

CITY OF HELENA
REGULAR CITY COMMISSION MEETING
MARCH 19, 2001
6:00 P.M.

Time & Place

A regular City Commission meeting was held on Monday, March 19, 2001, at 6:00 p.m., in the Commission Chambers, 316 N. Park Avenue, Helena, Montana.

Members Present

Mayor Colleen McCarthy indicated for the record that Commissioners Morrison, Netschert, Smith and Groepper were present. City Manager Tim Burton, City Attorney David Nielsen and Deputy City Clerk Cathy Beck-Jenkins were present.

HCC representative was Bill McCausland.

Pledge of Allegiance

Mayor McCarthy asked those persons present to please stand and join her in the pledge of allegiance.

Introduction Kazakhstan

Mayor McCarthy asked City Manager Burton to introduce the visiting dignitaries from Kazakhstan. Mr. Burton explained the delegation was in Helena in conjunction with a partnership with the city of Pavlodar and the International Cities Resource Program. The first work session was held this morning and tours of various city entities will continue throughout the week. Mr. Burton introduced the delegation and translators. Mayor McCarthy presented the visitors with gifts. Mayor McCarthy was also presented gifts from the Mayor of Pavlodar.

Lieutenant McAllister of the Army National Guard introduced cadets from Krygystan and explained they are training to become interpreters. Mayor McCarthy also introduced a native Kazakhstan graduate from Carroll College and thanked him for attending the meeting.

Minutes

The minutes of the regular city commission meeting of February 26, 2001 were approved with a correction to the motion regarding the naming of the Great Northern Parking Garage. Commissioner Morrison noted the motion originally reads "**Commissioner Morrison moved to name the Getchell Street parking structure the Great Northern Parking Garage.**" Commissioner Netschert seconded the motion. Commissioners Smith, Groepper and McCarthy voted nay, motion dies 3-2." The motion should read "**Commissioner Morrison moved to name the Getchell Street parking structure the Great Northern Parking Garage.**" Commissioner Netschert seconded the motion. Commissioners Smith, Groepper and McCarthy voted nay, motion dies 2-3."

Appointments

CIVIC CENTER BOARD

Mayor McCarthy asked for concurrence on the appointment of Rita Cortright to the Civic Center Board with a term expiration of March 1, 2004.

PRE-RELEASE SCREENING COMMITTEE

Mayor McCarthy also asked for concurrence on the appointment of Cindy Donnell to the Pre-Release Screening Committee with no specific term.

Motion **Commissioner Morrison moved approval of the appointment of Rita Cortright to the Civic Center Board and Cindy Donnell to the Pre-Release Screening Committee.** Commissioner Smith seconded the motion. All voted aye, motion carried.

Consent Agenda CONSENT AGENDA
A. Claims
B. Transportation Coordinator Inter-Local Agreement

City Manager Tim Burton recommended approval of the claims and the consent agenda.

Motion **Commissioner Morrison moved approval of consent agenda items A&B.** Commissioner Smith seconded the motion. All voted aye, motion carried.

Communications COMMUNICATIONS/PROPOSALS FROM COMMISSIONERS

Commissioner Smith noted there would be a community meeting tomorrow evening near CR Anderson School to discuss sidewalks. He asked if someone from the city staff would be present.

Public Works Director John Rundquist replied his department is helping to set up the meetings and they would be working closely with the grade school.

Commissioner Netschert relayed he had a conversation with an insurance agent who asked if the city had any exposure to the clean-up costs of the recent meth-lab drug bust.

City Manager Tim Burton replied there was some exposure to law enforcement and the public in general. The police chief and fire chief will meet with the EPA to deal with the issue in a uniform manner.

Report of the City Attorney REPORT OF THE CITY ATTORNEY

City Attorney David Nielsen briefed the commission on a potential lawsuit the city may be filing. He explained that approximately one year ago, the city and the Helena Parking Commission purchased property from Ed Nurse to be used for a parking lot. A building on the property contained asbestos. Part of the contract was that Mr. Nurse would reduce the purchase price for the anticipated asbestos removal. There is a question concerning the interpretation of the contract and how much of a reduction in the purchase price there would be. Mr. Nielsen stated they believe the reduction should be \$43,000 and Mr. Nurse's attorneys are stating \$12,000. Mr. Nielsen recommended to the parking commission that they and the city should file a declaratory judgment action, which is a way of taking a contract to a judge and asking the judge to sort out the language and decide what the correct interpretation would be. This would also ensure that neither the city nor the parking commission would go into default.

Commissioner Smith asked Mr. Nielsen if any more information was available regarding attorney fees in the Timberline lawsuit.

Mr. Nielsen replied a meeting was held last Thursday with evidence presented on what reasonable attorney fees should be. The judge has taken the evidence under advisement and will be issuing a ruling.

Report of the City Manager REPORT OF THE CITY MANAGER

Legislative Issues – City Manager Burton spoke on House Bill 124, also known as the Big Bill. He noted there is still technical work to be done on the bill. He asked for direction regarding participation on Senate Bill 213 and local option

taxes. He noted these are issues that will be coming to the forefront very shortly.

Mayor McCarthy responded she would be supporting the bill as president of the Montana League of Cities and Towns. She stated the bill would be a benefit for rural communities and much work has gone into the bill to make it equitable for those areas.

Commissioner Morrison stated he didn't see this as a bill that needed a lot of time spent on it. The work has been done over the last several sessions and has been crafted in such a way as to garner the support it needs from the rural areas.

Mr. Burton stated the final issue is the College of Technology and the city's request for funding a new building. The bill did not make it through long range building and planning. They did fund the architecture and engineering design work for a new building to the amount of \$385,000. There is still strong support for actual funding of the building and the possibility that the construction will be supported in the future.

General Obligation Bonds

CONSIDER A RESOLUTION RELATING TO 2,000,000 GENERAL OBLIGATION BONDS, SERIES 2001; DETERMINING THE FORM AND DETAILS, AUTHORIZING THE EXECUTION AND DELIVERY AND LEVYING TAXES FOR THE PAYMENT THEREOF

Staff Report

Administrative Services Director Shelly Laine reported this is the final action to be taken on the open space bonds. The resolution outlines the terms and conditions of the bonds, stipulates the accounts to be maintained, the taxes to be levied, and continuing disclosure requirements. Before the bond deal can be closed, this resolution must be executed. Closing is scheduled for March 29. Execution copies have been received with an additional paragraph added because the purchaser of the bonds elected to purchase an additional insurance policy on the bonds at their expense. Ms. Laine recommended approval of the resolution.

Commissioner Morrison asked what the interest rate was on the bonds. Ms. Laine replied the interest rate came in at 4.54%.

Motion

Commissioner Morrison moved approval of a resolution relating to \$2,000,000 General Obligation Bonds, Series 2001; determining the form and details, authorizing the execution and delivery and levying taxes for the payment thereof. Commissioner Groepper seconded the motion. All voted aye, motion carried. **Resolution No. 11614**

Surplus Property

CONSIDER A RESOLUTION AUTHORIZING THE SALE OF SURPLUS PROPERTY OWNED BY THE CITY OF HELENA

Staff Report

Administrative Services Director Shelly Laine reported last October the commission authorized staff to enter into a contract with a private vendor to print, stuff and mail the utility bills. Because the tasks were contracted out, the finance department has an inserting machine used for inserting the bills that is no longer needed. Ms. Laine asked that the equipment be declared surplus property and that the commission authorize the sale to be advertised. Sealed bids will be taken and awarded to the highest bidder.

Motion

Commissioner Groepper moved approval of a resolution

authorizing the sale of surplus property (inserting machine) owned by the city of Helena. Commissioner Netschert seconded the motion. All voted aye, motion carried. Resolution No. 11615

***Trolley Bus
MOU***

CONSIDER A MEMORANDUM OF UNDERSTANDING FOR THE MAINTENANCE AND OPERATION OF THE DOWNTOWN TROLLEY BUS PROJECT FOR THE SUMMER SEASON OF 2001

***Trolley Final
Lease Agreement***

CONSIDER AUTHORIZING THE CITY MANAGER TO NEGOTIATE A FINAL LEASE AGREEMENT FOR THE TROLLEY

Staff Report

City Manager Tim Burton recommended approval of the Trolley Bus Project and asked BID Director Paul Reichert to answer questions from the commission.

Mayor McCarthy asked Mr. Reichert to also address the issues with the Capitol Hill Mall and the downtown area. She stated the commission had received a letter from Terry Myhre supporting the trolley in the entire community and not just in the downtown area.

Mr. Reichert addressed the commission and explained the pilot project for the Trolley bus. He stated the idea for a trolley was first conceived of in the 1990 transit plan that the city conducted. In the fall of 1999, the business district and the Department of Transportation jointly funded an economic feasibility study essentially to update the 1990 plan. In the study, two routes were identified that could potentially work for transit. One was a downtown fixed route and the other was a State Capitol Complex/downtown route. He stated this would be two vehicles running two separate routes. Mr. Reichert stated the BID doesn't have the money at this time to start two routes and his plan is to purchase one trolley bus and utilize the downtown route. He stated the downtown property owners are paying for this service and this is an area with the density and concentration of employees and visitors to make the transit system work. He stated the summer program would test the market, evaluate ridership, conduct surveys and assess whether or not the trolley would be successful in a long-term plan. He further stated transit should be focused with short times between locations to be successful. He didn't know how a trolley could support the outer limits and the downtown areas of the city. He relayed this is a pilot program and the trolley will be leased for the initial run of the program.

Commissioner Groepper asked if Mr. Myhre offered to donate any money towards the program.

Mr. Reichert replied he wasn't asked for money nor did he offer any.

Commissioner Netschert asked Mr. Reichert where funds would come from if there would be a shortfall in the revenues projected for this project.

Mr. Reichert explained there are cash reserves in the Business Improvement District budget that could be used. However, Mr. Reichert didn't feel there would be much of a shortage to worry about.

Commissioner Netschert asked Mr. Reichert if he had investigated the idea of utilizing downtown businesses for maintenance of the trolley.

Mr. Reichert replied he had not checked into utilizing downtown businesses for maintenance.

Commissioner Netschert felt the trolley program would be an asset to the community, however, didn't feel that a government agency should be subsidizing the program. He felt the fact that it would be used in one area of town would be discriminatory towards those outlying businesses. He asked City Attorney David

Nielsen if the city would be obligated to extend this same service to others in the future wishing the same courtesies.

Mr. Nielsen explained the city is simply a conduit in this agreement. The city isn't funding anything on the program.

Commissioner Netschert stated there are some areas in the contract that seem to show subsidies. The areas of hiring, training, the drivers administrative costs, cleaning, insurance and the fact the bus will be stored in a city facility point to subsidization. He suggested changes be made to the MOU including: item # 3 regarding drivers receiving training prior to driving the trolley and suggested the BID help offset those costs; the last sentence in item # 4 regarding Dial-A-Ride staff cleaning the interior and exterior of the trolley each day and suggested the BID pay for the staff's time.

Mayor McCarthy asked Mr. Reichert if the BID would be reimbursing the city for these items. She further asked if the city was incurring any expense for this agreement.

Mr. Reichert replied the training is something he would like to provide the drivers to train them on customer service related matters and knowing landmarks in the area as well as citywide programs. He stated the drivers would be paid for these tasks.

City Manager Burton stated he does see a subsidy in the insurance coverage, however, the administrative fee has not been waived and typically that figures into the pay for personnel and other costs.

Mayor McCarthy asked Commissioner Netschert if he was comfortable with this after Mr. Burton's assurance that the program isn't subsidized by the city.

Commissioner Netschert replied he would be more comfortable with the items being placed under the city commitments in item #1 and state it as such. He asked what the administrative fees would be and how they would be assessed.

Mr. Burton responded and stated the administrative fees would be applied the same as any other calculation on administrative fees.

Commissioner Netschert asked if that could also be included under item # 1. He asked that the paragraph regarding insurance and repairs be changed to state the BID will be responsible for claims not covered by the city's insurance policy. He asked if the city would be liable for those expenses the way the agreement is written.

Mr. Nielsen replied the language could be put in to reflect Commissioner Netschert's concerns.

Commissioner Netschert asked if the language could also reflect that the BID would pay for all costs of replacing equipment cost and strike the word "reasonable" costs. He noted equipment parts and replacement costs can be expensive and the city should not be responsible for these costs.

Mr. Burton replied the commission has the authority to amend any part of the document.

Commissioner Morrison asked if the commission was approving the MOU on agenda item 12 and authorizing the city manager to negotiate the agreement.

Mr. Burton concurred and stated the lease agreement would go through the city attorney's office. He noted the lease agreement would reflect the MOU the commission approves with any necessary amendments.

Motion

Commissioner Morrison moved approval a Memorandum of Understanding for the maintenance and operation of the Downtown Trolley

Bus Project for the summer season of 2001 with the following amendments: Section #1, City Commitments, 3rd bullet point – insertion of “including cleaning” following the schedule required by the lease agreement; Section #1, City Commitments, final bullet point – add Administrative Services; Section #3, strike “Dial-A-Ride” in the title and in the first sentence strike “Dial-A-Ride” and “the” and after will strike “work together to” and following drivers strike “receiving” and insert “receive customer service”; Subsection #4 – Operation, Schedule and Route – strike the last sentence that reads “ Dial-A-Ride staff will be responsible for cleaning the interior and exterior of the trolley each day and insuring vandalism is reported to the BID and police as needed;” Section #8, Following Policy – insert “and will be held liable for any claims not covered by the policy” and in the second sentence strike “reasonable.” Commissioner Netschert seconded the motion.

Commissioner Smith asked Mr. Reichert if he was amenable to the amendments.

Mr. Reichert has hoped the administrative fee would be viewed as part of the city’s contribution to the program. However, he didn’t have a problem paying for the administrative costs. The lease agreement covers some of the concerns regarding major repairs.

Vote **All voted aye, motion carried.**

Motion **Commissioner Morrison moved to authorize the City Manager to negotiate a final lease agreement for the Trolley.** Commissioner Netschert seconded the motion. All voted aye, motion carried.

Mr. Reichert commented on the concern regarding activities downtown benefiting the community. He felt any events or activities relating to the downtown attracts locals and tourists to the community, therefore, does benefit the entire community.

Commissioner Smith relayed that it’s difficult to do anything about people’s perspectives. He noted it is a fact that it’s the property owners within the BID that are funding this project. He stated the city is lending its name to underwrite the lease, however, the taxpayers support is minimal. This might have an impact on people’s perspectives.

LeGrande Cannon Blvd. Access **CONSIDER AN AMENDED PLAT AND AN AMENDMENT TO THE CONDITIONS OF THE SUBDIVISION APPROVAL FOR LOT 18, BLOCK 11, REBER PUD #10 (WESTRIDGE SUBDIVISION) TO REMOVE THE ACCESS RESTRICTION ONTO LEGRANDE CANNON BOULEVARD**

Staff Report City Planner Lucy Morell-Gengler presented the proposal to amend the conditions of the subdivision to remove the access restriction onto LeGrande Cannon Boulevard. She explained that in August 1978, the commission gave approval for annexation and zoning of property known as Reber PUD, NO. 10, later named Westridge. The final plat for the subdivision was approved in 1980 with 14 conditions. Condition No. 8 of the approval states; “That the final plat bear a notation showing a non-access easement for all lots bordering LeGrande Cannon on the north.” This non-access easement limits the number of curb cuts from individual driveways onto LeGrande Cannon Boulevard. Since the

easement is a condition set by the city commission, the commission must approve eliminating a portion of that easement. This non-access easement limits the number of curb cuts from the individual driveways onto LeGrande Cannon. Since the easement is a condition set by the city commission, the city commission must approve eliminating a portion of that easement. As originally platted, Lot 18, Block 11 would have vehicular access via Linden Court but as Linden Court is being constructed, a large grade difference is developing between Lot 18 and the street. The applicant has indicated the vertical cut difference between Linden Court cul-de-sac and ground elevation of Lot 18 is over 10 feet, making driveway access to Lot 18 impossible. Linden Court was designed at the maximum grade of 13% to minimize cut slope as much as possible. An attempt was made to design a driveway and easement across Lot 17 to access Lot 18 but the driveway grade was still 14% and the driveway and easement impacted Lot 17 to the degree that placing a home became problematic. According to the proposed amended plat, a 151.39-foot long section of the non-access easement along LeGrande Cannon Boulevard would be eliminated allowing vehicular access for Lot 18 onto LeGrande Cannon instead of Linden Court. Recently, LeGrande Cannon Boulevard had been closed to vehicular traffic near the west end of Reber PUD #10 reducing the amount of traffic on the subject section of LeGrande Cannon, thus reducing the need to limit access to LeGrande Cannon Boulevard. Eliminating the non-access easement would not restrict utility or right-of-way access on LeGrande Cannon. The current proposal would vacate a portion of an existing non-access easement to the south boundary of Lot 18, Block 11 to allow driveway access onto LeGrande Cannon Boulevard. If the access restriction were removed, the plat would be amended to reflect the new access.

Discussion

Commissioner Morrison asked if this was approved, would there be other requests from homeowners in the area for the same thing.

Ms. Morell-Gengler replied she didn't anticipate more requests. She noted Lot 19 has some access concerns, however, she felt those could be worked out. She also noted there is one lot that does access LeGrande Cannon and she has not researched why they were eliminated from the restriction.

Commissioner Groepper asked what ability the commission will have to deny the restriction when other property owners want the same thing.

Ms. Morell-Gengler stated because of the turns in the road, there would be different circumstances and the condition that is present on Lot 18 is a hardship.

Commissioner Groepper noted the non-access easement goes for a quite a long way along LeGrande Cannon Boulevard. He stated if the commission takes away a piece of that to make it convenient for a developer to build on Lot 18, what will stop other property owners from wanting to have the restriction lifted for convenience. He expressed concern that conditions are set for a subdivision and after a period, the commission is asked to invalidate the conditions that were part of the approval of the subdivision. He stated he has walked through the area and can appreciate the problem of trying to put in a new driveway. However, he wasn't clear why they couldn't make the driveway at street level into a basement and build up from there. He asked if this is approved, from what street do they measure the limit for the building height. He noted there is a dramatic difference in building height depending on which street it is measured from. He also asked what would happen the to area on the hillside that is carved out for the cul-de-sac. He noted there is an 8-10 foot cliff there and didn't know if it would require a retaining wall, cement steps or some other form of

retention.

Ms. Morell-Gengler stated she had not discussed this with the developer. She noted the part of the steep slope that's in the public right-of-way would be the city's responsibility to require a retaining wall if it exceeds the 2-1 ratio. This was one of the issues in the subdivision regulations. On private property, there is not as much leeway in requiring mitigation.

Commissioner Groepper noted this could be made a condition of the easement if the commission chose to do so.

City Attorney David Nielsen stated there would not be much enforceability if this were made a condition. Generally a condition is put on a CUP so it can be denied if the condition is not fulfilled but once an easement restriction is removed that's the end of it.

Motion **Commissioner Groepper moved to deny an amended plat and an amendment to the conditions of the subdivision approval for Lot 18, Block 11, Reber PUD #10 (Westridge Subdivision) to remove the access restriction onto LeGrande Cannon Boulevard.**

Substitute Motion **Commissioner Morrison moved to table the amended plat to the call of the city manager.**

Commissioner Morrison stated he is not comfortable denying this until he looks at the actual property.

Mayor McCarthy concurred.

Motion Withdrawal **Commissioner Groepper withdrew his motion and seconded Commissioner Morrison's motion.**

Commissioner Groepper asked the commissioners to keep in mind the viewscape when driving along LeGrande Cannon Boulevard and a house measured 25 feet from LeGrande Cannon versus the house limit measured from Linden Court.

Commissioner Morrison asked for an email from staff explaining where the measurement for the house would occur.

Vote **All voted aye, motion to table carried.**

Street Annexation CONSIDER A RESOLUTION OF INTENTION TO ANNEX STREET RIGHTS-OF-WAY, INCLUDING PORTIONS OF CHOTEAU STREET, LAUREL STREET, AND ASSOCIATED ALLEYWAYS IN CONJUNCTION WITH PROPOSED ANNEXATION OF PRIVATE PROPERTY ON THE CORNER OF CHOTEAU AND LAUREL STREETS

**Annexation
Syndicate Addition** CONSIDER A RESOLUTION OF INTENTION TO ANNEX PRIVATE PROPERTY AT LOTS 1-4, BLOCK 160, SYNDICATE ADDITION, LEWIS & CLARK COUNTY, GENERALLY LOCATED ON THE CORNER OF LAUREL AND CHOTEAU STREETS

**Syndicate Addition
Pre-zone Ordinance** CONSIDER FIRST PASSAGE OF AN ORDINANCE PRE-ZONING TO R-2 (SINGLE FAMILY RESIDENTIAL) DISTRICT PRIOR TO ANNEXATION OF PROPERTY LEGALLY DESCRIBED AS LOTS 1-4, BLOCK 160, SYNDICATE ADDITION, LEWIS & CLARK COUNTY, MONTANA, GENERALLY LOCATED AT THE SOUTHEAST CORNER OF CHOTEAU AND LAUREL STREETS

Staff Report

City Planner Hal Fossum reported an application for annexation had been received by property owners of Lots 1-4, Block 160, Syndicate Addition, which is at the southeast corner of Choteau and Laurel Streets. Action is requested on three items related to this application: (1) an ordinance for pre-zoning to R-2, (2) a resolution of intention to annex 12,500 square feet of vacant property, and (3) a resolution of intention to annex street rights-of-way. The subject property is removed from existing city limits by one property (Lots 5-7 on this block). A 6" city water line is located in Choteau Street, and a 4" line is in Laurel Street adjacent to the property. Neither street segment is paved. A sewer line terminates on Choteau Street in front Lot 5 of this block. The Fire Department notes that the area is now served by a fire hydrant, but an additional, closer fire hydrant is to be required in the future (the fire flow system is expected to be upgraded with neighborhood water system improvements which are now being planned.) Typical requirements to bring the property up to city standards for all infrastructure could be done prior to annexation, or embodied in a development agreement. Under a development agreement, sewer improvements could be enforced as conditions of the building permit; and street, curb, gutter, water, fire hydrant, and sidewalk improvements could be deferred for an improvement of larger geographic scope.

The proposed resolution of intention to annex road rights-of-way could serve for this case and another pending case that lies two properties farthest west on Choteau Street (Lots 21-23, Block 165, Syndicate Addition). The road rights-of-way proposed for annexation includes the 66-foot wide Choteau Street right-of-way from existing city limits to the westerly extend of Lot 23, Block 165, Syndicate Addition. Also included are the 60-foot wide Laurel Street right-of-way from the alley on the northerly block to the alley on the southerly block, and the 18-foot alley easements from Laurel Street through the furthest extent of the private properties. Also included is the 60-foot right-of-way on Joslyn Street from its intersection with Country Club Avenue north to the existing city limits contingent upon agreement by Lewis and Clark County to complete asphalt pavement of this street segment in conjunction with city paving of Brady Street, to the north. A formal request from the county to annex these streets is expected to be filed with the city clerk by the March 19 commission meeting.

On February 20, 2001, the zoning commission recommended pre-zoning the subject property as a R-2 (Single Family Residential) District by a vote of 7-0. Aside from a brief affirmation of intent from the applicant's representative, there was no public comment at the hearing. Mr. Fossum stated the annexation of the private property was subject to the following conditions:

1. **Infrastructure**
The applicant must install infrastructure improvements to city standards, including water, sewer, fire hydrant, street, curb, gutter, and sidewalks, or enter into a development agreement acceptable to the city of Helena that defines responsibility for installation of or deferment of the improvements.
2. **Sewer Annexation Fee**
The sewer annexation fee of \$86.00 shall be paid to the city Engineering Department.
3. **Taxes and Assessments**

Taxes and assessments shall be paid and current at the time of filing the resolution of annexation.

4. Completion of Conditions

The applicant shall notify the city Planning Department in writing upon completion of these conditions for annexation. If these conditions are not completed within one (1) year of the date of approval of the resolution of intention to annex and establish condition, the city is under no obligation to annex the property and may discontinue any city services provided to the property.

Discussion

Mayor McCarthy asked if the county would fix the portion of the road that that is not annexed when the Brady Street MACI project is started.

City Manager Tim Burton replied the county has agreed to do some interim repairs and when the Brady Street project starts they will put an asphalt mat down as an add-on to the Brady project. They did say they wouldn't go all the way to curb and storm drainage because it's such a large issue in the Westside area. The city commission asked that the county pave the section before it would be annexed and should be part of the motion.

Commissioner Morrison stated when he first read the information; he thought it was dealing with one piece of property and some adjacent streets. However, the supplemental information makes it clear there are three pieces of property.

Mr. Fossum replied there are two different applications for annexation, one of which is being represented this evening. In the second case, the applicant is already on city water but wanted to become part of the city. That application was held because there are numerous other property owners wanting to annex into the city. The neighbor property, which is between existing city and the current case property, has elected to join the annexation application. Mr. Fossum stated he will be bringing these cases forth in the future.

Commissioner Morrison clarified that this evening's action is dealing with one piece of property and the street rights-of-way and the additional Joslyn Street right of way that involves the agreement with the county. He noted there will be two sections of wholly surrounded property after this action. He asked Mr. Fossum if he had notified these property owners of the action and effect.

Mr. Burton responded and stated at this point in time, the commission will not see any initiation for annexation, especially on the west side. He hoped to see the Westside study bring good cost estimates on sewer and water and a strategic plan on when to annex, which will include the city's ability to apply for CBDG and TSEP monies for infrastructure improvements. There have been ongoing conversations with the Home Program and Fannie May for homeowner rehab programs that would compliment the package the city would take to the neighborhoods. He noted the city has been receiving and responding to individual requests from landowners.

Commissioner Morrison noted that annexing the portion of Joslyn Street would cause the wholly surrounding of a very large portion of property.

Commissioner Groepper stated that question has been raised as he was curious as to how many of the residences were already on city water and sewer. The study concluded there were 31-38 properties that were on city water and sewer.

Mr. Burton stated his direction in terms of annexation is that there are particular areas that have been wholly surrounded within the city for many years. His preference is to wait until the numbers and program are in place and report

back to the commission with deliberate decisions from the neighborhood.

Motion Commissioner Morrison moved approval of a resolution of intention to annex street rights-of-way, including portions of Choteau Street, Laurel Street, and associated alleyways in conjunction with proposed annexation of private property on the corner of Choteau and Laurel Streets as legally described in the staff memo and set a public hearing for April 23, 2001. Commissioner Groepper seconded the motion. Commissioner Netschert voted nay, motion passed 4-1. **Resolution No. 11616**

Commissioner Netschert noted he is not going to support the issue because of his concerns of wholly surrounded areas and forcing residents to annex into the city.

Motion Commissioner Morrison moved approval of a resolution of intention to annex private property described as Lots 1-4, Block 160, Syndicate Addition; generally located at the southeast corner of Choteau and Laurel Streets subject to the listed conditions and set a public hearing date of April 23, 2001. Commissioner Groepper seconded the motion. Commissioner Netschert voted nay, motion passed 4-1. **Resolution No. 11617**

Motion Commissioner Morrison moved first passage of an ordinance pre-zoning to R-2 (Single Family Residential) District prior to annexation of property legally described as Lots 1-4, Block 160, Syndicate Addition, Lewis and Clark County, Montana; generally located at the southeast corner of Choteau and Laurel Streets to find that zoning is consistent with evaluative criteria and set a public hearing date for April 23, 2001. Commissioner Groepper seconded the motion. Commissioner Netschert voted nay, motion passed 4-1. **Ordinance 2908**

Final Plat CONSIDER A MINOR SUBDIVISION/FINAL PLAT, CREATING LOTS 12A AND 12B, BLOCK 1, LANDMARK ADDITION, HELENA, MONTANA; GENERALLY LOCATED EAST OF DAYSPRING LOOP

Staff Report City Planner Lucy Morell-Gengler reported that on February 26, 2001, the city commission gave preliminary plat approval for a two-lot minor subdivision of Lot 1 of the Landmark Addition Subdivision located in the R-4 District. The preliminary plat approval was subject to completing four conditions in addition to the standard requirements for all subdivisions. Staff has reviewed the application for final plat and found it complete. The proposal calls for two lots in the Landmark Addition, Block 1. Each of the lots will be developed with a single townhouse unit that will be connected as a duplex-style townhouse. Lot 12A would contain 3,936 square feet and Lot 12B would contain 4,001 square feet. Each of the proposed lots would measure approximately 50 feet wide at the mean width of the lot and approximately 76 feet deep. Eight-inch sewer and water lines are currently located in Dayspring Loop to serve the two lots. No parkland is required for the minor subdivision.

Motion Commissioner Morrison moved approval of a minor subdivision/final plat, creating Lots 12A and 12B, Block 1, Landmark Addition, Helena, Montana; generally located east of Dayspring Loop. Commissioner Groepper seconded the motion. All voted aye, motion carried.

Public Hearings

PUBLIC HEARINGS

- A. CONSIDER A RESOLUTION AMENDING RESOLUTION 11560 AS PREVIOUSLY AMENDED, AND FIXING THE ANNUAL APPROPRIATION FOR THE CITY OF HELENA, MONTANA IN THE 2000-2001 BUDGET

Staff Report

Administrative Services Director Shelly Laine reported staff has completed the midyear review, which was presented at the March 5 commission meeting. In the process of completing the review, staff identified fifteen additional situations where the budget authority granted to a specific division or department may be insufficient for fiscal year 2001. Any time staff realizes the budget appropriation may be insufficient, a formal budget amendment is required. In the event, any of the budget amendments increase a funds budget authority in total, a public hearing is required under state law. At the March 5 meeting, Commissioner Groepper asked staff to prepare an executive summary of the midyear document. The summary with the fifteen proposed budget amendments was included in the commission packets. Ms. Laine recommended approval of the resolution and thanked the various departments for their help.

Discussion

Commissioner Smith thanked Ms. Laine for preparing the executive summary and noted the importance of reviewing the medical insurance fund.

Ms. Laine replied over the next few months, staff will be meeting with the third party administrator, the insurance committee and city manager to look at rates and benefits for the upcoming year.

Commissioner Smith asked if the contract with VRI is part of the medical fund or separate.

Ms. Laine replied VRI is part of the medical fund.

Public Testimony

Mayor McCarthy declared the public portion of the hearing open and called for any persons wishing to address the commission.

With no persons wishing to address the commission, Mayor McCarthy closed the public hearing.

Motion

Commissioner Groepper moved approval of a resolution amending Resolution 11560 as previously amended and fixing the annual appropriations for the city of Helena in the 2000-2001 budget. Commissioner Smith seconded the motion. All voted aye, motion carried. **Resolution No 11618**

Public Communications

PUBLIC COMMUNICATIONS

There were no persons wishing to address the commission.

Meetings of Interest

MEETINGS OF INTEREST

The introduction of the Kazakhstan delegation to the House and Senate representatives was discussed. An introduction of Governor Martz will occur afterwards. Further discussion was held on the agenda for the visitors throughout the week.

Mayor McCarthy asked City Manager Burton if he responds to email sent to the mayor and commission.

Mr. Burton replied if the email is addressed to mayor and commission on

an adverse issue, he waits to hear form the commission office. If it is regarding information on housing, jobs or general community information he responds by forwarding it to the appropriate entity.

Mayor McCarthy asked for someone to respond to the letter regarding the Red Meadow.

There being no further business to come before the Commission, the meeting was adjourned at 8:00 p.m.

Adjournment

MAYOR

ATTEST:

CLERK OF THE COMMISSION