

**CITY OF HELENA**  
**REGULAR CITY COMMISSION MEETING**  
**September 28, 2009**  
**6:00 P.M.**

***Time & Place***

A regular City Commission meeting was held on Monday, September 28, 2009 at 6:00 p.m., in the Commission Chambers, 316 N. Park Avenue, Helena, Montana.

***Members Present***

Mayor Smith indicated for the record that Commissioners Cartwright, Peura and Elsaesser were present. Commissioner Shropshire was excused. Acting City Manager David Nielsen, Acting City Attorney Thomas Jodoin and Deputy City Clerk Robyn Brown were present. Others present were Dan Bernhardt representing the Helena Citizens Council.

***Pledge of Allegiance***

Mayor Smith asked members of Boy Scout Troop #228 and #203 in attendance to please stand and lead the pledge of allegiance.

***Minutes***

The minutes of the regular City Commission meeting of September 14, 2009 were approved as submitted.

***Consent Agenda***

CONSENT AGENDA:

- A. Claims
- B. Acceptance of a donation of the BNSF abandoned rail spur line from Benton Ave east to North Montana Avenue and Lyndale Avenue to the City of Helena
- C. Right of Way Use Agreement permitting BNSF to conduct environmental sampling and environmental remediation on City rights-of-way
- D. Water bill insert- United Way

Acting City Manager David Nielsen recommended approval of the claims and the consent agenda.

***Commission comment***

Commissioner Elsaesser asked item B be removed for further discussion.

***Public Comment***

Mayor Smith asked for public comment, none was received.

***Motion***

**Commissioner Elsaesser moved approval of items A, C and D on the consent agenda.** Commissioner Cartwright seconded the motion. All voted aye, motion carried.

***Comment***

Commissioner Elsaesser recommended tabling item B to allow for further discussion related to environmental concerns brought up by Commissioner Shropshire.

***Motion***

**Commissioner Elsaesser moved to table item B to the October 5, 2009 Commission Meeting.** Motion died for lack of a second.

***Discussion***

Mayor Smith indicated he is comfortable moving forward with the donation. Commissioner Peura referred to lengthy discussion on the issue at the September 23, 2009 Administrative Meeting and the Environmental Assessment for the property and expressed support for

the proposal. Mayor Smith commented the city will have liability whether or not it acquires the rail line due to its proximity to Centennial Park. He noted the city is willing to perform cleanup that no one else will do. Commissioner Cartwright stated the remediation being discussed does not involve the diesel fuel spill and spoke about lead and arsenic clean-up. He noted this hazard is less of a hazard than most and the Centennial Park plans already include remediation. Commissioner Elsaesser noted he understood the importance of the donation but would vote against the motion.

**Motion** Commissioner Peura moved approval of item B on the consent agenda. Commissioner Cartwright seconded the motion. Motion carried 3-1 with Commissioner Elsaesser voting no.

**Bid Award** BID AWARD:  
A. Street Sweeper (MACI Grant)

**Staff Report** Fleet Manager Ed Robinson reported the Street Division was notified by MDT that the City of Helena will receive a Montana Air and Congestion Initiative (MACI) grant in the amount of \$114,520 to purchase a new mechanical street sweeper. The city had requested two sweepers; the grant will allow the Street Division to purchase two new mechanical sweepers and stay within the existing budget. Units #391 and #395 will be sold.

Mr. Robinson recommended approval of a contract with MDT for the purchase of a new sweeper under the MACI funding program with the local match from the City of Helena and approval of the purchase of a second sweeper under the State MDT bid. The funding is recommended as follows:

1 <sup>st</sup> sweeper purchase price	\$168,367
2 <sup>nd</sup> sweeper purchase price	<u>\$143,877</u>
	\$312,244
MDT MACI Grant Award	<u>(114,520)</u>
City of Helena cost	\$197,724

The local match for sweeper #1 is \$57,847. The FY2010 budget for the purchases is \$198,000. He noted the sweepers have different purchase prices due to MDT administrative/grant costs associated with the 1<sup>st</sup> sweeper purchase.

**Commission comment** Commissioner Peura inquired as to the increased efficiency of the new units versus the old units. Mr. Robinson stated he would research the issue and report back to the Commission.

**Public Comment** Mayor Smith asked for public comment, none was received.

**Motion** Commissioner Peura moved approval of a contract with MDT for the purchase of one (1) new "Pelican" street sweeper under the MACI Grant Program and to provide matching funds in the amount of \$53,847 and award state bid to Titan Machinery in the amount of \$143,877 for the purchase of a second "Pelican" street sweeper. Commissioner Cartwright seconded the motion. All voted aye, motion carried.

**Communications**

COMMUNICATIONS/PROPOSALS FROM COMMISSIONERS

Commissioner Cartwright expressed regret that he couldn't attend the September 14, 2009 Commission Meeting to discuss Global Climate Change Task Force Report and thanked the Commission for accepting the report.

Commissioner Elsaesser announced Trash for Trees would be held on Saturday, October 3, 2009 from 9:00am to 4:00pm in the Lundy Center parking lot. He greeted future City Manager Ron Alles who was in attendance.

Mayor Smith and Commissioner Peura spoke of city staff and Commission member participation in the NAMI walk on Sunday, September 27, 2009.

**Report of the City Attorney**

REPORT OF THE CITY ATTORNEY

No report was given.

**Report of the City Manager**

REPORT OF THE CITY MANAGER

- A. Police Department promotions – Sergeant Cory Bailey & Sergeant Tim Coleman

Police Chief Troy McGee announced the promotions of Sergeants Bailey and Coleman and gave the work history and background of both officers. The Commission congratulated Officers Bailey and Coleman on their promotions.

- B. Deer census

Chief McGee gave an overview of the deer census being conducted beginning October 5, 2009 by White Buffalo Incorporated of Connecticut.

Acting Manager Nielsen asked Fire Chief Steve Larson to brief the Commission on the fire near McDonald Pass. Chief Larson gave a power point presentation updating the Commission on the fire. The Commission praised the Helena Fire Department, County Volunteer Fire Departments, city staff and various agencies for their work on the fire.

Acting Manager Nielsen asked Public Works Director John Rundquist to report on the trail maintenance program. Director Rundquist reported the Public Works Department has overlaid the trail along Custer Avenue between National Avenue and McHugh Drive, and rebuilt the trail along Cooney Drive.

**Report from the Helena Citizens Council**

REPORT FROM THE HELENA CITIZENS COUNCIL

HCC Coordinator Bonnie O'Neill thanked the public, city staff and Commission members that attended the City Manager Candidate Reception on September 17, 2009. Ms. O'Neill gave an overview of the September HCC Meeting.

**Water/Wastewater Service Area**

CONSIDER ENLARGEMENT OF WATER AND WASTEWATER SERVICE AREA FOR LOTS 10-13 IN BLOCK 10 & 1/2 OF ADJACENT CLOSED SOUTHERN STREET IN THE JOSEPH COX ADDITION.

Staff Report

Public Works Director John Rundquist gave an overview of the city codes allowing for enlargement of the water and wastewater service area boundaries. Discussion was held on the requirements for enlargements.

City Engineer Ryan Leland reported the lots are within the city limits but not in the water and sewer service area boundary. Access to the lots is Sparta Street, which is a platted but unimproved gravel street. Water mains are located in Sparta Street and connect too water mains in Division Street and South Rodney Street; sewer lines are located in South Rodney and Division Street.

A sewer main extension has been designed and other property owners along Sparta Street have attempted to form an SID for extension of this main. Extension of a sewer main in the area would help facilitate new homes on existing platted lots on Sparta Street.

Erik Pritchard, applicant and owner, is requesting enlargement of the water and sewer service area to build a single family home. The applicant is proposing to install a private lift station and run the sewer service line in either Sparta Street right-of-way (ROW) or alley ROW to an existing main in South Rodney Street. The city standard requirement for sewer service is to extend a sewer main to and across the property frontage in public ROW and connect perpendicular to the main.

Because the area is currently not served by city standard infrastructure (sewer, streets, and drainage) and because the owner's proposal does not mitigate these deficiencies, staff recommended denial of the extension. The proposal would not improve basic infrastructure in the area and services lines in the ROW are difficult to track and can cause future problems with the installation of other utilities. Also, the streets don't meet city standards and increased traffic will only exacerbate the existing dust and erosion from the dirt streets.

Commission comment

Commissioner Cartwright asked for clarification of if there is sewer main in Sparta Street. Mr. Leland stated no, but noted the residents have come together with an approved plan to install a sewer main but haven't secured funding. Commissioner Cartwright asked if this area would be acceptable for a 20-foot wide street. Mr. Leland stated yes, as long as it would meet fire codes. Mayor Smith asked what the existing houses on Sparta Street are using for sewer. Mr. Leland explained they are served by a septic tank and drainfield. Commissioner Peura asked for more information on the proposed service line. Mr. Leland explained the service line would not fulfill the requirements of what is needed to serve the entire length of Sparta Street; it would only be a 1-inch line while an 8-inch line would be needed.

Public comment

Mayor Smith called for public comment.  
Erik Pritchard, 416 S. California Street, applicant; urged the Commission to support his application for enlargement of the service area.

Discussion

Commissioner Cartwright commented all three applications on the agenda seemed like reasonable places to locate houses. Discussion was held on the possibility of forming an SID in the area.

Commissioner Peura asked for more information on the proposed condition related to the existing storm ditch. Mr. Leland explained there is an extremely large and critical drainage in the area.

The city needs to protect its drainages; if it were to be altered in any way because of the home construction, the appropriate culverts or pipes would need to be used to correct the alteration. Commissioner Elsaesser asked for more detail on the adverse effects from the dirt road. Mr. Leland referred to specific examples on a map of flooding and erosion problems in the area.

Acting Manager Nielsen explained he and Public Works Director Rundquist had met with the applicant and the proposed sewer connection is not in compliance with the city's wastewater rules. He stated it may be possible to allow the applicant a temporary connection until the sewer line runs in front of his house. Manager Nielsen confirmed the city has tried to make the proposal work for Mr. Pritchard.

Commissioner Peura commented the proposal would result in infill development and would prevent another development being built in the valley. He recommended the applicant be allowed a temporary sewer connection and be required to waive the right to protest any sewer and street SIDs in the neighborhood.

Acting Manager Nielsen cautioned a waiver of protest for street SIDs is not quantifiable.

**Motion**

**Commissioner Peura moved approval of an application to enlarge the water and sewer service area to Lots 10-13 in Block 10 & ½ of adjacent closed Southern Street in the Joseph Cox Addition to include following condition: the applicant must waive the right to protest an SID for sewer extension in Sparta Street and any alterations to the existing storm ditch must be according to City of Helena Engineering Standards.** Commissioner Elsaesser seconded the motion.

**Substitute Motion**

**Commissioner Cartwright moved to table an application to enlarge the water and sewer service area to Lots 10-13 in Block 10 & ½ of adjacent closed Southern Street in the Joseph Cox Addition to October 19, 2009 to allow for further staff review.** Commissioner Peura seconded the motion. All voted aye, motion carried.

**Water/Wastewater Service Area**

CONSIDER ENLARGEMENT OF WATER AND WASTEWATER SERVICE AREA FOR TRACT A-3, COS 3135024, SOUTH OF BLOCK 4 IN THE FORREST ESTATES ADDITION.

**Staff Report**

City Engineer Leland reported Tract A-3, COS 3135024, is a platted undeveloped lot south of Block 4 of the Forrest Estates Addition in the City of Helena. Tract A-3 has a 30" wide public access and underground utility easement on the west side connecting to Mount Helena Drive. An existing 16" water main feeding the west side storage reservoir runs west of the lot and the closest sewer main is at the intersection of O'Reilly Street and Mount Helena Drive. The drain overflow from the storage reservoir crosses Tract A-3.

Marc Parriman, owner and applicant, is requesting enlargement of the service area and proposing to install a water service to the existing 16" water main, sewer service running to the manhole at the intersection of O'Reilly Street and Mount Helena Drive, and a driveway from the west end of Mount Helena Drive.

Mr. Leland noted staff did not have a recommendation on the proposal.

- Commission comment                    Commissioner Cartwright asked if this would alleviate some erosion issues in the area. Mr. Leland stated yes and noted certain standards must be followed. He added staff continues to work with the property owner on the erosion issues.
- Public comment                         Mayor Smith called for public comment, none was received.
- Discussion                                Commissioner Cartwright spoke in support of the extension but noted it would be hard to explain why this is okay and not other proposals. Commissioner Peura asked if this proposal would accommodate future development in the area. Mr. Leland explained approval of the extension would not facilitate or hinder development, as there are water pressure issues at this elevation. Commissioner Cartwright asked if this property physically touches city right-of-way (ROW)? Acting City Manager Nielsen stated it does via a small panhandle on Mount Helena Drive. Commissioner Peura indicated he would support the extension as it is infill development.
- Motion**                                    **Commissioner Peura moved approval of an application to enlarge the service area to Tract A-3, COS 3135024 with the following conditions:**
- 1. Extension of the sewer main from the manhole at the intersection of O'Reilly Street and Mount Helena Drive to the west end of Mount Helena Drive; and**
  - 2. Extension of a new 8' water main from the existing 16" water main along the west boundary to a new fire hydrant on Mount Helena Drive.**
- Commissioner Cartwright seconded the motion. All voted aye, motion carried.
- Water/Wastewater Service Area***            CONSIDER ENLARGEMENT OF WATER AND WASTEWATER SERVICE AREA FOR LOTS 5-7 IN BLOCK 64 OF THE ORIGINAL HELENA TOWNSITE.
- Staff Report                              Engineer Leland stated the applicant has requested this item be tabled to the call of the City Manager.
- Motion**                                    **Commissioner Cartwright moved to table an application to enlarge the water and sewer service area to Lots 5-7 in Block 64 of the Original Helena Townsite.** Commissioner Peura seconded the motion. All voted aye, motion carried.
- Public Hearings***                      PUBLIC HEARINGS:
- A.        CONSIDER RESOLUTIONS FOR ANNUAL ASSESSMENTS FOR THE FOLLOWING SPECIAL IMPROVEMENTS DISTRICTS:
1. OPEN SPACE DISTRICT MAINTENANCE
  2. SIDEWALK IMPROVEMENT PROGRAM
  3. SPECIAL IMPROVEMENT DISTRICTS (SIDS)
  4. STORM WATER UTILITY
  5. STREET LIGHTING DISTRICTS
  6. STREET MAINTENANCE DISTRICT #1
  7. TREE PLANTING AND MAINTENANCE DISTRICT

Staff Report

Budget Manager Bob Ricker reported each year the City Commission must levy and assess annual charges on the above districts in order for them to be placed on upcoming tax bills. The proposed assessments are as follows:

Open Space Maintenance District: The proposal is to increase the current assessment rate of a minimum \$7.00 per parcel plus \$0.00215 per square foot of impervious area in excess of 2,222 square feet up to a minimum \$17.00 per parcel plus \$0.00215 per square foot of impervious area in excess of 2,222 square feet.

Sidewalk Improvement Program: The Sidewalk Improvement Program Resolution of Intention shows the total amount of annual assessments that will be placed on the tax bills for the 2008 and prior programs.

Special Improvement Districts: The Special Improvement District assessments are necessary to cover the annual payments for the outstanding debt.

Storm Water Utility District: A rate increase of up to 9% will be considered. There is no change in the method of assessment.

Street Lighting Districts: Street Lighting Districts assessments are based upon the anticipated cost of electric utility bills and administrative services.

Street Maintenance District #1: Street Maintenance District #1 assessments are based on square footage rates and the type of property as classified in the Resolution of Intention. A rate increase of up to 3% will be considered.

Tree Planting and Maintenance District: The proposal is to keep the assessment rate the same at \$10 per GEO code or parcel.

Manager Ricker recommended approval of the annual assessments as approval of the resolutions will provide the necessary funding for the annual operation of the districts.

Public Testimony

Mayor Smith declared the public portion of the Open Space Maintenance District hearing open and called for any persons wishing to address the Commission.

There being no persons wishing to address the Commission, Mayor Smith closed the public hearing.

Discussion

Commissioner Cartwright stated he hopes the Open Space Maintenance District fees only have to be increased for one year and that the city will find better funding options to deal with the beetle infested trees. He noted he had recommended increasing the per-square foot levy. Commissioner Peura recommended adjusting the formula of the assessment.

Motion

**Commissioner Peura moved approval of the resolution amending the boundaries and levying an assessment on all property in the Open Space Maintenance District #1 with a \$10**

**addition to the base rate for fiscal year 2010.** Commissioner seconded the motion. All voted aye, motion carried. **Res #19682**

Public Testimony

Mayor Smith declared the public portion of the Sidewalk Improvement Program hearing open and called for any persons wishing to address the Commission.

There being no persons wishing to address the Commission, Mayor Smith closed the public hearing.

Motion

**Commissioner Elsaesser moved approval of the resolution assessing fees for improvement of sidewalks in the City of Helena for fiscal year 2010.** Commissioner Cartwright seconded the motion. All voted aye, motion carried. **Res #19683**

Public Testimony

Mayor Smith declared the public portion of the Special Improvement Districts hearing open and called for any persons wishing to address the Commission.

Dave Routzan, Brady Street; asked for clarification that the Brady Street SID would not change from the original agreement. Manager Ricker concurred.

There being no further persons wishing to address the Commission, Mayor Smith closed the public hearing.

Motion

**Commissioner Peura moved approval of the resolution levying and assessing a tax upon all property in special water, sewer and paving improvement districts (SIDs) to defray the cost of maintaining improvements for fiscal year 2010.** Commissioner Cartwright seconded the motion. All voted aye, motion carried. **Res #19684**

Public Testimony

Mayor Smith declared the public portion of the Storm Water Utility District hearing open and called for any persons wishing to address the Commission.

There being no persons wishing to address the Commission, Mayor Smith closed the public hearing.

Discussion

Commissioner Peura asked what percent of the Storm Water Utility Comprehensive Capital Improvement Program (CCIP) would be funded by a 9% increase. Administrative Services Director Tim Magee stated this increase would bring the funded amount up to 15.22%. Commissioner Peura spoke in support of the city being able to fund its CCIP at 50%. Commissioner Elsaesser indicated he would not support raising the Storm Water Utility District fees by 9% as the Open Space Maintenance District was increased by \$10. He also spoke in support of lowering other fees and assessments. Commissioner Cartwright spoke of the importance of the proposed increase.

Motion

**Commissioner Cartwright moved approval of the resolution amending the boundaries and levying an assessment on all property in the Storm Water Utility District to defray the cost of maintaining services with a rate increase of 9% for fiscal year 2010.** Commissioner Peura seconded the motion. Motion carried 3-1, with Commissioner Elsaesser voting no. **Res #19685**

Public Testimony Mayor Smith declared the public portion of the Street Lighting Districts (SLDs) hearing open and called for any persons wishing to address the Commission.

There being no persons wishing to address the Commission, Mayor Smith closed the public hearing.

Discussion Commissioner Cartwright referred to recommendations regarding lighting in the Global Climate Change Task Force report and suggested Helena and other cities consider requesting a Lighting Cost of Service Hearing before the Public Service Commission.

**Motion** Commissioner Elsaesser moved approval of a resolution levying an assessment upon all property in Special Street Lighting Districts to defray the costs of maintaining improvements for fiscal year 2010. Commissioner Cartwright seconded the motion. All voted aye, motion carried. **Res #19686**

Public Testimony Mayor Smith declared the public portion of the Street Maintenance District hearing open and called for any persons wishing to address the Commission.

There being no persons wishing to address the Commission, Mayor Smith closed the public hearing.

Discussion Commissioner Cartwright indicated he would not support an increase of 3%. Commissioner Elsaesser concurred with Commissioner Cartwright and stated he would support an increase of 1%. Commissioner Peura stated he would support an increase of 1% but cautioned the Commission against future one-time large increases to make up for small or no increases in past years. Mayor Smith indicated he would've been comfortable with a 2% increase but would support 1%.

**Motion** Commissioner Elsaesser moved approval of the resolution amending the boundaries and levying an assessment upon all property in Street Maintenance District #1 with a rate increase of 1% for fiscal year 2010. Commissioner Cartwright seconded the motion. All voted aye, motion carried. **Res #19687**

Public Testimony Mayor Smith declared the public portion of the Tree Planting & Maintenance District hearing open and called for any persons wishing to address the Commission.

There being no persons wishing to address the Commission, Mayor Smith closed the public hearing.

**Motion** Commissioner Peura moved approval of the resolution amending the boundaries and levying an assessment for the Tree Planting & Maintenance District for fiscal year 2010. Commissioner Elsaesser seconded the motion. All voted aye, motion carried. **Res #19688**

B. CONSIDER A RESOLUTION APPROVING THE WORK PLAN AND BUDGET OF THE TOURISM BUSINESS IMPROVEMENT DISTRICT (TBID) FOR FISCAL YEAR 2010.

C. CONSIDER A RESOLUTION LEVYING AN ASSESSMENT FOR THE TOURISM BUSINESS IMPROVEMENT DISTRICT (TBID) FOR FISCAL YEAR 2010.

Staff Report

Manager Ricker reported on April 20, 2009, the City Commission passed Resolution #19644 which created the TBID for a period of up to ten years pursuant to 7-12-1101, MCA. State law (7-12-1132) requires the TBID to submit its budget and work plan to the City Commission for approval and to recommend a method of levying an assessment on the property within the district to defray the cost of the work plan and budget.

Regarding the assessment methodology, the TBID's proposal is, following approval of the work plan and budget and receiving public comment, that the City Commission approve the methodology outlined in the proposed resolution. This resolution was included in the Commission packet as part of the official record. Manager Ricker recommended approval of both resolutions.

Commission comment

The Commission spoke in support of the TBID.

Public Testimony

Mayor Smith declared the public portion of the TBID work plan and budget hearing open and called for any persons wishing to address the Commission.

There being no persons wishing to address the Commission, Mayor Smith closed the public hearing.

Motion

**Commissioner Peura moved approval of a resolution approving the work plan and budget for the Tourism Business Improvement District for fiscal year 2010.** Commissioner Cartwright seconded the motion. All voted aye, motion carried. **Res #19689**

Public Testimony

Mayor Smith declared the public portion of the TBID assessment hearing open and called for any persons wishing to address the Commission.

Jeff Kurtz, TBID member; spoke in support of the proposed resolution.

There being no further persons wishing to address the Commission, Mayor Smith closed the public hearing.

Motion

**Commissioner Peura moved approval of a resolution levying an assessment for the Tourism Business Improvement District for fiscal year 2010.** Commissioner Cartwright seconded the motion. All voted aye, motion carried. **Res #19690**

D. CONSIDER A RESOLUTION APPROVING THE WORK PLAN AND BUDGET OF THE BUSINESS IMPROVEMENT DISTRICT (BID) FOR FISCAL YEAR 2010.

E. CONSIDER A RESOLUTION LEVYING AN ASSESSMENT FOR THE BUSINESS IMPROVEMENT DISTRICT (BID) FOR FISCAL YEAR 2010.

Staff Report

Manager Ricker reported on July 24, 2000, the City Commission passed Resolution #11542 which recreated the BID for an additional ten years. State law (7-12-1132) requires the BID to submit its budget and work plan to the City Commission for approval and to recommend a

method of levying an assessment on the property within the district to defray the cost of the work plan and budget.

The BID is requesting an increase in the square footage portion of the assessment methodology going from \$0.01 to \$0.02 per square foot of land area. The complete methodology is outlined in the resolution and is in accordance with the prescribed methodologies allowed by state law (7-12-1133, MCA). Using last year's assessment data, this would result in an increase in assessments of approximately \$21,000 for a total assessment of about \$186,000 for the district. The BID's proposal is, after receiving public comment, that the City Commission levy an assessment to defray the cost of the work plan and budget. Manager Ricker recommended approval of both resolutions.

Commission comment                      Commissioners Cartwright, Peura and Elsaesser spoke in support of the BID's work. Discussion was held on keeping the Farmers Market located on Fuller Avenue.

Public Testimony                          Mayor Smith declared the public portion of the BID work plan and budget hearing open and called for any persons wishing to address the Commission.

There being no persons wishing to address the Commission, Mayor Smith closed the public hearing.

**Motion**    **Commissioner Cartwright moved approval of a resolution approving the work plan and budget for the Business Improvement District for fiscal year 2010.** Commissioner Peura seconded the motion. All voted aye, motion carried. **Res #19691**

Public Testimony                          Mayor Smith declared the public portion of the BID assessment hearing open and called for any persons wishing to address the Commission.

Randall Green, BID Chair, 645 Tamarack; spoke in support of the increase in the BID's assessments.

There being no persons wishing to address the Commission, Mayor Smith closed the public hearing.

**Motion**    **Commissioner Peura moved approval of a resolution levying an assessment for the Business Improvement District for fiscal year 2010.** Commissioner Elsaesser seconded the motion. All voted aye, motion carried. **Res #19692**

F.                      CONSIDER A RESOLUTION ESTABLISHING CHARGES WITH A RATE INCREASE UP TO 3.0% FOR COLLECTION AND DISPOSAL OF RESIDENTIAL GARBAGE AND REFUSE FOR FISCAL YEAR 2010.

Staff Report                                      Manager Ricker stated The FY2010 Annual Budget and management discussions call for funding of essential services, including:

- Providing annual funding of regularly recurring Comprehensive Capital Improvement Program (CCIP) components.
- Annually reviewing rates to:
  - ensure adequate funding of operations, maintenance, and debt;
  - address capital project priorities;

- provide for part or all of the impact of inflation; and
- make incremental rate changes that are regular and predictable for citizens ....

Therefore, as a result of the City Commission's CCIP review, a fee increase up to 3% is recommended in fiscal year 2010 for charges for residential sanitation.

The City Commission passes a resolution annually establishing charges for residential sanitation. The proposed resolution includes all charges utilized by Residential Sanitation and includes them on one resolution. Manager Ricker recommended approval of the fee increase.

Public Testimony

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

There being no persons wishing to address the Commission, Mayor Smith closed the public hearing.

Commission comment

Commissioner Peura urged the Commission to look at implementing a "pay as you throw" rate structure. Commissioner Cartwright noted if you bring a load of just recyclables to the transfer station it is exempt from the residential limit. Commissioner Elsaesser stated he would reluctantly support the increase and spoke of possible future changes to the city's solid waste program.

Motion

**Commissioner Peura moved approval of a resolution establishing charges with a rate increase of 3% for collection and disposal of residential garbage and refuse in the City of Helena, Montana, for fiscal year 2010.** Commissioner Cartwright seconded the motion. All voted aye, motion carried. **Res #19693**

G. CONSIDER A RESOLUTION AUTHORIZING A TRANSFER FROM THE SID REVOLVING FUND AND AMENDING THE FY 2010 GENERAL AND SID REVOLVING FUND BUDGETS TO PROVIDE \$75,000 IN CONTINGENCY FUNDING FOR TREE REMOVAL AND RESTORATION PROJECTS.

Staff Report

Director Magee reported the City Commission has identified a need to provide immediate funding options for tree removal and restoration projects.

The source of funding is to transfer \$75,000 from the Special Improvement District Revolving Fund surplus. This will be accomplished by an FY 2010 Budget Amendment as follows:

1. Transfer \$75,000 from the SID Revolving Fund to the General Fund.
2. Amend the General Fund increasing the Contingency line item by \$75,000.

In order to comply with statutory requirements for both budget amendments and use of SID revolving surplus, such a budget amendment will require unanimous approval of those City Commissioners present at the Commission Meeting.

MCA 7-6-4006(4) provides for budget amendments:

The governing body may amend the budget during the fiscal year by conducting public hearings at regularly scheduled

meetings. Budget amendments providing for additional appropriations must identify the fund reserves, unanticipated revenue, or previously unbudgeted revenue that will fund the appropriations.

MCA 7-12-4227 – Utilization of excess money in revolving fund.

... the council may:

(1) by vote of all of its members at a meeting called for that purpose, order the amount of the excess that is greater than the amount necessary for the payment or redemption of maturing bonds or warrants secured thereby or interest thereon or any part thereof transferred to the general fund of such city or town;

...

Director Magee recommended approval of the resolution as it will allow the city to use contingency funding for the needed tree removal and restoration projects.

Public Testimony

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

There being no persons wishing to address the Commission, Mayor Smith closed the public hearing.

Motion

**Commissioner Cartwright moved approval of a resolution authorizing a transfer of surplus funds from the SID Revolving Fund, and amending the FY 2010 General and SID Revolving fund budgets to provide \$75,000 in contingency funding.** Commissioner Peura seconded the motion. All voted aye, motion carried. **Res #19694**

H. CONSIDER A RESOLUTION PROVIDING FOR THE ANNUAL TAX LEVY IN MILLS FOR FISCAL YEAR JULY 1, 2009 THROUGH JUNE 30, 2010.

Staff Report

Director Magee stated as required by MCA 15-10-203 the City held a public hearing before passing a resolution to Budget Additional Property Tax Revenue. The City Commission adopted a resolution to budget additional property tax revenue after a public hearing and adopted the final budget on June 22, 2009.

MCA 7-6-4036 requires the City to fix the tax levy by the later of the 2nd Monday in August or within 45 calendar days after receiving certified taxable values. Certified taxable values were received August 5, the tax levy deadline is September 19, 2009.

Newly taxable property growth:

- was 5.73% last year and is 3.47% this year,
- was estimated at 5.71% or \$333,819 in the FY 2010 budgeted revenue,
- will be \$203,100 or \$130,719 less than the FY 2010 budgeted revenue.

Under MCA 2-9-212, Group Health Insurance tax levies may include annual increases for insurance premiums. However, that tax increase must be levied or the authority to levy in future years is lost. The City has annually levied for Group Health Insurance, including annual premium increases. The Fiscal Year 2010 budget provides for \$916,300, or 17.66 mills, to be levied for group health insurance

premiums in 2009 for FY 2010, including a premium increase of \$117,645, as allowed under MCA 2-9-212.

The Fiscal Year (FY) 2010 budget provides for the full authorized tax levy to be levied. Director Magee recommended approval of the resolution.

**Public Testimony**

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

There being no persons wishing to address the Commission, Mayor Smith closed the public hearing.

**Motion**

**Commissioner Peura moved approval of the annual mill levy resolution.** Commissioner Cartwright seconded the motion. All voted aye, motion carried. **Res #19695**

**Public Communications**

**PUBLIC COMMUNICATIONS**

M.C. Beeby, 1620 Townsend; distributed a list of local youth programs.

**Meetings of Interest**

**MEETINGS OF INTEREST**

The next Administrative Meeting is Wednesday, September 30, 2009 and the next Commission Meeting is Monday, October 5, 2009. The City/County Joint Work Session will be held October 1, 2009.

City Attorney Nielsen announced there would be a review of whatever at 3:00pm on September 29, 2009 in City/County Building-Room 326.

**Adjournment**

There being no further business to come before the Commission, the meeting was adjourned at 9:17p.m.

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Mayor James E. Smith

ATTEST:

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Clerk of the Commission