

CITY OF HELENA
REGULAR CITY COMMISSION MEETING
August 21, 2017 - 6:00 P.M.
City Commission Chambers, Room 330

- Time & Place** A regular City Commission meeting was held on Monday, August 21, 2017 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 Ellison, Farris-Olsen, Haladay, and Noonan were present. City Manager Ron Alles, City Attorney Thomas Jodoin, and Deputy City Clerk Katya Grover were present.
HCC Representative Gary Spaeth was also present.
- 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 August 7, 2017, were approved as submitted.
- Board Appointments** BOARD APPOINTMENTS:
A. City-County Planning Board

Mayor Smith recommended the following appointment:
City-County Planning Board
Appointment of Mark French to a first term on the City-County Planning Board. Term will begin September 1, 2017, and expire August 31, 2020.
- Public Comment Mayor Smith asked for public comment, none was received.
- Motion** **Commissioner Haladay moved approval of the board appointment to the City-County Planning Board as outlined above.** Commissioner Ellison seconded the motion. All voted aye, motion carried.
- Consent Agenda** CONSENT AGENDA:
A. Claims
B. Resolution of intention to cancel the general election for City of Helena Neighborhood Council District 2 through 7.
Resolution 20376

City Manager Alles recommended approval of the claims.
- Public comment Mayor Smith asked for public comment.
Mr. Spaeth said that HCC felt that it would be a way for the City to save money, and that even though some people would be missing the official election, HCC supports canceling the general election for Helena Neighborhood Council in Districts 2 through 7.
- Motion** **Commissioner Haladay moved approval of Items A and B on the consent agenda.** Commissioner Ellison seconded the motion. All voted aye, motion carried.
- Bid Award** BID AWARD:
A. Henderson Street Drainage Improvements
- Staff Report City Engineer Ryan Leland reported presently there is a storm drainage ditch on the east side of Henderson Street extending from Euclid Avenue to Custer Avenue. The drainage ditch is subject to erosion and is difficult to maintain. The drainage ditch carries flows from

Henderson Avenue south of Euclid Avenue. The drainage ditch will be replaced with the installation of a 36" reinforced concrete pipe.

The City received 8 bids for the project on August 8, 2017. The lowest responsible bidder was Bullock Contracting, LLC, of Boulder, Montana, with a bid price of \$296,445.00 for the base bid and additive alternate #1.

The cost for this project is planned to be paid for by the City of Helena Storm Water Utility Capital Improvements Fund and is a planned upgrade to the City's storm water system to increase reliability and improve safety. The original project was budgeted for \$1.3 million and included connecting to the storm drains across Euclid Avenue; but the scope was reduced to the ditch and to complete the main part of the project. Staff decided to wait on the bigger project until the storm water master plan is complete. The excess budget will be used for other priority projects.

Installing 36-inch reinforced concrete pipe will increase public safety and decrease maintenance that is required for the Henderson Street ditch.

Engineer Leland recommended awarding the base bid and additive alternate #1 of Henderson Street Drainage Improvements, Project #17-8, to the lowest responsible bidder, Bullock Contracting, LLC, in the amount of \$296,445.00.

Public Comment

Mayor Smith asked for public comment, none was received.

Motion

Commissioner Ellison moved to award the base bid and additive alternate #1 of Henderson Street Drainage Improvements, Project #17-8, to the lowest responsible bidder, Bullock Contracting, LLC, in the amount of \$296,445.00. Commissioner Noonan seconded the motion. All voted aye, motion carried.

**Communications
From Commissioners**

COMMUNICATIONS/PROPOSALS FROM COMMISSIONERS

Commissioner Noonan said that he sent out the information to the Commission that the Public Art Committee, which has served the Commission in terms of installation and repair of public art, is willing to work on the replacement for the Confederate Monument at the Hill Park this year. Like with their past projects, it would be done with the appropriate City departments and groups, in this case, the City-County Parks Board and the Department of Parks and Recreation.

Commissioner Noonan noted that there are a lot of people who are interested in raising money. One group has committed to raising \$10,000. Helena Public Art Committee has the experience in how to deal with ideas and create some basic criteria. Commissioner Noonan said that it might be a good direction to take.

Commissioner Ellison referred to an event where Boeing had announced its Helena site expansion: the facility has more than a quarter of a million of square feet of floor space, making it probably one of the biggest buildings in our area. In addition to improvements in the tax base, Boeing provides lots of good paying jobs; they hire graduates from Carrol College, MSU, UM and other Montana schools. Commissioner Ellison referred to an article where it says that Boeing spent 12 million dollars in the State of Montana with several dozen vendors last year. Commissioner Ellison said that he regretted that he was not able to attend this event but that Mayor Smith and Governor Bullock took part in it. Commissioner Ellison concluded that it is great to have that facility and that company in Helena for all of the things that it does to the community.

Commissioner Noonan said that he also attended this event and that he could attest to the scope of this event.

Mayor Smith concurred with what was said about the event held by Boeing.

Report of the City Attorney

REPORT OF THE CITY ATTORNEY

No items to report on.

Report of the City Manager

REPORT OF THE CITY MANAGER

City Manager Alles referred to the ordinance that he emailed to Mayor and Commissioners and that is entitled Emergency Ordinance Suspending the Requirements of Chapter 15 of Title 3 of the Helena City Code for the purpose of removing of the Daughters of Confederacy Fountain from Hill Park due to Public Safety Concerns.

City Manager explained the purpose of the ordinance: it gives the City Commission the ability to take the action that was taken on August 16 and to have a clear record of the action. Manager Alles recommended proceeding with this emergency ordinance and further documenting the events of last week.

Discussion

Mayor Smith thanked Manager Alles and expressed his gratitude to Deputy City Attorney O'Connor for being present during the August 16 Administrative Meeting and for explaining that the discussion held regarding the Confederate Fountain was legally sound due to public safety concerns. Mayor Smith noted that he is glad that the removal of the Confederate Fountain can be looked at in retrospect and that he believes that public safety concerns are expressed accurately in the proposed resolution.

Commissioner Farris-Olsen made three points. Firstly, Commissioner Farris-Olsen said that he didn't think that most of the public comment provided on August 16 was addressed toward public safety but rather towards the history of the Confederacy and the United Daughters of the Confederacy and their support of the KKK and other organizations of that nature. Secondly, Commissioner Farris-Olsen said that he didn't think that proposed ordinance is retroactive in any way and, thus, does not validate the concerns that people might have expressed that the Commission did not follow its own historical preservation ordinance. Lastly, Commissioner Farris-Olsen said that he disagrees with the Mayor saying that the Commission needs to follow the historic preservation ordinance when the Commission is a local subdivision of the State, like a school district. And it was argued to the Court that a school district does not need to follow the historic preservation ordinance. Commissioner Farris-Olsen said that he is concerned that the Commission is now saying that the Commission has to follow this ordinance while not requiring other governmental subdivisions to follow the ordinance.

Commissioner Ellison expressed his disagreement with Commissioner Farris-Olsen regarding the public safety concern. There was plenty of comments regarding public safety; what is more, a mayoral candidate said in his testimony that this is a public safety concern, and many other people echoed this concern. Commissioner Ellison said that he shares some of the concerns expressed by Commissioner Farris-Olsen but the Commission would be doing its duty by approving proposed ordinance tonight as requested by the City Manager.

Commissioner Haladay asked City Attorney Thomas Jodoin to confirm whether he understood the emergency statutes and proposed ordinance correctly: this is not retroactively going back to, for instance, Tuesday night and say that any decision made of Wednesday would be suspending the demolition permit. Attorney Jodoin said that is correct.

Commissioner Haladay also asked to confirm whether the ordinance means that, essentially, from the moment the ordinance is passed going forward, any removal of the removed fountain is not a subject to the demolition permit even though it is already removed. Attorney Jodoin concurred and said that while it is not retroactive, there didn't need to be a public notice and that he was not even sure that the Commission had to authorize the City Manager to remove the fountain; potentially, the Manager could have removed it without the Commission going through the 404 process, similar to what the school district should have done. That is the purpose of this ordinance: to say that a reason that the Commission didn't schedule this up for a 404 Board of Adjustment hearing is that City Commission isn't a subject to historic demolition permit process.

Commissioner Haladay said that he is comfortable with the argument made regarding the Central School; he doesn't see the necessity for this ordinance entirely but that he is willing to be convinced.

Commissioner Noonan said that he believes that the ordinance reflects what happened and that he is not sure about the legality issue. Commissioner Noonan said that he will support this resolution.

Public Comment

Mayor Smith asked for public comment.

Gerald Hutch, Helena resident, spoke against removing the Confederate Fountain. Mr. Hutch expressed his disagreement that this decision was made at an Administrative Meeting with no public hearing. Mr. Hutch said that what the City did dishonored many people.

Discussion

Commissioner Ellison asked Manager Alles whether, in order for the ordinance to become effective, there needs to be a motion and approval of the Commission. Manager Alles said that a motion, a second, and approval of this item is needed. Manager Alles noted that if the Commission chooses not to pass this ordinance, the Commission will deal with it later if such a need arises.

Commissioner Farris-Olsen asked City Attorney Jodoin whether two thirds of votes are needed to pass this ordinance. City Attorney Jodoin concurred.

Commissioner Haladay referred to the third "Whereas" clause on page 1 of the ordinance and said that the part that concerns him the most reads "and would therefore be subject to the review process pursuant to Chapter 15 of Title 3 of the Helena City Code prior to its removal." Commissioner Haladay said that he has a problem with Commission subjecting itself to the historic review process as a City. But even though, generally, it's a good practice, City is not a subject to it. Commissioner Haladay said that based on the language in the "Whereas" clause, he cannot support this ordinance.

Commissioner Haladay asked City Attorney Jodoin if any legal harm would be done to the ordinance if that "Whereas" clause was struck in its entirety. In reply, City Attorney Jodoin said that there is a distinction between saying that the City is not subject to its own historic demolition permit process. It's true that the City doesn't have to go through that process. But under the State Law, the Commission has to go through that if the Commission is going to exercise the determination

that the City is exempt because the historic demolition permit review process is a zoning ordinance and the local government doesn't have to follow even its own zoning ordinance. It still has to go through what's called a 404 hearing in front of the Board of Adjustment. Or, if the City Commission wants to exercise that authority in the Board of Adjustment's place. Thus, in this case, if the City wanted to get out from underneath that requirement of holding that 404 hearing because of the concerns of public health and safety, it would take some time to schedule the Board of Adjustment hearing with the City Commission, consider the same testimony that the Commission has already heard, and then finally say that, after having heard all the concerns, the City will do what it is going to do. And this "Whereas" clause says that the City is subject to the Code, but the way it's met is by exempting itself out through a public hearing process, not a formal review.

Commissioner Ellison reiterated what City Attorney Jodoin said: that it is better to leave that clause in it.

Motion **Commissioner Ellison moved approval of the Emergency Ordinance Suspending the Requirements of Chapter 15 of Title 3 of the Helena City Code for the purpose of removing of the Daughters of Confederacy Fountain from Hill Park due to Public Safety Concerns.** Commissioner Noonan seconded the motion.

Discussion Commissioner Haladay said that he didn't think this ordinance was necessary but that he will vote in favor.

Vote **Motion carried 4-1, with Commissioner Farris-Olsen voting no. Ordinance 3231**

Report from the Helena Citizens Council

REPORT FROM THE HELENA CITIZENS COUNCIL

HCC Chair Spaeth reported next HCC meeting will take place on Wednesday at 7 p.m. in room 330. At that meeting the Council members will review the HCC surveys. Mr. Spaeth expressed his thanks to workers in his neighborhood for keeping boulevard trees well maintained. Mr. Spaeth also reported he attended an Airport Authority Commission meeting and noted that they deserve a lot of credit for their work.

Regular Items

REGULAR ITEMS:

- A. CONSIDER A RESOLUTION OF INTENTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A LAND EXCHANGE AGREEMENT WITH LEWIS AND CLARK COUNTY AND WAIVING THE REQUIREMENT TO OBTAIN TWO APPRAISALS

Staff Report

City Attorney Thomas Jodoin reported The City of Helena owns 33.8 acres in the southeast corner of the SW1/4NE1/4 of Section 17, Township 10 North, Range 3 West, P.M.M. Adjacent to the east, Lewis and Clark County owns 40.17 acres in the SE1/4NE1/4 of Section 17, Township 10 North, Range 3 West, P.M.M. The City's property is located within the corporate boundaries of the City of Helena and is zoned as a B-2 (General Commercial) district. The County's property is not located within the city limits. Neither property is currently served by city water or wastewater as mains are not adjacent to the property. A lift station would be required to provide city wastewater service to the properties. Legal and physical access is provided by means of an access easement across the southern boundary of the City's property and the northern boundary of the adjacent property to the south. The Bureau of Reclamation owns the strip of land adjacent to Frontage Drive.

Section 1-4-17(B), Helena City Code (HCC), requires that prior to the purchase of real property the City obtain two (2) independent appraisals when the proposed purchase price is more than \$500,000. However, subsection (C) thereof provides the Commission with authority to waive that requirement upon a finding that the procedures required by Section 1-4-17, HCC, are not in the best interests of the City. Lewis and Clark County obtained an appraisal of its property in 2015. The City and County properties are substantially the same in all respects except for overall size. Two additional independent appraisals would only add additional cost and delay this transaction.

City would deed the southern 15 acres of its property to the County and reserve the remaining 18.8 acres. The County would deed its entire 40.17 acre parcel to the City. An amended plat would be prepared that would aggregate the remaining 18.8 acres of City property with the County property that is transferred to the City. As further consideration, the City would pay \$718, 750.00 to the County for the difference in acreage.

By exchanging these undeveloped parcels, the City and County would obtain mutually useable properties by providing the City contiguity with property it owns to the south of the County's property for utilization for future expansion and potential alternatives for wastewater treatment facilities and the County with acreage more suitable for a public facility.

City Attorney Jodoin recommended to approve a resolution of intention authorizing the City Manager to enter into a Land Exchange Agreement with Lewis and Clark County and waiving the requirement to obtain two (2) appraisals, and set a public hearing date of September 11, 2017.

Discussion

Commissioner Haladay asked where the \$718, 750 is coming from. Manager Alles said that it is budgeted in the wastewater fund.

Commissioner Haladay asked whether the subsurface study Manager Alles referred to was an ongoing project. Manager Alles said that the City is in the process with that study and that a couple of presentations were done before the Commission regarding this study. Manager Alles noted that he is currently working with DEQ on that particular process.

Commissioner Haladay asked the following: with regard to the expectations on the future county facility, whether the City is banking on that facility to be placed on that land by the county if the levy passes in November. Manager Alles said that this land is not up for levy this November. Manager Alles said that if he recalls correctly, the City and County started discussing this trade about two years ago. It was at that time that this particular parcel that the county owns now became available. In the course of the discussions, Manager Alles learned that the County didn't need the 40 acres and that's when the conversation about land exchange began. Manager Alles noted that the process started about two years ago and the City and County are in the concluding stage of the discussion on the land exchange.

Commissioner Haladay asked whether there was immediacy at this time regarding the land exchange. Manager Alles replied that it was about concluding the deal that had begun two years ago.

Commissioner Haladay asked whether there is value to holding back on this deal right now as neither party seems to necessarily need this land exchange at this time. Manager Alles said that there is value for the City in proceeding with this resolution tonight: as we are working through the potential solutions for the wastewater treatment, this helps us in this regard, as we are working through the permit process and potential solutions for 4 and 5 years from now.

Commissioner Haladay asked whether Manager Alles has a time frame regarding DEQ and the work that the City is doing out there. Manager Alles said that not yet: the City continues to pursue other options including

the irrigation canal as a potential solution, but all of those solutions are still to be settled. Manager Alles reiterated the idea that he recommends to proceed with the land exchange.

Mayor Smith said that he remembers that consulting engineers from Morrison Maierle did a presentation some months ago. Mayor Smith asked whether the City has to apply for the new wastewater discharge permit in September of 2017. Manager Alles concurred and said that the City is working through that process and that the next permit cycle would be the time frame by which we might implement the measures we discussed regarding the property under question. Manager Alles pointed out that the City needs to make this land to be part of the discussion for the whole permit process going into the next cycle.

Commissioner Haladay asked to clarify whether this parcel of land is necessary for applying for permit next month or next cycle in a few years. Manager Alles said that it is the latter and explained the importance of being able to use this land soon so that the City is ready for the next permit cycle. Manager Alles emphasized that this exchange is not absolutely necessary for the permit application now but that he has explained the reason why it would be beneficial to execute the land exchange now.

Public Comment

Mayor Smith asked for public comment, none was received.

Motion

Commissioner Ellison moved approval of a resolution of intention authorizing the City Manager to enter into a Land Exchange Agreement with Lewis and Clark County and waiving the requirement to obtain two (2) appraisals, and set a public hearing date of September 11, 2017. Commissioner Noonan seconded the motion.

Discussion

Commissioner Ellison noted that he doesn't take lightly waiving the appraisal fee, but that looking into the future, in about 20-30 years, there could be close to a hundred thousand people living in that valley, and in order for that to happen successfully, that wastewater plant would be one of the key infrastructure elements that the City will rely on. And if this land exchange can facilitate making that happen, then it's a good thing to do. Commissioner Ellison concluded by saying that he is supportive of this proposal.

Mayor Smith concurred with what Commissioner Ellison said and noted that this would enhance the City's ability to work with DEQ to obtain the necessary permits for the operation of that facility.

Vote

All voted aye, motion carried. Resolution 20377

B. CONSIDER A RESOLUTION OF INTENTION TO VACATE A PORTION OF THE LEARNING STREET AND HENRY STREET RIGHTS-OF-WAY LOCATED NORTH OF LYNDAL AVENUE WITHIN THE CARROLL COLLEGE CAMPUS

Staff Report

City Engineer Ryan Leland reported Carroll College Administrators and the applicant are requesting the City of Helena to vacate a portion of Learning Street and Henry Street. The proposed vacation includes the following:

Learning Street lying north of Lyndale Avenue to its terminus on the south right-of-way of Henry Street. Henry Street lying east of Lot 13A of Block 2 of the Amended Plat of Blocks 2 & 3, Capital Hill Addition (COS #3104519) to its terminus on the west line of CC-1 COS 619517.

The applicant wishes to vacate the subject right-of-way as described above to rename the streets; this will allow an improved addressing system and to satisfy the request from the Helena Fire Department.

The total area of the Carroll College requested vacation is approximately .751 acres or 32,733 square feet. The total market value of

the land is \$185,884.64 (\$5.68 per square foot). In order to offset the vacation cost for Carroll College, the City of Helena is proposing a land exchange in an amount up to but not to exceed 32,733 square feet near the access to the City of Helena solid waste transfer station. The average value of adjacent property to the portion the City of Helena will receive is a \$2.64 per square foot for a total of \$86,415.12. The final amount will be determined with the survey to amend the plat at both locations. This exchange would be proposed to be in lieu of payment by either party.

City Engineer Leland noted that it would allow improved access control, pedestrian safety and campus security for Carroll College, and improved access to the City of Helena transfer station.

City Engineer Leland recommended approval of the resolution of intention to vacate the full width of Learning Street and Henry Street rights-of-way, along with an approval of a land exchange of up to 32,733 square feet between the City of Helena and Carroll College in lieu of payment for vacated property.

Discussion

Commissioner Farris-Olsen asked Engineer Leland whether Carroll College is going to keep portions of those streets as roads. Engineer Leland said that he believes that those portions will be kept as traveled ways, but that he didn't know if they would be roads or parking lots.

Commissioner Farris-Olsen said that there is a stop light there and he wanted to make sure the need for a stop light was not eliminated by vacating this ROW. Engineer Leland said that that was not the case.

Commissioner Haladay asked whether the TV station is not located on Carroll College land. Engineer Leland said that the TV station is located on the Carroll property. Commissioner Haladay asked whether, in this case, there could be a conversation about the City potentially getting some of that in access down to Centennial Park because the north side is lacking on that end for people who want to get across HW 12, and whether that conversation can take place rather than just discussing 32,000 square feet of entry way into the transfer station. Manager Alles noted that he believes that Carroll College would be open to talk about it and work with the City on getting access to Centennial Park as well. Manager Alles also noted that he and Carroll College talked about getting direct access from the campus to the park in the past but he is not sure that he can finalize the discussion of a finite amount of ground for this transaction. Engineer Leland added that in talking with Carroll College about the new housing development, there were discussions about that connection; Carroll College has graded out a connection that is not paved and is a dirt road. It's not ADA compliant but they are moving forward that way.

Commissioner Haladay said that he is talking about something similar to the City having access north of Exploration Works and the Carousel that allows pedestrians to go through HW 12. But there is no commensurate situation on the other side. Commissioner Haladay said that it wouldn't be too difficult to identify how many feet would be needed in order to carve out a tunnel and then carve it out to have an easily accessible pedestrian access. Commissioner Haladay pointed out that that project would be minuscule comparing to 32,000 square feet of the transfer station entry.

Mayor Smith asked for public comment. None received.

Patty White, Executive Director of Communication Department at Carroll College, introduced herself and offered to answer any questions regarding the resolution.

Motion

Commissioner Noonan moved approval of the resolution of intention to vacate the full width of Learning Street and Henry Street rights-of-way, along with an approval of a land exchange of up to 32,733 square feet between the City of Helena and Carroll College in

lieu of payment for vacated property. Commissioner Ellison seconded the motion.

Discussion

Commissioner Ellison said he is appreciative of Commissioner Haladay's comments regarding access in that area. Commissioner Ellison pointed out that the Commission has long enjoying close working relationship with Carroll College and that Carroll College graduates or professors have served on this Commission. Commissioner Ellison pointed out that he has no doubt that the City can work that out with the Carroll College; it would be nice if it could happen tonight but at this point he would encourage City Manager to act on that suggestion and see what can be done to enable that access that Commissioner Haladay described. Commissioner Ellison said that he is very supportive of moving forward with the motion tonight.

Commissioner Noonan noted that there is a lot of informal access from that side of Carroll down to Centennial Park, but it would be good to get a little more formality with that soon. Commissioner Noonan also encouraged to make whatever access exists right now ADA compliant as soon as possible and pointed out that it is important to both citizens and students of Carroll College.

Vote

All voted aye, motion carried. Resolution 20378

C. CONSIDER A RESOLUTION FOR THE ANNUAL TAX LEVY FOR FISCAL YEAR (FY) 2018

Staff Report

Administrative Services Director Glenn Jorgenson reported the City Commission adopted the final budget. (June 26, 2017)

MCA 7-6-4036 requires the City to fix the tax levy by the later of the 1st Thursday in September (9/7/17) or within 30 calendar days after receiving certified taxable values. Certified taxable values were dated August 3, 2017. September 2, 2017, is 30 days after receipt of certified taxable values. Therefore, the later tax levy deadline is September 7, 2017. Newly taxable property growth was 3.91% last year and is 2.55% this year.

Under MCA 2-9-212, Group Health Insurance tax levies may include annual increases for insurance premiums and are not subject to the general purpose mill levy calculation limitations provided for in MCA 15-10-420. The FY 2017 budget provides for \$1,829,957, or 27.75 mills, to be levied for group health insurance premiums in 2017 for FY 2018, which includes \$125,993 for a premium increase as allowed under MCA 2-9-212.

The FY 2018 budget provides for the full authorized tax levy to be levied.

Administrative Services Director Jorgenson recommended approval of a resolution providing for the annual tax levy in mills for the fiscal year beginning July 1, 2017, and ending June 30, 2018.

Public Comment

Mayor Smith asked for public comment, none was received.

Motion

Commissioner Farris-Olsen moved approval of a resolution providing for the annual tax levy in mills for the fiscal year beginning July 1, 2017, and ending June 30, 2018. Commissioner Haladay seconded the motion. All voted aye, motion carried.
Resolution 20379

Public Hearings

PUBLIC HEARINGS

A. CONSIDER FINAL PASSAGE OF AN ORDINANCE GRANTING A NON-EXCLUSIVE FRANCHISE TO BRESNAN COMMUNICATIONS, LLC.

Staff Report

In his report City Attorney Jodoin referred to amendments proposed by Commissioner Haladay and to a reply from Bresnan Communications, LLC.

City Attorney Jodoin reported the City manages rights-of-way for the public use. The City retains the authority to control the use of the public rights-of-way for utilities that are not permitted to use such rights-of-way as a matter of law.

Bresnan Communications, LLC, known locally as Charter Communications, provides cable television services within the city of Helena. Under 69-4-101, MCA, cable video services is not one of the utilities permitted to place infrastructure in public rights-of-way as a matter of right. Accordingly, pursuant to 7-3-4223, MCA, the City may grant a franchise for cable video infrastructure to use the public rights-of-way within the City of Helena.

The city currently has a franchise agreement with 3 Rivers Communication. However, since that franchise was signed in 2007, 3 Rivers has not installed cable video infrastructure in Helena and no franchise fees have been collected.

In exchange for permission from the City for Bresnan Communications, LLC, to use public rights-of-way for the provision of cable television services, Bresnan Communications, LLC, will pay an annual franchise fee in an amount equal to 5% of their annual gross revenue. A single public education and government access channel will be provided.

City Attorney Jodoin recommended approval of the final passage of an ordinance granting a non-exclusive franchise to Bresnan Communications, LLC, to provide cable television services within the City of Helena pursuant to the Franchise Agreement attached hereto.

Discussion

Commissioner Haladay asked City Manager Alles to elaborate on what a franchise agreement is and how much revenue the City generates each year. Manager Alles said that the purpose of the franchise agreement allows this particular franchisee to use the city's ROW. As a result of using the City's ROW, the franchisee pays a certain amount of money, which in the case with Bresnan Communications, LLC, amounts to 5% of their gross revenue, around \$400,000. Out of that amount the City contributes about \$180,000 to the HCTV, and Bresnan also provides the PEG channel. The agreement also provides a mechanism to add an additional channel. The City provided a mechanism to convert to HD channel vs. a straight digital for those two channels.

Commissioner Haladay asked whether approximately \$220,000 that is not assigned for HCTV can be used for Parks, Police, Fire, etc. Manager Alles concurred.

Commissioner Haladay referred to his amendments and to the clean copies of responses from Bresnan Communications and asked Manager Alles to explain about two versions of amendments offered by Bresnan.

Mayor Smith suggested to make a motion and asked Commissioner Haladay whether he would be moving any of his amendments. Commissioner Haladay replied that it was not his intention to offer amendments yet and that his intention was to discuss the franchise agreement on the preceding Wednesday but because of the circumstances it was impossible to do so then. Commissioner Haladay clarified his question: Bresnan Communications provided a response to his two amendments and, after that, also provided a set of amendments in a different format, and so Commissioner Haladay wanted to hear Manager Alles or Bresnan Communications explain the two different documents or sets of amendments.

Manager Alles explained changes to the amendments offered by Bresnan Communications. The only difference between the two versions in reply to the first amendment proposed by Commissioner Haladay was that in the original version created by Bresnan Communications there were 24 items and in the second version – 18 items. The color-coded copies distributed last week explain the reasons for removing 6 items. The difference between two versions in reply to the second amendment offered by Commissioner Haladay is that the first version talks about more options regarding bundled services.

Commissioner Haladay asked to explain why the text regarding interest earned on any subscriber was crossed out from the amendment by Bresnan Communications. Manager Alles explained that the City agreed to collect the interest semi-annually as opposed to quarterly and that the money that the City receives from Bresnan Communications is not put into a separate, interest bearing account. Manager Alles suggested Mary Roehr, Montana Area Director of Government Relations at Charter Communications, elaborate more on this point.

Commissioner Haladay asked for further clarification regarding paying the franchise fee and how it is handled by Bresnan Communications, including whether Bresnan Communications earns interest of the fee that it is to pay to the City. Ms. Roehr addressed Commissioner Haladay's question.

Commissioner Farris-Olsen and Ms. Roehr discussed the PEG fee, whether Bresnan Communications holds the franchise fee in an interest-bearing account prior to transferring payment to the City, and whether the franchise fee that the City receives is part of the gross revenue for Bresnan Communications.

Commissioner Haladay and Mr. Roehr discussed the PEG channel format. Manager Alles also contributed to the discussion.

Mayor Smith reminded Commissioners that there is no motion stated yet.

Commissioner Farris-Olsen referred to contracts with other cities where Bresnan Communications agreed to provide basic service to the elementary and secondary schools and asked whether Bresnan Communications would be willing to provide the same service in Helena. Ms. Roehr said that she couldn't recall whether this franchise agreement spells it out, but Bresnan Communications is the position to provide such services, including an outlet, to K through 12 school.

Commissioner Farris-Olsen and Ms. Roehr discussed inspection of records that is described in Section 12.3 of the agreement: whether Bresnan Communications would extend the retention period from 3 years to 8 years. Ms. Roehr explained how retention schedule works for records regarding subscribers, financial records, and customer records, and noted that subscriber records are only kept for 3 years.

Commissioner Haladay asked Ms. Roehr to define what an outlet is with respect to schools. Ms. Roehr elaborated on what an outlet is.

Mayor Smith thanked Ms. Roehr for participating in the discussion. Manager Alles provided concluding remarks.

Public Testimony

Mayor Smith opened the public hearing and called for anyone wishing to address the commission. There being no persons wishing to address the commission, the public hearing was closed.

Discussion

Commissioner Haladay noted that he is concerned about the point regarding the activated channels number and elaborated on this issue.

Motion

Commissioner Haladay moved to table consideration of the franchise agreement until the time when the Commission is provided with the current total activated number of video channels.

Commissioner Farris-Olsen seconded the motion.

Discussion

Commissioner Noonan noted that he is also very interested in knowing the number of channels. Commissioner Noonan said that he is OK with the motion to table in terms of how Commissioner Haladay presented the motion but that it seems that there are other issues that other Commissioners might want to discuss.

Mayor Smith reiterated what the motion is. Commissioner Haladay elaborated on his motion and noted that the Commission would benefit from discussing other issues with the franchise agreement at an administrative meeting as it is a long-term contract.

Mayor Smith asked Commissioner Haladay to clarify whether his initial motion is triggered by the need to know the exact numbers of the channels and not the other issues. Commissioner Haladay concurred.

Commissioner Ellison expressed his disagreement with the motion and noted that the City Manager negotiated a good agreement.

Commissioner Ellison also noted that if the original goal was to table this agreement tonight, the Commission didn't need to spend an hour doing so and, instead, questions that the Commissioners were interested in could be asked upfront.

Commissioner Farris-Olsen explained why he is in favor of the motion to table: Commissioner Haladay asked for certain information 8 months ago, when the agreement was initially drafted, as well as he himself asked for information earlier but it was not provided.

Mayor Smith said that he would be in favor of the tabling motion based on the testimony from Commissioner Haladay that information was requested but not received; however, because Commissioner Farris-Olsen indicated that there are other issues and questions that need a discussion, then he is not in favor of the tabling motion.

Commissioner Noonan noted that he feels that the Commission is getting down to really minute issues and that he is not in favor of coming back to discussing them after the issue resulting in today's tableting motion is addressed.

Commissioner Farris-Olsen said that, in this case, he will stop asking questions about an interest-bearing account in the interest of getting an answer to Commissioner Haladay's question.

Mayor Smith asked Commissioner Farris-Olsen to clarify whether he would stop asking questions tonight only or would leave the discussion to the substance of the amendments. Commissioner Farris-Olsen clarified his point: that he will not ask questions that he indicated that he had at the Administrative Meeting.

Commissioner Haladay concluded the discussion and reiterated that until answers to the questions asked a while ago are provided, the franchise agreement should be put on hold. Commissioner Haladay noted that to ask questions and get into the weeds is the Commission's prerogative on this 15-year contract and that it is not good practice to prevent Commissioners from asking questions. Both Missoula and Billings hired a third party to negotiate their agreements. Commissioner Haladay said that he thinks that this contract is poorly written.

Vote

The motion passed 3-2 with Mayor Smith and Commissioner Ellison voting no.

B. CONSIDER THE ACCEPTANCE OF BUREAU OF JUSTICE ASSISTANCE (BJA) EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT (JAG) FUNDING.

Staff Report

Chief of Police Troy McGee reported the Helena Police Department has received funding from the Federal Bureau of Justice Assistance (BJA) for the past 16 years.

The HPD is proposing that our grand award be used to supplement a full-time detective's position that has been located at the Lewis and Clark County Attorney's Office. This detective serves as a liaison between the police department, county attorney's office, and the city prosecutor's office. Having this detective serve in this capacity allows for him to be able to coordinate information and developments from both law enforcement and prosecutors on case investigations. The detective actively works with the prosecution to prepare for trials and attends trials as a law enforcement expert.

This grant requires the City of Helena and Lewis and Clark County submit the application together. The allocation is set by BJA is for both City of Helena and Lewis and Clark County totals \$41,091. The city's allocation is \$27,172 and the county's allocation is \$13,919.

The advantage of this grant is to help keep one detective serving in the capacity of the liaison between the Helena Police Department, Lewis and Clark County Attorney's Office, and the City of Helena Prosecution Office. This position ensures tasks are completed in major cases and information shared and presented for prosecution.

Chief of Police McGee recommended approval of the acceptance of the JAG funding in the amount of \$27,172.

Motion

Commissioner Ellison moved approval of the acceptance of the JAG funding in the amount of \$27,172. Commissioner Noonan seconded the motion. All voted aye, motion carried.

- C. CONSIDER A RESOLUTION LEVYING AN ASSESSMENT FOR AND APPROVING THE PROPOSED WORK PLAN AND BUDGET OF THE BUSINESS IMPROVEMENT DISTRICT (BID) FOR FISCAL YEAR 2018.

Administrative Services Director Glenn Jorgenson reported on August 9, 2010, the City Commission adopted a resolution creating the BID for a period of ten years pursuant to 7-12-1101, MCA. 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 Commission passed a resolution of intention on July 24, 2017.

The BID is not requesting any change to the assessment methodology. The complete methodology is outlined in the attached Resolution and is in accordance with the prescribed methodologies allowed by state law (7-12-1133, MCA). The BID's proposal is, after receiving public comment, that the City Commission approve the work plan and budget and levy an assessment to defray the costs thereof for fiscal year 2018 as submitted.

Approval of the Resolution allows for public input on the BID's work plan and budget. Approval also allows for the assessment to be placed on the 2017 tax bills of the properties within the district which will fund the BID's operations for fiscal year 2018. In addition, State law requires the Commission's approval of the budget and work plan.

Director Jorgenson recommended approval of the resolution levying an assessment and approving the work plan and budget for the Business Improvement District for fiscal year 2018.

Public Testimony

Mayor Smith opened the public hearing and called for anyone wishing to address the commission.

Mark Roylance, Director of the DIB Board, spoke about starting public market feasibility study, which, when done, will result in a marketable proposition to start a public market downtown. Mr. Roylance

reported on the large and small projects that the Board is involved in and that result in downtown being a place where people want to come and engage in activities, such as working with the Zoning Commission to improving the downtown zoning code, a form based zoning code, or working on developing a façade improvement program.

Motion

Commissioner Farris-Olsen moved approval a resolution levying an assessment and approving the work plan and budget for the Business Improvement District for fiscal year 2018.

Commissioner Ellison seconded the motion.

Discussion

Commissioner Noonan reiterated what Mr. Roylance has said: that the BID worked hard on the master plan and that there are many positive things that are being worked on.

Vote

All voted aye, motion carried. Resolution 20380

D. CONSIDER A RESOLUTION LEVYING AN ASSESSMENT FOR AND APPROVING THE PROPOSED WORK PLAN AND BUDGET OF THE TOURISM BUSINESS IMPROVEMENT DISTRICT (TBID) FOR FISCAL YEAR 2018.

Director Jorgenson reported on April 20, 2009, the City Commission passed Resolution 19644 which created the TBID for a period of ten years pursuant to 7-12-1101, MCA. State law (7-12-1132) requires the TBID to submit its annual 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 Commission passed a resolution of intention on July 24, 2017.

The TBID's proposal is, after receiving public comment, that the City Commission approve the work plan and budget and levy an assessment to defray the costs thereof for fiscal year 2018 as submitted. The annual assessment approved by the City Commission will be placed on the calendar year 2017 tax bills of the properties within the district.

Approval of the Resolution allows for public input on the TBID's work plan and budget. Approval also allows for the assessment to be placed on the 2017 tax bills of the properties within the district which will fund the TBID's operations for fiscal year 2018. In addition, State law requires the Commission's approval of the budget and work plan.

Director Jorgenson recommended approval of the resolution levying an assessment and approving the work plan and budget for the tourism business improvement district for fiscal year 2018.

Public Testimony

Mayor Smith opened the public hearing and called for anyone wishing to address the commission.

Anna Strange, Interim Executive Director of the TBID Board, introduced herself.

Motion

Commissioner Haladay moved approval of a resolution levying an assessment and approving the work plan and budget for the tourism business improvement district for fiscal year 2018.

Commissioner Ellison seconded the motion. All voted aye, motion carried. **Resolution 20381**

Mayor Smith announced that with no objections from the Commissioners, the Commission will listen to reports regarding Items E through T and vote on them afterwards.

- E. CONSIDER A RESOLUTION LEVYING AND ASSESSING PROPERTY TO RECOVER THE COST OF REMOVAL OF SNOW AND ICE FROM SIDEWALKS ON PUBLIC RIGHTS-OF-WAY FRONTING OR ABUTTING SAID PROPERTIES FOR FISCAL YEAR 2018. **Resolution 20382**
- F. CONSIDER A RESOLUTION ADJUSTING WATER RATES FOR ALL CUSTOMERS. **Resolution 20383**
- G. CONSIDER A RESOLUTION SETTING WATER CHARGES FOR ALL CUSTOMERS. **Resolution 20384**
- H. CONSIDER A RESOLUTION INCREASING WASTEWATER RATES FOR ALL CUSTOMERS. **Resolution 20385**
- I. CONSIDER A RESOLUTION SETTING WASTEWATER CHARGES FOR ALL CUSTOMERS. **Resolution 20386**
- J. CONSIDER A RESOLUTION SPECIFYING THE ASSESSMENT OPTION, AMENDING THE BOUNDARIES AND LEVYING AND ASSESSING THE ANNUAL CHARGE FOR STREET MAINTENANCE AND IMPROVEMENTS DISTRICT #1 FOR FISCAL YEAR 2018. **Resolution 20387**
- K. CONSIDER A RESOLUTION AMENDING THE BOUNDARIES AND LEVYING AN ASSESSMENT UPON ALL PROPERTY IN THE STORM WATER UTILITY DISTRICT FOR FISCAL YEAR 2018. **Resolution 20388**
- L. CONSIDER A RESOLUTION ESTABLISHING RATES FOR COLLECTION AND DISPOSAL OF RESIDENTIAL GARBAGE AND REFUSE FOR FISCAL YEAR 2018, AND LEVYING AND ASSESSING ALL PARCELS OF LAND RECEIVING RESIDENTIAL SOLID WASTE COLLECTION. **Resolution 20389**
- M. CONSIDER A RESOLUTION SPECIFYING THE ASSESSMENT OPTION FOR THE SPECIAL LANDFILL MONITORING AND MAINTENANCE DISTRICT FOR FISCAL YEAR 2018, AND LEVYING AND ASSESSING ALL PROPERTY WITHIN. **Resolution 20390**
- N. CONSIDER A RESOLUTION SPECIFYING THE ASSESSMENT OPTION FOR THE OPEN SPACE MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2018, LEVYING AND ASSESSING ALL PROPERTY WITHIN THE DISTRICT, AND AMENDING THE BOUNDARIES OF THE DISTRICT. **Resolution 20391**
- O. CONSIDER A RESOLUTION SPECIFYING THE ASSESSMENT METHOD OPTION FOR SPECIAL URBAN FOREST MANAGEMENT DISTRICT FOR FISCAL YEAR 2018 AND

LEVYING AND ASSESSING ALL PROPERTY WITHIN THE DISTRICT. **Resolution 20392**

- P. CONSIDER A RESOLUTION LEVYING AN ASSESSMENT UPON ALL PROPERTY IN SPECIAL STREET LIGHTING DISTRICTS TO DEFRAY THE COST OF INSTALLING AND MAINTAINING IMPROVEMENTS IN SAID DISTRICTS FOR FISCAL YEAR 2018. **Resolution 20393**
- Q. CONSIDER A RESOLUTION LEVYING AND ASSESSING A TAX UPON ALL PROPERTY IN THE SPECIAL WATER, SEWER, AND PAVING IMPROVEMENT DISTRICTS TO DEFRAY THE COST OF MAINTAINING IMPROVEMENTS IN SAID SPECIAL IMPROVEMENT DISTRICTS FOR FISCAL YEAR 2018. **Resolution 20394**
- R. CONSIDER A RESOLUTION LEVYING ASSESSMENTS FOR FISCAL YEAR 2018 FOR IMPROVEMENTS OF SIDEWALKS, CURBS, GUTTERS AND ALLEY APPROACHES IN THE CITY OF HELENA, MONTANA. **Resolution 20395**
- S. CONSIDER A RESOLUTION LEVYING AN ASSESSMENT UPON PROPERTIES TO RECOVER AMORTIZED LOANS ISSUED UNDER THE RESIDENTIAL ENERGY EFFICIENCY AND RENEWABLE ENERGY LOAN PROGRAM FOR FISCAL YEAR 2018. **Resolution 20396**
- T. CONSIDER A RESOLUTION ELIMINATING UNNECESSARY FEES, REVISING FEES FOR STREET AND ALLEY OPENING PERMITS AND STREET LOADING PERMITS, SETTING CHARGES FOR THE COSTS OF SIDEWALK SNOW REMOVAL AND EXTRA WORK SERVICES PERFORMED BY THE HELENA POLICE DEPARTMENT, AND REPEALING RESOLUTIONS 20003 AND 20305. **Resolution 20397**

Snow/Ice Removal Assessments Director Jorgenson reported each year the City Commission may levy assessments on properties to recover the costs of removal of snow and ice from sidewalks in order for those assessments to be placed on the upcoming tax bills. The Commission passed a resolution of intention on July 24, 2017.

After receiving public input, approve a resolution levying assessments on each property that received snow/ice removal service to defray the costs thereof for fiscal year 2018. The annual assessments approved by the City Commission will be placed on the calendar year 2017 tax bills of the affected properties.

Approval of the resolution will allow the City to levy assessments on all affected properties to defray the costs of snow and ice removal services.

Director Jorgenson recommended approval of a resolution levying and assessing property to recover the cost of removal of snow and ice from sidewalks on the public right-of-way.

Water Rates

Director Jorgenson reported each year the City Commission may adjust water rates as necessary for inflation of costs of providing services, capital improvements and to meet bonded debt coverage.

The City's Financial Planning Policy resolution calls for funding of essential services, including: providing timely 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;
- consider the impact of inflation; and
- make incremental rate changes that are regular and predictable for citizens.

The water rates include varying rate changes as a result of the City Commission's CCIP review. The Commission proposes increases to the base unit rate for all customers. In a desire to promote water conservation, the Commission proposes a decrease of the per unit charge for residential customers using 8 units or less per month. For commercial users and residential customers using more than 8 units per month, the Commission proposes a rate increase. See the attached resolution for the proposed rate changes. The Commission passed a resolution of intention on July 24, 2017.

Approval of the resolution will establish rates to defray the costs of the water operating and capital systems and provide an incentive towards water usage conservation.

Director Jorgenson recommended approval of a resolution adjusting rates for all users of the City of Helena Water System.

Director Jorgenson reported each year the City Commission may adjust water charges for services or equipment to customers.

The City's Financial Planning Policy resolution calls for funding of essential services, including:

Providing timely 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;
- consider the impact of inflation; and
- make incremental rate changes that are regular and predictable for citizens.

The water services and equipment charges include recommended increases to cover the costs of providing such to customers. The Commission passed a resolution of intention on July 24, 2017.

Approval of the resolution will set charges to defray the costs of providing water services and equipment to customers.

Director Jorgenson recommended approval of a resolution setting charges for all customers of the City of Helena Water System and repeal all previous resolutions setting charges.

Director Jorgenson reported each year the City Commission may adjust wastewater rates to customers.

The City's Financial Planning Policy resolution calls for funding of essential services, including:

Providing timely 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;
- consider the impact of inflation; and
- make incremental rate changes that are regular and predictable for citizens.

The wastewater rates include recommended rate increases as a result of the City Commission's CCIP review. The Commission will

Water Charges

Wastewater Rates

consider rate changes to obtain approximately 8.38% of additional revenue. Proposed rates are shown in the attached resolution.

Approval of the resolution will establish rates to defray the costs of the wastewater operating and capital systems.

Director Jorgenson recommended approval of a resolution setting rates for all users of the City of Helena Wastewater System.

Director Jorgenson reported each year the City Commission may adjust wastewater charges for services or equipment to customers.

The City's Financial Planning Policy resolution calls for funding of essential services, including:

Providing timely 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;
- consider the impact of inflation; and
- make incremental rate changes that are regular and predictable for citizens.

The wastewater services and equipment charges include recommended increases to cover the costs of providing such to customers. The Commission passed a resolution of intention on July 24, 2017.

Approval of the resolution will set charges to defray the costs of providing wastewater services and equipment to customers.

Director Jorgenson recommended approval of a resolution setting charges for all customers of the City of Helena Wastewater System and repeal all previous resolutions setting charges.

Director Jorgenson reported each year the City Commission must levy and assess an annual charge on the district in order for the charges to be placed on the upcoming tax bills and provide for the maintenance and improvements of the district. The Commission passed a resolution of intention on July 24, 2017.

The fiscal year 2018 annual charge approved by the City Commission will be placed on the calendar year 2017 property tax bills. A rate increase of up to 7.0% for residential, vacant and mobile home properties and up to 13.5% for commercial properties will be considered.

Approval of the resolution will allow the City to levy an assessment on all properties within the Street Maintenance and Improvements District #1 to defray the costs of operations.

Director Jorgenson recommended approval of a resolution specifying the assessment option for Street Maintenance and Improvements District No. 1 for fiscal year 2018, levying and assessing all property within the district, and amending the boundaries of the district.

Director Jorgenson reported each year the City Commission must levy an assessment on the Storm Water Utility District in order for the assessment to be placed on the upcoming tax bills and defray the cost to maintain services in the district. The Commission passed a resolution of intention on July 24, 2017.

The annual assessment approved by the City Commission will be placed on the calendar year 2017 tax bills of the properties within the district. The Commission will consider a rate increase of up to 7.00% for residential, vacant and mobile home properties and up to 19.9% for commercial properties.

Wastewater Charges

Street Maintenance and Improvements District 1

Storm Water

Approval of the resolution will allow the City to levy an assessment on all properties within the Storm Water Utility District to defray the costs of operations.

Director Jorgenson recommended approval of a resolution specifying the assessment option for the Storm Water Utility District for fiscal year 2018, levying and assessing all property in the district, and amending the boundaries of the district.

Residential Solid Waste

Director Jorgenson reported the City's Financial Planning Policy resolution calls for funding of essential services, including: Providing timely 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;
- consider the impact of inflation; and
- make incremental rate changes that are regular and predictable for citizens.

The Commission passed a resolution of intention on July 24, 2017.

The annual charges approved by the City Commission will be placed on the calendar year 2017 property tax bills. Due to adequate cash reserves, the Commission is considering a 2% reduction to charges.

Approval of the resolution will allow the City to establish charges to fund the residential solid waste operation and capital needs for fiscal year 2018 and place the applicable charges on the corresponding residential 2017 property tax bills.

Director Jorgenson recommended approval of a resolution establishing rates for collection and disposal of residential garbage and refuse for fiscal year 2018, and levying and assessing all parcels of land receiving residential solid waste collection.

Landfill Monitoring District

Director Jorgenson reported each year the City Commission must levy and assess an annual assessment on the Landfill Monitoring and Maintenance District in order for the assessment to be placed on the upcoming tax bills and provide for the operation of the district. The Commission passed a resolution of intention on July 24, 2017.

The annual assessment approved by the City Commission will be placed on the calendar year 2017 tax bills of the properties within the district. No increase to the amount of the annual assessment for fiscal year 2018 is being considered.

Approval of the resolution will allow the City to levy an assessment on all properties within the Landfill Monitoring and Maintenance District to defray the costs of operations.

Director Jorgenson recommended approval of a resolution specifying the assessment option for the special Landfill Monitoring and Maintenance District for fiscal year 2018 and levying and assessing all property within.

Open Space Maintenance District 1

Director Jorgenson reported each year the City Commission must levy and assess an annual charge on the Open Space Maintenance District in order for the charge to be placed on the upcoming tax bills and provide for the operation of the district. For fiscal year 2016 the Commission revised the assessment methodology by reducing the base assessment per property from \$20 down to \$14 but left the impervious area portion of the assessment at \$0.00221 per square foot in excess of 2,222 square feet. This resulted in approximately a \$75,000 reduction of assessment revenue to the district. For fiscal year 2017, the Commission elected to return the

district to the former funding level with an increase to both the base assessment and the impervious assessment of 27%. The Commission feels no need to change the funding from the current level for fiscal year 2018. The Commission passed a resolution of intention on July 24, 2017.

The annual assessment approved by the City Commission will be placed on the calendar year 2017 tax bills of the properties within the district. The Commission proposes no rate increase for fiscal year 2018.

Approval of the resolution will allow the City to levy an assessment on all properties within the Open Space Maintenance District No. 1 to defray the costs of operations.

Director Jorgenson recommended approval of a resolution specifying the assessment option for the Open Space Maintenance District No. 1 for fiscal year 2018, levying and assessing all property within the district, and amending the boundaries of the district.

Urban Forest Management District

Director Jorgenson reported each year the City Commission must levy and assess an annual assessment on the Urban Forest Management District in order for the assessment to be placed on the upcoming tax bills and provide for the operation of the district. The Commission passed a resolution of intention on July 24, 2017.

The annual assessment approved by the City Commission will be placed on the calendar year 2017 tax bills of the properties within the district. The Commission is considering no increase to the current rate of \$21 per property.

Approval of the resolution will allow the City to levy an assessment on all properties within the Urban Forest Management District to defray the costs of operations.

Director Jorgenson recommended approval of a resolution specifying the assessment method option for the Urban Forest Management District for fiscal year 2018 and levying and assessing all property within the district.

Street Lightning Districts

Director Jorgenson reported each year the City Commission must levy assessments on the Special Street Lighting Districts in order for the assessments to be placed on the upcoming tax bills and defray the costs of installing and maintaining improvements in the districts. The Commission passed a resolution of intention on July 24, 2017.

The annual assessment approved by the City Commission will be placed on the calendar year 2017 tax bills of the properties within the districts.

Approval of the resolution will allow the City to levy an assessment on all properties within the Special Street Lighting Districts to defray the costs in those districts.

Director Jorgenson recommended approval of a resolution levying an assessment upon all property in Special Street Lighting Districts to defray the cost of installing and maintaining improvements in said districts for fiscal year 2018.

Special Improvement Districts

Director Jorgenson reported each year the City Commission must levy and assess an annual tax on the Special Improvement Districts in order for the charge to be placed on the upcoming tax bills. The Commission passed a resolution of intention on July 24, 2017.

The annual tax approved by the City Commission will be placed on the calendar year 2017 tax bills of the properties within the districts.

Approval of the resolution will allow the City to levy a tax on all properties within the Special Improvement Districts to defray the costs of maintaining improvements.

Director Jorgenson recommended approval of a resolution levying and assessing a tax upon all property in special water, sewer and

Sidewalk Improvements

paving improvement districts to defray the cost of maintaining improvements in said special improvement districts for fiscal year 2018.

Director Jorgenson reported each year the City Commission must levy assessments on participating properties in order for those assessments to be placed on the upcoming tax bills and recoup the cost of installation of sidewalks, curbs, gutters and alley approaches. The Commission passed a resolution of intention on July 24, 2017.

The annual assessments approved by the City Commission will be placed on the calendar year 2017 tax bills of those participating properties.

Approval of the resolution will allow the City to levy assessments on all participating properties in the sidewalk program to defray the costs of improvements.

Director Jorgenson recommended approval of a resolution levying assessments for improvement of sidewalks, curbs, gutters and alley approaches in the City of Helena, Montana.

Residential Energy Loan Program

Director Jorgenson reported each year the City Commission will levy assessments on all properties under the Residential Energy Efficiency and Renewable Energy Loan Program. Properties are assessed based on the loan agreements entered into by the property owners. Those assessments will be placed on the upcoming tax bills.

The annual assessments approved by the City Commission will be placed on the calendar year 2017 tax bills of the properties.

Approval of the resolution will allow the City to levy assessments on all participating properties in the Residential Energy Efficiency and Renewable Energy Loan Program to defray the costs of improvements.

Director Jorgenson recommended approval of a resolution levying an assessment upon properties to recover the amortized loans issued under the Residential Energy Efficiency and Renewable Energy Loan Program.

Miscellaneous Fees

Director Jorgenson reported each year the City Commission may adjust fees for providing services or equipment to customers. The City Commission may also eliminate fees that are determined to be no longer necessary. Staff is recommending eliminating animal impoundment fees no longer considered necessary and use fees for public rights-of-way that are addressed in resolution 11682.

It appears to be in the best interest of the City and its citizens that the above mentioned unnecessary fees be eliminated and charges be set for street and alley opening and street loading permits, the cost of removal of snow from sidewalks on public rights-of-way, and extra work services performed by the Helena Police Department. Staff recommends repeal of resolutions 20003 and 20305 that established the fees in Appendix A in prior years.

Fee changes recommended by staff are highlighted in red with old fees shown with strikeout in Appendix A.

The approval of the resolution will allow the City to eliminate the unnecessary fees and set the proposed charges for other fees as shown in Appendix A.

Director Jorgenson recommended approval of a resolution eliminating unnecessary fees, revising fees for street and alley opening permits and street loading permits, setting charges for the costs of sidewalk snow removal and extra work services performed by the Helena Police Department, and repeal resolutions 20003 and 20305.

Discussion: Items C - T

Commissioner Farris-Olsen referred to snow removal charges in Item T and asked Mr. Jorgenson about discrepancies in charging a penalty. Director Jorgenson explained the reasoning behind the different

amounts charged. Manager Alles also elaborated and said that he deals with those appeals and he tries to work with people and not charge them a minimum \$50 fee if their fine is under that amount.

Commissioner Farris-Olsen referred to Items F and J and said that possibly at the next administrative meeting he would like to discuss providing subsidies for people who cannot afford paying for waterlines repairs that they are responsible for (Item F). Commissioner Farris-Olsen noted that he has a similar concern regarding Item J: it is yet to be discussed at an administrative meeting even though the concern was brought up some time ago. Manager Alles said that in the near future he will have an agenda item to discuss a cost reimbursement program.

Commissioner Ellison referred to Item K and noted that he considered offering an amendment tonight but changed his mind after having some discussions with the city staff. Commissioner Ellison said that his concern is that there is a very disparate rate for households, vacant and mobile homes vs. for commercial properties: from 7% to 20%. Commissioner Ellison said that he is not too concerned about large retail businesses but about the school district, Carroll College, Airport, the hospital, and houses of worship. Commissioner Ellison said that he would like to see some adjustment made lowering the 20% rate.

Commissioner Haladay referred to Items K and N and noted that both of these contain provisions to reduce the rate for individuals who are on a TAP (tax assistant program) program as a specific instance of the City being engaged in a means test.

Mayor Smith asked to confirm that individuals can be referred to the State TAP program. Commissioner Haladay said that there is a State TAP program based on income and once an individual is identified through that program his or her bill with the City can be reduced.

Public Testimony

Mayor Smith opened the public hearing and called for anyone wishing to address the commission. There being no persons wishing to address the commission, the public hearing was closed.

Discussion

Commissioner Ellison asked Mayor Smith whether his intention was to cover Items C through T with one motion. Mayor Smith concurred. City Attorney Jodoin also noted that a single motion would work unless a Commissioner would like to single out any particular item.

Commissioner Haladay said that he would like to remove Item R that he will abstain from voting on.

Mayor Smith recommended to make a motion on all items with the exclusion of Item R.

Motion

Commissioner Ellison moved approval of Items E through T, with the exception of Item R, as outlined in the staff presentation by Director Jorgenson. Commissioner Haladay seconded the motion. All voted aye, motion carried.

Motion

Commissioner Ellison moved approval of Item R. Commissioner Farris-Olsen seconded the motion. All voted aye, with Commissioner Haladay abstaining, motion carried.

Commissioner Ellison commended Commissioner Haladay for abstaining from voting on Item R as Commissioner Haladay might have financial interest in it.

Mayor Smith thanked Director Jorgenson and Carrie Hahn for their work on the resolutions.

**Public
Communications**

PUBLIC COMMUNICATIONS
No comments received.

**Meetings of
Interest**

MEETINGS OF INTEREST
The next Administrative Meeting is September 6, 2017; and the next Commission Meeting is September 11, 2017.

Adjournment

There being no further business to come before the Commission, the meeting was adjourned at 7:35 p.m.

/S/ JAMES E. SMITH
MAYOR

ATTEST:

/S/ KATYA GROVER
DEPUTY CLERK OF THE COMMISSION