

**CITY OF HELENA**  
**REGULAR CITY COMMISSION MEETING**  
**July 13, 2015**  
**6:00 P.M.**

***Time & Place***

A regular City Commission meeting was held on Monday, July 13, 2015 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 Elsaesser, Ellison, Haque-Hausrath and Haladay were present. City Manager Ron Alles, City Attorney Thomas Jodoin and City Clerk Debbie Havens were present. Others present were Dick Sloan 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 29, 2015 were approved as submitted.

***Consent Agenda***

CONSENT AGENDA:

- A. Claims
- B. Resolution of intention to increase water rates for all customers  
**Res# 20173**
- C. Resolution of intention to increase wastewater rates for all customers  
**Res# 20174**
- D. Resolution of intention to increase water charges for all customers  
**Res# 20175**
- E. Resolution of intention to increase wastewater charges for all customers  
**Res# 20176**

City Manager Ron Alles recommended approval of the claims and the consent agenda.

***Public comment***

Mayor Smith asked for public comment, none was received.

***Motion***

**Commissioner Ellison moved approval of items A through E on the consent agenda.** Commissioner Haladay seconded the motion. All voted aye, motion carried.

***Communications***

COMMUNICATIONS/PROPOSALS FROM COMMISSIONERS

Commissioner Haladay referenced an email the Commission received from Justice of the Peace Michael Swingley regarding mental illness and methamphetamine use in Helena. Commissioner Haladay suggested next year when acceptance of the Edward Byrne Memorial Justice Assistance Grant (JAG) is proposed, the Commission allocate the funding towards mental health treatment and methamphetamine use. These are severe problems in Lewis & Clark County and a full discussion on the community's needs would be beneficial.

Commissioner Haladay announced the Commission had received a recommendation from the HCC requesting the City and County Commissions implement a gas tax. Commissioner Haladay noted the Commission can't implement such a tax statutorily, the procedural steps require either citizen initiation or action by the County Commission to put it to a vote of the citizens. He stated the City

Commission owes it to the HCC to provide this recommendation to the County for its consideration, regardless of any of our individual beliefs on its merits. He recommended placing it on the August or September City/County Joint Work Session agenda and inviting members of the HCC to present their proposal.

Commissioner Haque-Hausrath concurred with Commissioner Haladay's comments, both on the grant funding and the HCC recommendation.

Commissioner Elsaesser stated he too is interested in anything the Commission can do to assist with mental illness in the community. Also, he is open to full discussion of the HCC recommendation; however, he does not want to forgo the discussion with Montana Rail Link that was postponed due to cancellation of the July Joint Work Session.

Commissioner Elsaesser thanked staff for their recommendation on the MAP21 grant funding projects and referenced the comments he had submitted for consideration, specifically the intersections involving National and Livingston.

Mayor Smith commented he believes the Commission ended up in a good place regarding controversy surrounding the Confederate Fountain. He noted he and HPD Captain Livesay both sit on the local Mental Health Advisory Board and acknowledged training of officers is a very high priority of that board.

***Report of the City Attorney***

**REPORT OF THE CITY ATTORNEY**

City Attorney Jodoin updated the Commission on the following Human Rights Complaints- Maffit v. City of Helena/ Helena Area Transit Services and Montana Independent Living Project v. City of Helena/ Helena Area Transit Service.

Mayor Smith thanked Attorney Jodoin for the update and noted the City Commission would like to get the complaints resolved as soon as possible.

***Report of the City Manager***

**REPORT OF THE CITY MANAGER**

City Manager Alles reported the City did submit its proposal for the fixed route system to the Montana Department of Transportation (MDT) and hopes to hear back from them soon. Also, he anticipates the review of ADA accessibility at HATS bus stops will be completed in the very near future.

Commissioner Elsaesser thanked City Manager Alles for the update and expressed appreciation for the involvement MDT Director Tooley has taken in this issue.

***Report from the Helena Citizens Council***

**REPORT FROM THE HELENA CITIZENS COUNCIL**

HCC member Dick Sloan reported the HCC continues to be active. The Council submitted a recommendation on implementing a gas tax, support the resolution to increase the property tax for FY2016, will finalize their comments on the Transportation Plan and will be looking at the proposed sidewalk priorities.

The HCC will also address the Confederate Fountain issue and will forward a recommendation to the Commission. Mr. Sloan reported Water Quality District Coordinator Jim Wilbur attended the July HCC meeting and gave a presentation on water conservation.

Mr. Sloan stated the HCC is very supportive of the Commission continuing to work with the School District Board to bring forward another bond issue.

**Regular Items**

REGULAR ITEMS:

A. CONSIDER A RESOLUTION OF INTENTION TO ANNEX PROPERTY LEGALLY DESCRIBED AS LOTS 3-8 & 25-27, BLOCK 165, WALLACE SUBDIVISION, AND LOTS 1-16, BLOCK 164, SYNDICATE ADDITION, IN LEWIS AND CLARK COUNTY, MONTANA; AND GENERALLY LOCATED ON THE 1800 BLOCKS OF CHOTEAU AND CANNON, AND THE ADJACENT LAUREL, CHOTEAU, AND CANNON STREET AND ALLEY RIGHTS-OF-WAY.

Staff Report

City Planner Dustin Ramoie reported this annexation has been proposed by seven property owners in the 1800 blocks of Choteau and Cannon Streets. Some of the property owners have inquired with city staff previously about connection to city wastewater mains, and as a result a meeting was held for the residents that had requested information on annexation and city services. The result of that meeting was that the applicants wished to work together on a project to serve all of their properties with city wastewater and other services and a joint application was filed. The applicants have requested the annexation of lots 3-8 & 25-27 Block 165, Wallace Subdivision, and lots 1-16 Block 164 of the Syndicate Addition and adjacent Linden, Choteau, and Cannon Street and alley rights of way.

The properties are wholly surrounded by and adjacent to the City of Helena and are located within the "Urban Standards Boundary Area." It is in accordance with the 2011 Growth Policy to annex property that is adjacent to the city and within the defined "Urban Standards Boundary Area." The properties are developed with single family dwellings and the applicants have petitioned the city for annexation to attain all city services and to utilize the property with an R-2 (Residential) zoning designation. With annexation, extension of the water and wastewater service boundary will occur. The property at 1815 Choteau Street has a failed septic system as confirmed by Lewis & Clark County Environmental Health. All of the properties are currently receiving City water service.

The subject properties were pre-zoned to the R-2 (Residential) District by the Helena City Commission on March 9, 2015.

Mr. Ramoie recommended approval of the resolution of intention as annexation of the properties will eliminate the need for individual septic systems and will allow the properties to be served with all city services. It will also allow the properties to develop more fully in accordance to the City's Growth Policy with infill development and potential redevelopment, making full use of infrastructure that is/will be in place.

Discussion

Commissioner Elsaesser referenced Condition No. 1 and asked if it includes specific language on the standards of the streets and asked if the applicants would be required to install complete streets. Planner Ramoie stated the property owners would be required to sign waiver of right to protest until there is a complete project to improve an entire street.

Commissioner Elsaesser asked will these properties connect to pipes of adequate size to allow for future expansion on the Westside. Planner Ramoie stated the requirements will meet the 2002 Helena Westside Infrastructure Study Plan and would allow future expansion of services.

Commissioner Haladay asked if staff has an idea of what impact these properties/this proposal would have on the entire Westside annexation project. Planner Ramoie indicated he did not know the impact.

City Engineer Leland stated the City is extending the mains quite a distance and those property owners will be paying for their share of the expansion; therefore, this proposal will not have an impact on the Westside project. Commissioner Haladay asked if the property owners are doing any cost bearing and if they would see any type of rebate. City Engineer Leland explained the owners would pay the upfront costs and then be rebated.

Commissioner Haladay referred to page 28 of tonight's meeting packet and noted the following language... "waiver the right to protest future SIDs" and asked if this is taken care of in Section 1 of the resolution of intent. Planner Ramoie stated it is taken care of with the infrastructure installations. Commissioner Haladay asked if any of these individual been involved in the Westside RID investigation/process. Planner Ramoie deferred the question to the applicants.

#### Public comment

Mayor Smith called for public comment.

Dan Hawkins, 1821 Choteau Street; spoke in favor of the annexation.

Brian Hannan, 1815 Choteau; stated he has a failed septic system and urged the Commission to support the resolution of intention to annex. He confirmed the seven applicants met and agreed to move forward with this annexation request.

Nancy Cormier, 1818 Choteau; stated she has an aging septic system that is close to failure; this proposal is very important to the neighborhood. She added all of the applicants are on city water.

Bridget Holland, 1801 Choteau; commented over the 40 years she has lived at this address she has attended many meetings on annexation. While she currently has no problems with her septic system, this proposal is good for the neighborhood.

John Rausch, 1811 Choteau, property manager; requested the Commission to approve the resolution of intention for annexation.

Walt Ebert, 1821 Cannon; noted his septic system was installed in 1961 and it is beginning to fail. He asked the Commission to support the resolution of intention for annexation and commented by putting this off, the costs continue to increase.

Eric Schweitzer, 1817 Cannon Street; stated he is in support of the proposal. Mr. Schweitzer noted that he and his neighbors have not been involved with the RID discussion as they have not been contacted. This is a totally separate small group of residents petitioning the Commission.

#### Motion

**Commissioner Ellison moved approval for a resolution of intention to annex property legally described as Lots 3-8 & 25-27, Block 165, Wallace Subdivision, and Lots 1-16, Block 164, Syndicate Addition, in Lewis and Clark County, Montana, generally located on the 1800 blocks of Choteau and Cannon, and the adjacent Laurel, Page 19 of 72 Choteau, and Cannon Street and alley rights-of-way and establish the conditions of annexation.**

Commissioner Haque-Hausrath seconded the motion.

Discussion

Commissioner Haque-Hausrath stated she will support the proposal as the residents have petitioned the City and are willing to pay their fair share of the costs.

Commissioner Ellison expressed support for the proposal, noting 100% of the residents attended tonight's hearing and addressed the Commission.

Commissioner Elsaesser stated he too would support the proposal. It is great to see the neighbors come forward and ask for annexation. It is important to look at future growth of the City and build future subdivisions to City standards.

Mayor Smith thanked those who testified and for wanting to annex into the City of Helena to solve septic system problems in their neighborhood.

Vote

All voted aye, motion carried. **Res #20177**

**Public Hearings**

PUBLIC HEARINGS:

- A. CONSIDER FIRST PASSAGE OF AN ORDINANCE AMENDING CITY OF HELENA ORDINANCE NO. 2359 AND AMENDING THE OFFICIAL ZONING MAP, FOR A ZONE CHANGE FROM AN R-2 (RESIDENTIAL) DISTRICT TO AN R-3 (RESIDENTIAL) DISTRICT; FOR PROPERTY LEGALLY DESCRIBED AS LOT 1 IN BLOCK 21 OF THE NOB HILL SUBDIVISION IN THE CITY OF HELENA, MONTANA; WITH A PROPERTY ADDRESS OF 3187 CABERNET DRIVE.

Staff Report

Zoning Officer Elroy Golemon reported the applicant/property owner is requesting the zone change to provide consistent zoning with the adjacent R-3 District zoned properties located to the east of the subject property.

On Tuesday, June 09, 2015 the Helena Zoning Commission held a public hearing on the proposed zone change and recommended unanimous approval (3:0 vote) for the adoption of an ordinance amending city of Helena Ordinance No. 2359 and amending the official zoning map, for a zone change from an R-2 (Residential) District to an R-3 (Residential) District; for property legally described as Lot 1 in Block 21 of the Nob Hill Subdivision in the city of Helena, Montana.

The proposed R-3 District would allow for a mix slightly higher concentration of compatible mixed uses than currently permitted in the R-2 District. In addition, the proposed R-3 District zoning would be consistent with the "Mixed Use E" land use designation and mixed use concept of the Growth Policy.

In addition, the proposed R-3 District could help create a coordinated development pattern that is unified, functional, and efficient by conserving land, energy, and infrastructure and minimize the potential for sprawl. The proposed zoning change is compatible with the Housing and Land Use goals, objectives and policies of the Growth Policy.

The proposed zone change would help to support the infill and redevelopment concept of the 2011 Growth Policy of properties by allowing for the development of a compatible mix of land uses and structure types and encouraging the use of existing infrastructure.

Zoning Officer Golemon recommended approval of the zone change.

Discussion

Commissioner Elsaesser asked will there be any special hedging between the two zoning districts. Zoning Officer Golemon noted there are currently no hedging requirements with a zone change. However, if a Conditional Use Permit (CUP) were being considered, conditions could be included in the resolution granting the CUP. Commissioner Elsaesser asked if the adjacent property owners were notified of the zone change. Zoning Officer Golemon stated yes.

Commissioner Haladay referred to page 49 of the City Commission Meeting packet and stated it is his understanding that with this proposed zone change, the property could have single and multi-family dwelling units without returning to the Commission. Zoning Officer Golemon concurred.

Mayor Smith asked why the applicant didn't request B-2 and avoid setting up application for a potential CUP. Zoning Officer Golemon stated is unaware of the history of the property; however, he does not anticipate a CUP application.

Public Testimony

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

Rick Schlenker, applicant, 25 Reeders Village Drive; noted with the zone change, the property will be zoned for single family, duplex and residential special care for up to twelve beds. One of the reasons he proposed the zoning change is because the entire length of Cabernet is zoned R-3 and for whatever reason this lot is the only lot in the block not already zoned R-3.

This lot is oversized and is approximately 17,000 feet. It is adjacent to B-2 zoning and doesn't lend itself very well to single family residential development. He commented the location of the lot is close to the interstate and major areas of transportation, and this area has developed into a medical corridor.

Mr. Schlenker requested the Commission support the proposed zone change.

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

Motion

**Commissioner Haladay moved approval for first passage of an ordinance amending City of Helena Ordinance No. 2359 and amending the official zoning map, for a zone change from an R-2 (Residential) District to an R-3 (Residential) District for property legally described in the attached ordinance.** Commissioner Ellison seconded the motion. All voted aye, motion carried. **Ord #3211**

C. CONSIDER A RESOLUTION TO BUDGET ADDITIONAL PROPERTY TAX REVENUE FOR FISCAL YEAR 2016.

Staff Report

Budget Manager Bob Ricker reported State statute allows the City to budget additional property tax revenues over the prior year level as specified in 15-10-420, MCA. In accordance with 15-10-203, MCA the City is required to hold a public hearing before budgeting any increase in total property tax revenues. The City intends to budget tax revenue increases as allowed by state law.

Budget Manager Ricker recommended the Commission hold a public hearing and after hearing public input, adopt a resolution to budget additional property tax revenue in compliance with 15-10-203, MCA. He

noted tax revenue increases are necessary to preserve the present level of services to the community.

The total increase over the property tax revenue levied in the prior year is \$44,238.00 or 0.44%.

Discussion

Commissioner Elsaesser asked for more information on the General Obligation (GO) Bonds. Budget Manager Ricker stated the 1997 bond issue was \$375,000 for a fire engine and 2.5 million for open space. The 2008 issuance was for Centennial Park, Last Chance Splash Park and the improvements to Kindrick Legion Field.

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 Haque-Hausrath moved approval for a resolution to budget additional property tax revenue for FY2016.** Commissioner Elsaesser seconded the motion. All voted aye, motion carried. **Res # 20178**

B. CONSIDER A RESOLUTION TO ADOPT FINAL BUDGETS, BUDGET AUTHORITIES AND ANNUAL APPROPRIATIONS FOR FISCAL YEAR 2016.

Staff Report

Budget Manager Ricker 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: the City Manager's presentation of the Preliminary Budget to the City Commission on May 4, 2015; 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.

Budget Manager Ricker gave a Powerpoint presentation that included the following information:

- Where the money comes from for FY2016 – flow chart
- Where the money goes – FY2016
- FY2016 General Fund Revenues by Category
- FY2016 General Fund Expenditures by Category
- FY2016 General Fund Expenditures by Sub-Fund
- FY2016 – Personnel
- Notable items included in the FY2016 Budget

Manager Alles commented this is a good budget and noted the anticipated deficit will not likely come to fruition. All service levels are being kept status quo and staff continues to go over and above what is expected. He summarized he is proud of the budget being proposed and the amount of work that went into it.





***Meetings of  
Interest***

MEETINGS OF INTEREST

The next Administrative Meeting is July 22, 2015 and the next Commission Meeting is July 27, 2015.

***Adjournment***

There being no further business to come before the Commission, the meeting was adjourned at 7:49 p.m.

**/S/ JAMES E. SMITH**

Mayor James E. Smith

ATTEST:

**/S/ DEBBIE HAVENS**

Clerk of the Commission