is the commission's hope and expectation that we can maintain the present level of service to our citizens in 2017.

The city's day to day work is very, very important. This means delivering essential services to the people of Helena: purifying water, treating wastewater, picking up the garbage, patrolling the community, capturing stray, lost or abandoned animals, maintaining the parks, responding to service calls, fixing the potholes, and plowing the streets, which we are doing a lot of this winter.

Looking back, I do believe 2016 was a year of accomplishments, and I'll highlight a few from each City Department. This is just a sampling, the tip of the accomplishment iceberg, so to speak:

ADMINISTRATIVE SERVICES DEPARTMENT

- ❖ Completion of a balanced budget and a comprehensive capital improvement plan.
- ❖ Received the 28th consecutive Certificate of Achievement for Excellence in Financial Reporting.
- ❖ Obtained a "Clean" Annual Audit for FY 2015.
- ❖ Refunded the Certificates of Participation, 2009 with new bonds that saved approximately \$106,000 in interest payments annually with a total interest savings of \$2,438,000 over the remaining 23 years of bond payments.

CITY ATTORNEY

- ❖ Implemented a new victim services program. The program is designed to provide advocacy and support for victims of misdemeanor Partner Family Member Assaults, Assaults, no contact order and order of protection violations, Stalking, and Sexual assaults.
- ❖ Expanded prosecution team by hiring a second full time prosecutor.
- ❖ Continued to provide legal support to all city departments.
- ❖ Continued to provide legal support to defend the water rights case and defend the city in the Westside annexation suit.

COMMUNITY DEVELOPMENT

Building Division

- ❖ Commercial development project valuations for 2016 were \$47,681,209 and residential development project valuations were \$26,838,656.
- ❖ Issued building permits for 51 new single family buildings; 2 duplexes; and 27 multi-family dwellings.

Planning Division

- ❖ Brought forward three resolutions of intention for annexation; one included seven applicants.
- ❖ Amended the Growth Policy to include the Downtown Master Plan as the Downtown Neighborhood Plan.
- ❖ Received seven community decay complaints.
- ❖ Worked with HOME grant for Guardian Apartments; CDBG grant for Downtown Zoning and Big Sky Trust Fund grant for Pioneer Aerostructures Employment.
- ❖ Created Railroad Tax Increment Financing District.
- ❖ Oversaw the Energy Efficiency and Renewable Loan Program – 21 applicants received an average of \$10,476.

COMMUNITY FACILITIES

- ❖ Oversaw the remodel of the Parks Maintenance Building and the occupation of the building by the parks and police departments
- ❖ Completed energy lighting upgrades at the utilities division warm storage building.
- ❖ Completed the ADA audits for city buildings.
- ❖ Installed the state-of-the-art theatrical lighting in the Civic Center Auditorium.

HELENA FIRE DEPARTMENT

- ❖ New Chief Mark Emert is doing great.
- ❖ Responded to 4379 calls for service; an increase of 259 calls from 2015.
- ❖ Hired three probationary firefighter/EMT's to reach thirty full-time members.

- ❖ Received new MSA self-contained breathing apparatus
- ❖ Received two new Pierce engines.
- ❖ Taught approximately 800 2nd grade children fire safety during Fire Prevention Week.

HELENA PARKING COMMISSION

- ❖ Refurbished and updated all pay to park stations and signage in parking lots.
- ❖ Painted the Medical Arts and Jackson Street garages, creating brighter, cleaner and safer atmosphere.
- ❖ Bollard enhancement project, neoprene reflective covers installed at all properties.

HUMAN RESOURCES

- ❖ Continued the city's reputation of being an employer of choice in the Helena area by hiring 40 new employees over the past year. This was a 25% increase over the prior year's number of new hires. This is the most new hires the city has had since prior to 2008.
- ❖ Implemented an online job application system to allow individuals to more easily manage their job applications and apply for city openings.
- ❖ Hired a new Human Resource/Benefits Specialist, Ciarra Krantz, to oversee the city's benefits.

INFORMATION TECHNOLOGY & SERVICES

- ❖ Began the project to move our community development, planning and licensing systems to a new web-based system (TRAKIT). The new system will bring new efficiencies to the planning and permitting process while allow better citizen access throughout the process.
- ❖ Began the process of moving our network systems from Novell systems to the Microsoft network platforms.
- ❖ Started the planning and design processes to upgrade our city/county wide network infrastructure.

MUNICIPAL COURT

- ❖ Successfully audited all files in Municipal Court to include warrant files (make sure they are valid and current) Autopay files, collection files, time pay files and debt recovery files.
- ❖ Scanned into Full Court all Title 45 statute citations and included paperwork dating back to 2005.
- ❖ Processed 725 civil cases in 2016 compared to 653 in 2015.

PARKS AND RECREATION

Parks Administration

- ❖ Experienced an increase in park use reservations and revenues. Generated \$14,281 in park use fees that will help fund park improvement projects.
- ❖ Created on-line forms for all park reservation applications for improved customer service.
- ❖ Successfully applied for a VISTA volunteer that will begin working on the 6th Ward Garden Park.
- ❖ Collected approximately \$26,000 in private donations for the 6th Ward Garden Park and documented 4,104 in volunteer hours, valued at \$70,593.

Bill Roberts Golf Course Operations:

- ❖ Utilized the National Intergovernmental Purchasing Alliance to purchase 6 pieces of Toro maintenance equipment totaling \$206,964.
- ❖ Contracted with Nitro-Green of Helena for high canopy tree work and driving range net repair.
- ❖ Completed numerous maintenance improvement projects that greatly improved playability of the course.
- ❖ In cooperation with Growing Friends of Helena, the golf course removed 32 Russian Olive trees and replaced them with 10 new trees of varying species.

Bill Roberts Golf Course – Pro Shop

- ❖ Golf course had just over 43,000 rounds of golf played.
- ❖ Increased Winter Simulator League from 40 teams to 55 teams.

- ❖ Player Development – 81 ladies participated in Wine and Wedges (Introduction to Golf).
- ❖ Participated and hosted PGA Jr League Team and Tournament.
- ❖ Hosted the Frontier Conference High School Championship Cross Country meet.

Open Lands:

- ❖ Upgraded informational kiosks at three major trailheads and improved over two-miles of existing recreational system trails.
- ❖ Completed a strategic land exchange that consolidated parkland ownership.
 - ❖ Reduced forest fuel loads within 78-acres of open lands forests.

Parks Maintenance:

- ❖ Made significant improvements to Barney Park, including replacement of outdated playground equipment with a new ADA accessible playground.
- ❖ Installed new playground equipment and ADA compliant engineered wood fiber, improved the irrigation and landscaping at Clinton Park.
- ❖ Completed a management plan for Helena Multi-Use Urban Trails.
- ❖ Began implementing the 2015 ADA Access Audit and Transition Plan.
- ❖ Moved the park maintenance operation, urban forestry, and open lands to a new facility.
- ❖ Removed and disposed of over 15,000 pounds of garbage from the parks and open lands trailheads.

Urban Forestry:

- ❖ Planted 147 trees and removed 69 trees.
- ❖ Pruned over 1310 trees further the goal of a 7-year pruning rotation.
- ❖ Responded to 18 weather damaged trees due to high winds, rain and snow loading.
- ❖ Purchased a new aerial lift truck which will allow staff to work up to 70-feet in the air.

Recreation and Aquatics:

- ❖ Received the Lewis & Clark County Health Departments Gold and Silver Buoy Awards for outstanding management and operations of the pool, waterpark and splash deck.
- ❖ Implemented online registration and payment procedure for swim lessons, tennis lessons, Swing and Splash Camp and youth archery.
- ❖ Implemented new StarGuard lifeguard certification and training program.
- ❖ Restructured tennis program to have lessons provided through an agreement with Advantage Inside the Lines.

Weed Control:

- ❖ Treated approximately 354.26 acres of city property for noxious weeds.
- ❖ Pulled 1,780 pounds of weeds.
- ❖ Currently have 161 release sites of insects to control noxious weeds. This is equivalent to 805 acres treated.
- ❖ Utilized online complaint process.

POLICE DEPARTMENT

- ❖ Relocated evidence storage from its large evidence storage building on Custer Avenue to the remodeled building that is shared with parks department.
- ❖ Involved in two major homicide investigations in 2016. First being a double homicide at the Sherwood Apartments and the second being a homicide on Bozeman Avenue.
- ❖ Continued our efforts to be involved and communicate with the community. The HPD Face Book page has been very well received. The Coffee with a Cop program was started and has proven to be successful. Officers also participated in handing out candy on Halloween; entered a float in the Parade of Lights; participated in the Special Olympics torch run/sweetheart passion plunge.
- ❖ The 911 Dispatch Center purchased new software to replace our outdated call back capabilities which allow the Center to contact citizens through the 911 numbers and those who sign up their telephone numbers in case of an emergency.
- ❖ Dispatchers at the 911 Center sponsored their first open house.

PUBLIC WORKS

Engineering

Sidewalk and ADA Ramps

- ❖ Sidewalk Replacement Program - 37 properties completed, 2,512 lineal feet of sidewalk and 13 ADA ramps. – cost of \$110,000.
- ❖ Note: MDT TA Project Downtown ADA – Completed by **MDT** from a Helena TA Grant – 57 ramps completed – Total cost of \$690,500 – city's match \$94,500.
- ❖ City's ADA overlay project – required with overlay of street – 48 ADA Ramps – total cost of \$169,500 - - 57 ramps at a cost of \$690,500 versus 48 ramps at a cost of \$169,500.
- ❖ Seventeen bus stops installed, included 1,000 feet of sidewalk, 11 ADA ramps installed – cost of \$101,500.

Westside Project

- ❖ Cannon Street Sewer, project due to failed septic systems in the county, installed 1948 feet of 8" main. Project was engineered by city staff.

Water and Sewer Projects

- ❖ Installed emergency shared sewer service – Raleigh Street – 293 feet of 8" pipe.
- ❖ Installed earthquake valves, received FEMA Grant with a city match. Project was engineered by city staff.
- ❖ Rebuilt the Contact Adsorption Clarifier at the Tenmile Water Treatment Plant.

Stormwater Projects

- ❖ Participated in MS4 Permit Stakeholder meeting with Department of Environmental Quality.
- ❖ Completed Stormwater Master Plan Update.

Solid Waste Project

- ❖ Completed methane trench south side of Centennial Park; which has been successful in lowering the methane migrating off sight.

Streets Projects

- ❖ Chip and Sealed 17.6 miles of city streets.
- ❖ Completed Joslyn Street Path, 5,100 feet of multi-use asphalt trail with 4 ADA ramps with bulb-out and rapid flash beacon.
- ❖ Installed four-way stop at Country Club Avenue.
- ❖ Completed emergency street reconstruction on Bull Run, from Northwestern Energy's boring project that hit a city water main and damaged the street.
- ❖ Staff is currently completing in-house engineering design on approximately 18 projects and has hired consultant design on seven projects.

Capital Transit

- ❖ Rebranded service from Helena Area Transit Service (HATS) to Capital Transit.
- ❖ The new two route system began service on January 17, 2017.
- ❖ All transit stops meet the Americans with Disabilities Act requirements.
- ❖ Provided 23,766 rides on the fixed route and 31,739 on the Para-transit.

Solid Waste

- ❖ Contracted with Helena Recycling for curbside recycling. Services are subsidized for City of Helena residents to increase participation and lower costs to residents. Currently 660 customers participating in the program and Helena Recycling has diverted 137.41 tons of recyclables.
- ❖ Provided residential solid waste service to 9,440 customers and commercial services to 636 customers.
- ❖ Refurbished 60+ containers, painting and stenciling them, extending the life of the existing containers.
- ❖ Continued expansion in recycling area adding two new compactors for accepting plastics 1 and 2 mixed.
- ❖ Provided frontload cardboard recycling containers to 97 businesses.
- ❖ Diverted a total of 5754 tons of recyclables from the landfill.
- ❖ Provided 166,563 customers transactions at the transfer station.

- ❖ Started accepting credit/debit cards at the transfer station in September 2016.
- ❖ Accepted responsibility of Scratchgravel and Marysville permitting; which provides better customer service to all residents at one location.
- ❖ Signed long-term inter-local agreement with Lewis and Clark County to manage and co-operate the landfill.

Streets

- ❖ Paved portions of Winne and South Montana Avenues.
- ❖ Chip sealed approximately 180,000 square yards.
- ❖ Maintenance of over 300 vehicles and equipment completed by four mechanics.
- ❖ Maintenance of over 9,000 street signs, more than 80 signalized intersections, school flashers and pedestrian crossings.

Utilities

- ❖ Responded to 1,335 service calls.
- ❖ Installed 127 new water meters and replaced 115 meters.
- ❖ Replaced one fire hydrant and repaired 48 hydrants.
- ❖ Inspected 1,665 storm inlets and cleaned 1,278 storm inlets.
- ❖ Inspected 617 manholes.

Wastewater

- ❖ Successfully treated 1,122,420,000 gallons of wastewater with a 98-99% pollutant removal rate and zero effluent violations for the year.
- ❖ Purchase and installed a new Huber, step-style, bar screen in the Headworks building.
- ❖ Hired a local engineering firm to research our option to meet more stringent discharge limits that have been imposed on our MPDES discharge permit.
- ❖ Implemented operational changes to improve the plants ability to treat Nitrogen and Phosphorus to levels lower than the facility was designed for.

Water

- ❖ Treated 2,244,700,000 gallons of potable water and zero drinking water violations for the year.
- ❖ Completed U.S. Forest Service fuel mitigation project on Chessman Reservoir and the Red Mountain Flume.
- ❖ Installed the RUGID computers, which communicate all data throughout the city's water system from all of the pump stations to Tenmile.
- ❖ Added corrosion control and installed a new dry polymer mix system at the at the Missouri River plant.

The above lists include a fraction of what the city employees accomplished in 2016. They are hard workers and true professionals in every sense of the word. They are also good community members.

I want to recognize and thank all the city employees who helped compile the data and information for this talk tonight. And also for their generosity in giving their personal time and energy to our community by supporting and participating in many charitable fundraising events: United Way of the Helena Area, Relay for Life, the annual Christmas Family Adoption, Food Share Drive, the Special Olympics Torch Run, the Fire Department's Fill the Boot Drive, the Angel Fund and Rocky Mountain Development Council's Spirit of Service Day. Our staff truly understands the meaning of community.

I can assure the citizens that while the city commission is considering and adopting policies, resolutions and ordinances; city employees continue to provide day-to-day essential services.

The city of Helena has many partners we work with, including the Helena Regional Airport Authority, Helena Housing Authority, Rocky Mountain Development Council, YWCA, Helena Food Share, the Forest Service, Montana Department of Transportation, Department of Environmental Quality, and Prickly Pear Land Trust, just to name a few.

The City of Helena continues its relationship with the Commander and crew of the USS Helena (725). We got a very nice 'Made in Montana' care

package off to the crew for Christmas. They love the Hi Country beef jerky, the Parrot candy and the huckleberry jam and syrup we send to them.

We also treasure our relationship with The First Special Service Force (FSSF) Association. Helena is the 'Home of the Force.' The 2017 Reunion and meeting is going to be in Sacramento, California this coming summer. Sacramento is within striking distance of Helena. Perhaps a delegation from Helena will be able to attend this event, and invite the FSSF Association back to Helena in 2018?

And while we look back at last year's accomplishments, we must also plan for the future. Looking ahead; 2017 promises to be another busy year. At the direction of City Manager Alles, city staff will initiate or complete the following:

- ❖ Adopt a balanced budget for FY 2018.
- ❖ Continue to develop and expand its victim services program to continue to meet the victims' needs.
- ❖ Implementation of the transition plan for ADA upgrades to city buildings.
- ❖ Fire Department will strategically plan for the next five (5) years to address our community's needs.
- ❖ Install public friendly parking payment options; utilizing current parking lot equipment and on-street meters with Smart Phone pay to park technology.
- ❖ Assure that all city of Helena's web pages are ADA compliant.
- ❖ Continue to elevate the quality of recreational experience provided by Helena's natural parks through the implementation of an escalated trail and trailhead maintenance frequency.
- ❖ Assure the Police Department is fully staffed.

I began this evening's remarks by expressing some concerns about what's going on across town at the session. In fairness and in candor, I think I ought to share some other concerns, which are closer to home and our business here at the city and county. Each of these areas is somewhat of a conundrum, and I don't have solutions to suggest or proposals to offer tonight. Here's my short list for 2017:

The cost of compliance with Federal and State Regulations in the areas of water, wastewater and stormwater treatment, as well as with the Americans with Disabilities Act, is a growing concern.

I am concerned about the lack of progress in the area of land use planning. To no small degree the lack of rational planning has led to the current demographic patterns, here in town and in the Helena valley. This in turn has contributed to the current situation with regard to the Helena School District.

While the new establishments on the walking mall and in the greater downtown are great to see, the movement of jobs and people out of downtown is a cause for concern. Perhaps there's an opportunity here to develop more residential living in the downtown area? The new Downtown Master Plan, with its emphasis on residential housing downtown, a public market and more retail opportunities is an excellent blueprint from which to proceed.

I am similarly concerned about the lack of affordable housing in Helena, and the need for public housing for specialized populations, such as veterans, persons with mental or physical limitations.

We've got a lot to do together this year in Helena. But, I go right back to the City Charter. I believe that the openness and basic decency that characterizes Helena continues to beckon each of our citizens to continue to contribute to its unique identity. So, I know we'll get the help we need, and that knowledge is a great source of strength and comfort.

Thank you all. It is an honor to serve you, and I welcome the opportunities and challenges 2017 will bring.