

**CITY OF HELENA**  
**REGULAR CITY COMMISSION MEETING**  
**June 27, 2011**  
**6:00 P.M.**

***Time & Place***

A regular City Commission meeting was held on Monday, June 27, 2011 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, Ellison, Thweatt and Elsaesser were present. City Manager Ron Alles, City Attorney David Nielsen and Deputy City Clerk Robyn Brown were present. Others present were Bob Habeck representing the Helena Citizens Council.

***Pledge of Allegiance***

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

***Minutes***

The minutes of the regular City Commission meeting of June 13, 2011 were approved as submitted.

***Appointments***

**APPOINTMENTS:**

A. Airport Board of Adjustment

There are currently no members on the Airport Board of Adjustment because historically it has not had any business to do. There is now a request for a variance from the airport noise influence district and a board is needed to hear and consider the variance.

Section 11-35-10 of the Helena City Code and 67-6-206 and 76-2-321, MCA require establishments of an Airport Board of Adjustment to hear appeals from the City-County Airport Board and to consider exceptions and variances to airport zoning regulations and the noise influence district. The Airport Board of Adjustment consists of five members with three appointed by the County Commission and two appointed by the City Commission. The most efficient and expeditious way to establish this board is for the city to appoint two members of the city's Board of Adjustment to serve as members of the Airport Board of Adjustment and the County to appoint three members of the city's Board of Adjustment to serve on the Airport Board of Adjustment.

Mayor Smith recommended the appointment of Commissioner Paul Cartwright and Bridget Holland to the Airport Board of Adjustment. He referred to concerns expressed by Commissioner Ellison at the June 22, 2011 Administrative Meeting related to how City Code would be applied to the creation of the Airport Board of Adjustment. City Manager Alles noted he discussed the concern with Deputy City Attorney Thomas Jodoin; some code does need to be updated but staff feels the appointments can be made at this time to allow the Airport Board of Adjustment to move forward. He noted the appropriate code would be updated at a future date.

Commissioner Ellison stated he would support the board appointments on the basis that staff will continue to investigate any necessary code adjustments.

**Public comment**

Mayor Smith asked for public comment, none was received.

**Motion**

**Commissioner Ellison moved approval of the appointments to the Airport Board of Adjustment as recommended by Mayor Smith and outlined above.** Commissioner Elsaesser seconded the motion. All voted aye, motion carried.

- B. ADA Compliance Committee and Non-Motorized Travel Advisory Council (NMTAC)

Mayor Smith asked for Commission concurrence on the following appointments:

ADA Compliance Committee – Appointment of Allen Tompkins to an unexpired term on the ADA Compliance Committee. Term will begin upon appointment and expire September 1, 2013.

NMTAC – Appointment of Jake Troyer to an unexpired term on NMTAC. Term will begin upon appointment and expired March 31, 2013.

Public comment

Mayor Smith asked for public comment, none was received.

**Motion**

**Commissioner Ellison moved approval of the appointments to the ADA Compliance Committee and NMTAC as outlined above.** Commissioner Elsaesser seconded the motion. All voted aye, motion carried.

**Consent Agenda**

CONSENT AGENDA:

- A. Claims
- B. Rocky Mountain Development Council (RMDC) Head Start Bus Service Transportation Agreement
- C. Job Access Reverse Commute (JARC) contract for the Helena Area Transit Service (HATS) for operation of the East Valley Bus Service
- D. FY2012 New Freedoms Grant for Rocky Mountain Development Council Inc. (RMDC) for expansion of their Senior Companion Transportation Program
- E. Rocky Mountain Development Council's FY2012 New Freedoms Memorandum of Understanding
- F. FY2012 Section 5311 operating contract for the Helena Area Transit Service
- G. A resolution of intention to amend the boundaries and levy an assessment upon all property in the Open Space Maintenance District for fiscal year 2012 and set a public hearing date **Res #19834**
- H. Resolution of Intention to establish charges and consider a fee increase up to 0.0% for collection and disposal of residential garbage and refuse in the City of Helena, Montana, for fiscal year 2012 **Res #19835**
- I. Resolution of intention to levy and assess a tax on all properties in the Special Improvement Districts to defray the cost of maintaining improvements for fiscal year 2012 and set a public hearing date **Res #19836**
- J. Resolution of intention to amend the boundaries and levy an assessment upon all property in the Storm Water Utility District for fiscal year 2012 and set a public hearing date **Res #19837**

- K. Resolution of intention to levy an assessment upon all properties in the Special Street Lighting Districts to defray the cost of installing and maintaining improvements for fiscal year 2012 and set a public hearing date **Res #19838**
- L. Resolution of intention to specify the assessment option, amend the boundaries and levy and assess the annual charge for Street Maintenance District #1 for fiscal year 2012 **Res #19839**
- M. Resolution of intention to levy an assessment for and approve the proposed work plan and budget of the Tourism Business Improvement District (TBID) for fiscal year 2012 and set a public hearing date **Res #19840**
- N. Resolution of intention to increase wastewater charges for all customers **Res #19841**
- O. Resolution of intention to increase wastewater rates up to 4.5% for all customers **Res #19842**
- P. Resolution of intention to increase water charges for all customers **Res #19843**
- Q. Resolution of intention to increase water rates up to 1.5% for all customers **Res #19844**
- R. Resolution of intention to levy an assessment for and approve the proposed work plan and budget of the Business Improvement District (BID) for fiscal year 2012 and set a public hearing date **Res #19845**
- S. Resolution of intention to assess fees for fiscal year 2012 for improvements made to properties in the Sidewalk Improvement Districts and set a public hearing date **Res #19846**

City Manager Ron Alles recommended approval of the claims and the consent agenda. Manager Alles requested the Commission remove items M and S for discussion.

Discussion

Commissioner Thweatt asked for further information on item H. Manager Alles explained the charges and fees must be set by law annually, even though staff is not proposing an increase for FY2012.

Public Comment

Mayor Smith asked for public comment, none was received.

Motion

**Commissioner Ellison moved to remove items M and S from the consent agenda.** Commissioner Thweatt seconded the motion. All voted aye, motion carried.

Motion

**Commissioner Cartwright moved approval of items A through L and N through S on the consent agenda.** Commissioner Elsaesser seconded the motion. All voted aye, motion carried.

Item M

- M. Resolution of intention to levy an assessment for and approve the proposed work plan and budget of the Tourism Business Improvement District (TBID) for fiscal year 2012 and set a public hearing date

City Manager Alles noted three new hotels have been added to the district since the original resolution was distributed in the Commission packet.

Commissioner Elsaesser asked if this is an annual assessment. Manager Alles stated yes.

Public Comment Mayor Smith asked for public comment.  
Cathy Burwell, Helena Chamber of Commerce CEO; spoke in support of the TBID resolution.

**Motion** **Commissioner Elsaesser moved approval of item M on the consent agenda.** Commissioner Ellison seconded the motion. All voted aye, motion carried.

**Item S** S. Resolution of intention to assess fees for fiscal year 2012 for improvements made to properties in the Sidewalk Improvement Districts and set a public hearing date

City Manager Alles noted the original resolution distributed in the Commission packet excluded three properties; those properties have been added and the resolution corrected.

Public comment David Scrimm, HCC Member, Helena; spoke in support of the Sidewalk Improvement Program.

**Motion** **Commissioner Cartwright moved approval of item S on the consent agenda.** Commissioner Ellison seconded the motion. All voted aye, motion carried.

**Communications** COMMUNICATIONS/PROPOSALS FROM COMMISSIONERS  
Commissioner Ellison announced Independent Record (IR) Reporter Allison Maier has left the newspaper for the master's program at Columbia University. He noted the position of Editor with the paper had been reorganized into one position based out of Butte and wished former Helena Editor John Doran all the best.  
Commissioner Ellison commended the Public Works Department for their work on the Sanders Street Project. He also spoke of the Americorp Crew working with the city on beetle killed areas of Helena's Open Lands and thanked the Parks and Recreation Department for getting the project going.  
Commissioner Elsaesser thanked local construction projects for keeping pedestrian in mind.  
Commissioner Thweatt thanked city public works staff for their work in widening a "choke point" area of Davis Gulch; it will make travel safer for vehicles and bikers/pedestrians.  
Mayor Smith reminded citizens the filing period for City Commission closes June 30, 2011.

**Report of the City Attorney** REPORT OF THE CITY ATTORNEY  
No report was given.

**Report of the City Manager** REPORT OF THE CITY MANAGER  
City Manager Alles thanked the Public Works Department for various stormwater projects and improvements they have completed recently; these projects saved the city from potential problems during the recent flooding.

**Report from the  
Helena Citizens  
Council**

REPORT FROM THE HELENA CITIZENS COUNCIL

HCC member Bob Habeck discussed the passion the city has for bike and pedestrian issues; the HCC shares this passion. He urged the Commission to keep funding bike/pedestrian projects and staff, as a core service to the citizens of Helena.

Mr. Habeck reported the Citizens Council currently has 10 citizens that have filed for election to the HCC.

Mayor Smith thanked Mr. Habeck for his comments and discussed the city's commitment to bike/ped issues. Commissioners Elsaesser and Thweatt concurred with Mayor Smith's comments.

REGULAR ITEMS:

- A. CONSIDER A RESOLUTION OF INTENTION TO AMEND SPECIAL IMPROVEMENT LIGHTING DISTRICT NO. 222 AND SET A PUBLIC HEARING DATE FOR JULY 25, 2011

Staff Report

City Controller Glenn Jorgenson reported the City Commission approved the creation of Special Improvement Lighting District No. 222 (SILD) on March 14, 2011 for Antelope Trace and Craftsman Village of Crossroads at Mountain View Meadows Subdivision. The Commission approved the final plat for Antelope Trace Phase 2 on June 13, 2011. The applicant, R & D Partners, submitted a petition to amend the original lighting district to include a portion of Antelope Trace Phase 2.

The amended district will consist of five (5) lighting units with underground wiring, fiberglass or metal poles with 16-foot mounting heights, and Lexington Colonial luminaries with 100-watt high-pressure sodium vapor lamps.

The estimated cost of maintenance, electrical energy, and administration for the first year in the amended portion is \$4,288.80 with the full district being assessed \$52,334.88. This will result in the estimated cost being \$.0442 per square foot of property owned, said amount to be paid by the property owners. This amount includes an additional assessment to be charged by the city to establish a cash reserve and recover any costs of the district incurred prior to receipt of the first assessments. Thereafter, the annual assessment will be approximately one-half of the first year's assessment. The estimated cost for all owners within the amended SILD No. 222 is calculated to have a slight decrease (-.15%) in comparison to the amounts calculated when the district was originally created.

Mr. Jorgenson recommended approval of the resolution of intention as it would result in the area having one contiguous lighting district.

Discussion

Discussion was held on the energy efficiency of the lights being proposed for installation. Commissioner Cartwright stated the proposed lights are as efficient as you can get through Northwestern Energy.

Public Comment

Mayor Smith asked for public comment, none was received.

Motion

**Commissioner Cartwright moved approval of a resolution of intention to amend resolution No. 19818 that created special improvement lighting district No. 222 to alter the boundaries and add five (5) lights in SILD No. 222 in the City of Helena, Montana and set a public hearing date of July 25, 2011.** Commissioner Ellison seconded the motion. All voted aye, motion carried. **Res #19847**

**Public Hearings**

## PUBLIC HEARINGS:

- A. CONSIDER A RESOLUTION APPROVING THE TAX BENEFITS APPLICATION FOR HELENA MOTORS, LLC

## Staff Report

Community Development Director Sharon Haugen reported Helena Motors has submitted a request for tax abatement under provisions of state law for remodeling, reconstruction, or expansion of existing buildings or structures (MCA 15-24-1501 et seq.). Under these provisions, applicants must add to or remodel an existing building or structure so as to increase its taxable value by at least 2.5 percent to qualify for this abatement. If approved, the property taxes abated are phased in over five years at 20 percent each year. Upon local approval of tax abatements, the Department of Revenue determines eligible improvements and applies the abatement to the property. Helena Motors, a locally owned car dealership has recently completed a remodel to accommodate a request from the Toyota Company and to upgrade their facility. According to their application, the value of the improvements is \$1,300,000, thereby qualifying the amount for a possible tax abatement. According to the applicant, the remodel was undertaken because Toyota requires their dealers to maintain A Toyota Image II facility. The applicant employs approximately 60 people and has an annual payroll of approximately \$3,000,000 and annual sales of \$34,000,000. With this remodel they are adding a fast lube facility. They also anticipate hiring 3 new persons and two part time positions. There is a potential of adding 1 or 2 more in the future. The remodel has also increased the energy efficiency of the building, according to the owner. If granted, the abatement would run from tax years 2011 through 2016.

Director Haugen noted granting the abatement would provide financial assistance as a result of the remodeling of an existing business. It would also implement the goals in the City's Growth Policy relating to promoting the expansion of existing Helena businesses through economic incentives. However, there would be a loss of some property tax revenue for the period the abatement is in effect. The total amount of property tax revenue abated during this period is \$5683, of which \$1282 is the city's share of the abatement.

## Public Testimony

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

Jim Stanger, President of Helena Motors, applicant; urged the Commission to approve the tax abatement.

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

## Discussion

Commissioner Ellison stated Helena Motors is a good neighbor in the community and more than qualifies, by law, for the abatement. He indicated he would vote in support of the resolution.

Commissioner Thweatt stated the applicant qualifies for the abatement, by statute. Related to policy, he questions the rationale for the abatement and believes businesses make these improvements for their own profit, not to stimulate economic growth. He indicated he would not vote in favor of the abatement.

Commissioner Elsaesser stated he would support the resolution as the application meets criteria and city/county policy.

Commissioner Cartwright commented he is torn on the proposed abatement; while he appreciates the energy savings he is uncomfortable that the city does not have an official policy or set standard for abatements.

Mayor Smith noted the applicant meets the criteria for the abatement and indicated he would vote in support of the resolution.

**Motion**

**Commissioner Ellison moved approval of a resolution granting the tax benefits application of Helena Motors, LLC for property located at 3365 Highway 12 East.** Commissioner Elsaesser seconded the motion. Motion carried 3-2, with Commissioners Cartwright and Thweatt voting no. **Res #19848**

B. CONSIDER A RESOLUTION TO ADOPT FINAL BUDGETS, BUDGET AUTHORITIES AND ANNUAL APPROPRIATIONS FOR FISCAL YEAR 2012.

**Staff Report**

City Manager Alles reported the Local Government Budget Act, MCA, Title 7, Chapter 6, Part 4, requires the City to develop and adopt an annual budget. The annual budget development process has encouraged public participation and included: City Manager presentation of the Preliminary Budget to the City Commission on May 9, 2011; a series of City Commission work sessions in which the entire Preliminary Budget was reviewed; Public Hearing Notices published in accordance with MCA 7-1-4127; and, a list of amendments to the Preliminary Budget.

Manager Alles recommended the Commission postpone final adoption of the budget until July 11, 2011 but conduct tonight's public hearing on the Preliminary Budget to receive public input; determine if there are any additional changes to be added to the list of amendments to the Preliminary Budget and table the annual budget resolution for the final budget as amended.

**Public Testimony**

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

Sarah Sadowski, NMTAC Interim Chair; addressed proposed funding for a Neighborhood Transportation Coordinator versus a Transportation Engineer. She expressed concern that without the Neighborhood Transportation Coordinator position, the work of NMTAC will not be as successful.

David Scrimm, NMTAC/HCC; urged the Commission to fund a Neighborhood Transportation Coordinator to staff the Non-Motorized Travel Advisory Council. He suggested members of NMTAC be involved in the hiring of a Transportation Engineer if the Neighborhood Transportation Coordinator position is eliminated.

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

**Discussion**

Commissioner Cartwright spoke to proposed changes to the Neighborhood Transportation Coordinator position and explained the amendment listed below.

## Amendment

**Commissioner Cartwright moved to insert the following language on page 85 of the spiral bound budget and page 134 of the three-ring binder:**

**Significant Changes:**

**The Neighborhood Transportation Coordinator position previously located in Fleet Services is being converted to an engineer position in Engineering. To integrate planning and engineering for motorized and non-motorized transportation, non-motorized duties will be shared across the engineering staff; however, the person to be hired will have significant training or experience in non-motorized transportation engineering so the City can better address these issues. If a suitable candidate cannot be found, the money budgeted for that position (\$70,000) would be used this year for consultant services on engineering for non-motorized projects. The City Manager will continue to direct City staff to participate with the Non-Motorized Travel Advisory Council to support Council activities, but the emphasis will shift to technical planning and project-specific activities.** Commissioner Elsaesser seconded the motion. The motion was withdrawn.

## Discussion

Attorney Nielsen stated approval of the budget is a legislative action and open to full discussion with the public. Mayor Smith recommended all amendments be presented and voted on July 11, 2011 along with final adoption of the budget.

Commissioner Cartwright spoke to his earlier amendment. Commissioner Elsaesser gave an overview of an amendment he will propose on July 11<sup>th</sup> regarding funding for Centennial Trail ROW. Commissioner Ellison explained he would offer an amendment to add \$25,000 to increase the funding for capital projects in the recycling budget. These funds would be reserved for activities that are not currently being conducted at the Transfer Station. Discussion was held on the proposed amendments.

Manager Alles noted he would provide the Commission with amendments at final budget adoption that would clarify earlier estimates given in workers compensation rates, health insurance, etc.

C. **CONSIDER A RESOLUTION SETTING FEES CHARGED FOR DISPOSAL OF GARBAGE AND REFUSE AT THE CITY OF HELENA TRANSFER STATION FOR FISCAL YEAR 2012.**

## Staff Report

Administrative Services Director Magee reported the City of Helena and Lewis & Clark County jointly analyze and agree each year on a recommended tipping fee for the operation of the City Transfer Station and the Lewis & Clark County Landfill. The tipping fee also supports the community's recycling program. The Public Works Department is recommending a total tipping fee increase not to exceed \$2.00/ton for fiscal year 2012 to cover the proposed increase for the county landfill tipping fee. The city is not proposing an increase for the Transfer Station tipping fee. The Transfer Station tipping fee plus the County Landfill tipping fee equals the total tipping fee.

Director Magee recommended approval of the resolution as it will allow the department to cover the costs of operation at the Transfer Station enterprise for fiscal year 2012.



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 Ellison moved approval of a resolution setting fees charged for disposal of garbage and refuse at the City of Helena Transfer Station for fiscal year 2012.** Commissioner Elsaesser seconded the motion. All voted aye, motion carried. **Res #19849**

**Public Communications**

PUBLIC COMMUNICATIONS

David Scrimm, Helena; urged the city to enforce the Complete Streets Resolution and noted it would benefit all aspects of transportation, including vehicle traffic.

**Meetings of Interest**

MEETINGS OF INTEREST

The next Administrative Meeting schedule for July 6, 2011 has been cancelled; the next Commission Meeting is July 11, 2011.

**Adjournment**

There being no further business to come before the Commission, the meeting was adjourned at 7:45 p.m.

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Mayor James E. Smith

ATTEST:

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Clerk of the Commission