

SUMMARY OF ADMINISTRATIVE MEETING
October 31, 2018– 4:00 p.m.
Room 326, City-County Building
316 N. Park Avenue

1. Call to order, introductions, opening comments – Mayor Collins called the meeting to order. Commissioners Haladay, Noonan and O’Loughlin were present. Commissioner Farris-Olsen was excused. Staff present was: City Manager Dennis Taylor; Assistant to the Manager Alan Miller; City Attorney Thomas Jodoin; Deputy City Attorney Iryna O’Connor; Police Chief Troy McGee; Fire Chief Emert; Parks & Recreation Director Amy Teegarden; Parks Superintendent Craig Marr; Community Development Director Sharon Haugen; Public Works Director Randall Camp; City Engineer; Code Enforcement Officer Greta Dige; Dave Hewitt; Community Facilities Superintendent Troy Sampson; and City Clerk Debbie Havens.

Others in attendance included: HCC Representative Sumner Sharpe; IR Reporter Mike Wooley; Montana History Center representatives EJ Redding, Ralph Kinney, and Fran Waddell; Montana State General Services Division representative Steve Biamonte; Pam Aldridge; Curt Larson, Lois Olsen, Claudia Clifford; DD Dowden; Eric Grove; Mary Hollow, PPLT; Pam Aldridge; Curt Larson, Meg Bishop Tony Jewett; Barry Hood; Eric Siverson, Steven Mills, and Sanna Porte.

2. October 24, 2018 Administrative Summary – The October 24, 2018 administrative meeting summary was approved as submitted.

3. Commission comments, questions –

Upcoming Appointments – Mayor Collins will recommend the appointment of Rose Casey to the Railroad TIF Advisory Committee.

Commissioner Noonan recognized Gary Spaeth for his contributions to the city of Helena and many other organizations. He also commented he took a couple of kids to the Civic Center Haunted House and it was well received.

Commissioner Noonan asked if there is time, he would like to discuss where medical marijuana dispensaries can be located within the city. Manager Taylor noted it is not on the agenda and he would propose putting it on the November 14th administrative meeting agenda.

Commission Trails Letter Follow-Up –Director Teegarden gave the following update:
Review & Approval Process: Before providing the status of trails, it is important to review the process by which trail projects are considered and approved.

The 2004 Helena Open Lands Management Plan provides guiding direction for management of the open lands. Goals and objectives guide project management. Working with HOLMAC and other community organizations, the city open lands manager prepares an annual work plan of maintenance and projects that meets the goals and objectives of the open lands management plan. Proposed activities for the upcoming work plan are organized into a draft work plan. Some proposals “do not make it into” the work plan because they do not adhere to the overall management plan. City staff and HOLMAC prepare a draft work plan and release it to the public for a 30-day review, usually in January and February. (The 2018 public comment period was extended to March 1, 2018) Advertised open house meetings are held to discuss the work plan. Comments are also encouraged via email, seamless doc and in writing. After receiving comments, proposed projects are reconsidered or revised based on suggestions or concerns from the public. Following this, the work plan is presented for approval of the City Commission, usually in February or March. This process occurs on an annual basis, outside of the budget approval process.

In 2018, two trail construction projects and three trail improvement projects were approved in the annual work plan. Typically, the city accomplishes these activities by contracting with Prickly Pear Land Trust (PPLT) for trail coordination activities including construction, maintenance, relocation, obliteration, mapping and volunteer workdays. The City also contracts with other organizations such as Montana Conservation Corps, Helena Climbers Coalition, Montana Bicycle Guild and Windswept Forestry. The city maintains the trailheads and parking areas (garbage, restroom cleaning, snow removal, etc.) using city labor and manages vegetation and weed projects.

Mountain Bike Directional Trail Timeline: The concept of constructing a directional trail dedicated to mountain biking first originated in the 2014 draft South Hills Trails Plan prepared by PPLT. The draft plan recommended special trails such as bicycle skills courses and gravity/flow bike directional trails. The plan described directional trails as *“construct trails designed for use in a single direction to reduce user conflicts of trails. Some of these trails would be optimized for use by mountain bikers with flowing corners and enhanced drainage features”*.

The recommendation to construct a directional mountain bike trail on the southeast face of Mt Ascension arose from an opportunity where acreage was acquired through a USDA Community Forestry Grant. The purpose of the grant was to implement fuel reduction and new recreation projects. The fuels project required the construction of a wooden bridge for mechanical equipment access. The bridge constructed at the bottom of the area provided a single controlled access point, which could be clearly signed with a prohibition on uphill travel. The terrain allowed for trail construction such that uphill bike travel is inherently undesired. Furthermore, the area had no existing social trails and limited developed trails. In all likelihood, the steepness and contour of the trail is not desired by hikers and would draw mountain bike users from other areas of the system and reduce potential for conflicts.

The directional trail concept was discussed at the February 2017 HOLMAC meeting. A few months later, the Montana Bicycle Guild (MBG) developed a proposal for city staff’s consideration. (The city and MBG had established a successful partnership by working on the Vigilante Bike Park and other open lands volunteer activities). Later in the summer, MBG volunteers flagged the proposed route on the ground for city staff, HOLMAC and public consideration. MBG also proposed to assume long-term annual maintenance of the trail. After city staff walked the route and considered the proposal, the directional trail was included in the 2018 draft annual work plan for consideration and approval using the process described above. Received public comment highly supported construction of the trail.

On March 26, 2018, the City Commission approved the 2018 annual work plan, which included construction of the directional trail. City staff developed a RFP and scope of services for potential contractors. One proposal was received. In May, the “Ales for Trails” charity event was held with proceeds advertised to go to construction of the Mt. Ascension Directional Trail. On July 17, 2018, the city entered into a contract with Phat Track Trail Company in the amount of \$20,032.00 for 6,400 feet of machine built trail located between the 2006 Loop trail and the Eddy McClure West trail. Specifications and construction standards are thoroughly outlined in the contract.

To date Phat Trak has finished and been paid for the contracted trail work. The “flow loop” is complete with the exception of sign installation and seeding. Only minor work remains on the “technical loop”, requiring 50 hours of volunteer raking and compacting, seeding and sign installation.

Per the RFP any wooden features would be billed separately; two proposed features remain to be constructed for the purpose of incorporating a rock outcrop into the trail; and to make the largest rock outcrop safer by converting a drop with a bad landing into a steep ramp. Per the RFP and agreement with the city, the MBG will provide volunteer labor to rake and compact the soils in order to finish the machine-built trail alignment. This was accomplished through 13 organized work events, utilizing 57 volunteers for a total of 352 hours of labor.

The Mt Ascension directional trail is actually one of two directional mountain bike trails on Helena open lands. The Davis Gulch bike skills trail was constructed by PPLT employees and volunteers (prior to an approval process) in 2008-2009.

Other Trail Construction, Improvement and Major Maintenance: (PPLT Contract)

- New single-track trail connecting Prickly Pear Trail to Easy Rider. Approximately .27 miles in length
- New neighborhood connector trail extending the Bull Run Trail to the south between California and Gold Rush Avenues.
- Rework of Archery Range switchbacks into climbing turns
- Re-tread of Mt. Ascension Loop trail north of Mt. Ascension to make flatter/wider
- Tread work on Entertainment Trail to prevent future erosion, re-work off-camber turns, significant drainage added to fall-line jeep trail section.

Resolution to establish Regional Trails Steering Committee: Joint resolutions passed by City of Helena, L&C County and Jefferson County. Committee will consist of:

- 1 representative from L&C County
- 1 representative from Jefferson County
- 1 representative from the City of Helena

- 1 representative from a land conservation or recreation advocacy organization
- 1 representative from the Bureau of Land Management
- 1 representative from the Helena-Lewis & Clark National Forest and
- 1-citizen at large

Develop a plan and framework for community input and vetting of trail projects: The city does have a plan and framework, as described above. City staff and HOLMAC will work with community stakeholders to review the process and make recommendations for improvements. The preferred process and framework may best be suited as part of an update to the open lands management plan.

Update Recreation component of the Open Lands Management Plan: City staff requests delaying the due date until February 1, 2019 to ensure adequate public participation and review can be accomplished in the development and approval of the RFP.

Commissioner O'Loughlin stated she does not want to get too bogged down on the directional trail; seeding and signage are the only two remaining items to complete. The signage has not been designed and staff will bring a draft proposal forward as soon as one is available.

Commissioner O'Loughlin referred to page three of Director Teegarden's memo and asked for clarification if staff is recommending that no change is needed for community input and vetting of trail projects. Director Teegarden stated she is not saying no change needs to be made; what she is saying is there is a process and framework, however, it could be reviewed and included in the update of the Open Lands Land Management Plan. Manager Taylor stated in the development of the RFP, one of the specific items is how to involve the public and stakeholders going forward.

Manager Taylor stated he would like commission direction on the moratorium and move forward on the development of the RFP for the Open Lands Management Plan update by February 1, 2019. He is not clear what we do in regard to the two additional features of the directional trail; which are not currently implemented and affected by the direction of the commission in regards to the moratorium.

Commissioner Haladay stated he has not disagreed that we have a process and a framework, but is it effective and truly facilitating the public process that was set forth in the letter. The directional trail was just a case in point. The way he envisioned the moratorium was until those specific items outlined in the letter are completed and staff has developed a framework and the RFP is designed; until those benchmarks are met, he will support the general concept of the moratorium. If we want to delay until February with the development of the RFP and if we want to delay articulable deliverables with regard to subsequent to completion of the update. If that is the decision of the commission, he would support leaving the moratorium in place. He wants to avoid the commission having to address individual issues as they arise. Commissioner Haladay asked if staff needs until February.

Manager Taylor stated staff has not stop working on the requested information; however, it is not currently in anyone's work plan or in the FY19 budget. The December 1st deadline was ambitious with the current work load and with the retirement of Director Teegarden, he made the recommendation of February 2019. He asked the commission when they want this done and what work should staff put aside.

Commissioner Haladay asked if the commission has received an update on what the specific work is in regards to the moratorium. Manager Taylor stated the last time we addressed the directional trail, there was discussion finishing the seeding and the installation of signage. Staff has stopped work on the directional trail and is moving forward on the update of the Open Lands Management Plan and identifying the roles and responsibilities of HOLMAC.

Commissioner Noonan stated one thing he is unclear about in developing a framework and updating the Open Lands Management Plan, is HOLMAC's role going to be an aspect of the plan. The commission needs to better understand the connection between the city's trail systems and how they go off outside the city limits and the various groups that are working on it. The regional trails steering committee is basically a governmental committee. How are we looking at addressing the inclusion of this in the plan. Director Teegarden stated the intent of the Regional Trail Steering Committee, which is a group of land managers that have trail responsibilities, would be setting the big picture guidance to the Helena Area Trails Committee and other interested stakeholders and users. The Helena Area Trails Committee, which does represent the vast range of stakeholders would make recommendations to the land managers. Commissioner Noonan asked if the Helena Area Trails Committee translate into HOLMAC. Director Teegarden stated it would be a different committee and she and Ms. Hollow have

discussed as this group comes together, they will define the geographical area. Helena Area Trails Committee has yet to be formulated.

Manager Taylor commented that this could be a way the Helena Area Trails Committee would be the venue for the development of the RFP and would continue to involve all interested stakeholders as we move forward.

Commissioner Haladay asked what the expected timeframe is for the plan to be completed once the RFP is issued. Director Teegarden stated the Scope of Services would dictate the timeline. Staff will be wrapping up the city's Comprehensive Parks Plan, which started in March and should be ready for commission acceptance in December or January. Commissioner Haladay asked if we are going to miss an entire development season if we go with February as opposed to trying to get something done. Director Teegarden stated the question for the commission would be, do we continue with the adopted annual work plan or hold off until the Open Lands Management Plan is updated. Staff will continue to do the annual operation maintenance work.

Commissioner Haladay stated he is looking at a full moratorium or a light moratorium if we are going to delay a full season. Director Teegarden commented looking into the future there are no plans for new trail construction in the south hills; there may be some decommissioning some of the social trails that have popped up. Staff and HOLMAC has discussed front country trails, maintaining what we have and doing a good job at that. Commissioner Haladay stated there will be other issues that come up for future discussions, when that happens how do we facilitate those discussions. Director Teegarden stated the update of the plan will help facilitate the discussions.

Manager Taylor stated with Director Teegarden retiring; naming an interim director; hiring the new city manager, and filling the commission seat vacancy, the capacity to deliver a product by December 17th is not feasible. He asked what the commission is comfortable with until the plan is updated and the larger process is complete.

Commissioner Noonan recognized the generous work of Ales to Trails and asked if we have met our obligations to those funds. Director Teegarden stated those funds paid for the contractor for the directional trail. Commissioner Noonan stated he would be okay with the February 1st date and continue with the moratorium so all the various concerns and questions can be addressed.

Commissioner O'Loughlin asked if the signage is consistent with the current signage in the south hills. Director Teegarden noted staff can make the sign design for the directional trail consistent with the current signage by using the same brand.

Mayor Collins stated he supports moving forward with installing the signage for safety purposes.

Manager Taylor commented if it turns out there is better signage, the proposed signs could be replaced. The signs being recommended now are for safety reasons. If there is a complete moratorium, staff will stop all work.

Commissioner Haladay referred to the original letter where the concept of any ongoing projects or new items staff feel are immediate needs must be brought to the commission on a case-by-case basis. He noted the one lacking piece in staff's memo is there are two more trails that need something done with them. When the commission first discussed a moratorium, the question was asked if on-going projects should be finished. The follow-up question was what is entailed in finishing a project. Commissioner Haladay stated this is not a good use of time or good public policy where the commission has to evaluate each project. There needs to be a better process because of what has happened with process and framework on previous projects. The commission needs to have those discussions on what the specific details are; do we want to hold off and say they can wait. However, at this time he cannot answer those questions.

Mayor Collins recognized the safety of the community and he would support installing the signs, which could be replaced. Commissioner O'Loughlin stated the signs have not been reviewed and she would like to see an update prior to installation. The design of the signage is part of the frustration. She stated she is comfortable moving forward with signage but receiving an update on what that is and if there has been adequate feedback.

Commissioner O'Loughlin commented she is confused by HOLMAC's process and criteria they use when looking at signage. If staff thinks it is going to take until February 1 to get adequate feedback on the proposed RFP, she will support it. Commissioner O'Loughlin asked that the commission continue to receive updates on projects. Director Teegarden noted February 1 was a recommendation; if the commission wants the RFP issued sooner, staff will make it happen.

Commissioner O'Loughlin stated she does not want to micro-manage individual trail projects; in advance of February 1st, we need to carve some time to discuss any further development in the south hills.

Manager Taylor stated staff is comfortable updating the commission at future administrative meetings; move the date for the RFP to February 1st, if it can be done sooner it will be done; and bring back the annual work plan during the FY2020 budget building discussion. The other part is the Comprehensive Plan will be presented to the city and county commissions at the December joint work session.

Commissioner Noonan stated he supports moving forward with signage for safety reasons, the permanent answer will not be given until the process is completed.

Public Comment - Lois Olsen stated she is confused about the future of HOLMAC; it is an advisory board and one of the responsibilities is to make recommendations on the recreational component of open lands. Ms. Olsen noted it is the commission who appoints the members of HOLMAC who represent the stakeholders. She also addressed the need for signage; however, the funding is not always there for signage. Ms. Olsen stated a policy needs to be in place when considering land acquisition.

Eric Sivers responded the Ales to Trails component of the project and noted the monetary portion is completed; however, the project is uncompleted.

Mary Hollow addressed the roles of HOLMAC and Helena Area Trails Committee and noted it could be a collaborative effort. A regional park district has also been discussed; this would bring other stakeholders to the table. For the purpose of land acquisition it begins at the local government level; either the city or county commissions. The land PPLT is looking at right now is in the county. PPLT assembles the funding for the acquisition of the open lands. Ms. Hollow noted the following items need further discussion: maintenance of the trails; the social trails; and the annual plan regarding funding for maintenance. Generally, the process can be improved for the development of trails, it will result in a better outcome.

DD Dowden addressed the maintenance of the trail system and noted the commission did enact a moratorium on new trails in 2004 until the plan was updated.

Tony Jewitt thanked Commissioners Haladay, Noonan and O'Loughlin for demonstrating great leadership on behalf of the commission. A moratorium is a time out to review processes and frameworks. There is a simmering amount of emotion regarding our open spaces. Mr. Jewitt stated he supports the moratorium. The process has been discussed by staff; however, as a trail user for many years, he feels new to the discussion on how projects are forwarded to the commission and how they are vetted in the community. Mr. Jewitt urged the commission to focus on how to reach out to all interested parties and stakeholders.

Manager Taylor stated still continue working on the RFP for the Open Lands Management Plan update; will bring it forward by February 1 or sooner; will bring back specific trails for further discussion, bring back the signage design and will over communicate to the public and stakeholders until we are all on the same page.

Commissioner O'Loughlin stated the letter articulated if there is a need on a specific trail it be brought forward to the commission on a case-by-case basis. She is not comfortable with further construction of the directional trail. Commissioner O'Loughlin stated she tried to find information on HOLMAC's process, specifically referencing the directional trail in the January 2017 minutes. Again, she would like additional information on what staff is recommending for the directional trail. Director Teegarden clarified staff is not asking to do additional work, her memo outlined what has been done.

Manager Taylor noted staff will continue to communicate with all stakeholders and improve the process to get the information out to the public.

Montana History Center proposal – Mayor Collins introduced EJ Redding, Fran Waddell, Ralph Cooney and Al Garber. Mr. Redding then gave a presentation on the proposal to build the Montana History Center.

Mayor Collins asked when the commission will get a sense of what they are asking from the city. Mr. Redding noted the property cost is 6.4 million and they are asking for any financial support the city could give and/or a letter of support. This group is open to all kinds of ideas and wanted to make the city aware of the project.

Manager Taylor stated he met with individual committee members and there has been no specific ask. Commissioner O'Loughlin asked Mr. Redding if he knows if anyone is moving forward with a

bonding bill in the 2019 legislature. Mr. Redding stated at this time, he is not aware of any specific bill for funding. His group is moving forward with private funding, if possible.

Commissioner Noonan stated he is in favor of the proposal, how we can help is a question. If there are practical ways, he is in support. EJ Redding asked for suggestions on how to move this project forward. Mr. Redding added the urgency created by this is the land is available and there is a limited amount of time to make an offer.

Commissioner Haladay commented the property is the parcel east of Sanders Street and the asking price is 6.4 million; however, the property sold in the last three years for around 3 million.

Mayor Collins thanked Mr. Redding for the presentation; he offered to write a letter of support; however, funding is not available.

Manager Taylor noted this is a complex subject that has been going on for many years. Does the commission want to support the proposal from the Montana Historical Society or the proposal presented today. He noted the owners of the capital hill mall are interested in creating a TIF District and the Infrastructure Coalition is proposing a separate funding bill for the Montana Historical Society. Manager Taylor stated when there are two proposals, it is easier not fund either proposal. He stated it is premature to pass a resolution or write a letter of support before we know what the final proposal will be.

EJ Redding thanked the commission for the opportunity to present the proposal and noted his group has a meeting with the Director of the Montana Historical Society, Governor Bullock and Lieutenant Governor Cooney in November. The goal is to see a first class Montana Historical Society.

Manager Taylor asked Mayor Collins to discuss the following three items at this time: Update on the Fuller Avenue Building purchase; the Law and Justice Center buy-sell agreement and the Director Residency.

Update on Fuller Avenue Building Purchase – Attorney Jodoin reported the City of Helena and Lewis and Clark County entered into an Agreement to Lease, Sell and Purchase Real Property (“Agreement”) in May 2018. That agreement was approved by the City Commission on June 18, 2018 and was for the lease and ultimate purchase of the 406 Fuller Avenue building and associated parking lot for \$1,290,000. The Agreement also called for an amended plat to be prepared so that the property with the 406 Fuller building and parking lot could be legally divided from the 404 Fuller Avenue building and property. Subsequently it was determined that legally dividing the properties would require extensive interior work to the 404 and 406 Fuller Avenue buildings to construct the necessary rated fire separation. Staff recommends that such work is not cost effective and that purchase of both structures and associated surface parking lots is a better approach. The city and county have been leasing the 406 Fuller Avenue building and associated parking lot and rent payments will go to the purchase price of the property.

The attached draft modification to the Agreement (“Modified Agreement”) would commit the City of Helena and Lewis and Clark County to purchasing 404 Fuller in addition to 406 Fuller Avenue for \$1,950,000. This includes the surface parking lot properties at the northeastern corner of Lawrence Street and Park Avenue. The City Manager has the authority to enter into the buy-sell upon successful conclusion of negotiations. However, the obligation to close on the property is contingent upon Helena City Commission approval.

An appraisal of all the property was conducted on December 13, 2017. Section 1-4-15, Helena City Code, requires two independent appraisals be conducted if the purchase price is over \$500,000. Since the purchase price is \$1,950,000, two appraisals are required unless the Commission finds a second appraisal will prevent the purchase from occurring or is not in the best interest of the City. Staff recommends the commission waive the requirement to obtain a second appraisal because a second appraisal is not in the best interests of the City.

Moving forward, staff will bring the Modified Agreement and the waiver of the second appraisal for commission consideration on the December 3, 2018 regular commission meeting with the goal of closing on the property on or before December 28, 2018. For the present purposes the intent of this memo is to simply explain the proposal to ascertain and obtain commission consensus to proceed in this manner.

Included in the packet were copies of the Agreement to Lease, Sell and Purchase; Draft Modification to the Agreement to Lease, Sell and Purchase; Aerial Map; Legal Description and 2017 Appraisal.

City Attorney

Law and Justice Center Buy-Sell Agreement – Attorney Jodoin referred the commission to the information included in the packet. Staff will bring this forward at the December 3rd city commission meeting. He gave the background of acquiring the 406 Building and now the 404 Building. Due to the circumstances and requirements of splitting the two buildings, the recommendation is to move forward with the purchase of the 404 Building and to waive the requirement of a 2nd appraisal. The County did an appraisal in 2017 for 1.9 million. The county commission's goal is to close on the purchase before December 28, 2018.

Commissioner O'Loughlin asked if the lease payments on the 406 Building will go toward the purchase price. Attorney Jodoin stated they will if we close by the end of the year. Manager Taylor noted staff has the information on the cold storage; the lease payment language will be included in the interlocal agreement.

Commissioner Haladay asked where the county is with purchasing the 404 Building. Manager Taylor stated all three county commissioners' support purchasing the 404 Building. Manager Taylor recommended acquiring the entire building; move into the 406 Building in December and purchase the 404 Building. Chief McGee noted by the city and county owning both buildings, they will have control over who the tenants are due to law enforcement input.

The purchase price of the 404 Building is \$660,000 which will be split between city and county. Commissioner O'Loughlin asked if the city will use cash or issue bonds. She asked if the staff has thought through what the 404 Building will be used for. Originally the building was offered to be given to the city and there were no plans for it; now we are purchasing it for \$1.9 million. Administrative Services Director Jorgenson recommended paying cash out of the 440 Funds; there are adequate reserves. At this time, the county is paying their portion from cash. A loan process would take time and be more complex. If another need arises, the commission can choose to issue bonds.

Director Jorgenson stated there is already interest from county departments to move into the 404 Building. The original recommendation was to leave it vacant at this time until an offer is received to rent and remodel the building. Commissioner Noonan stated there is interest in renting the 404 Building.

Commissioner Haladay commented if the city and county split the purchase price 50/50 how does the city get reimbursed if the county occupies more than 50% of the space. Community Facilities Superintendent Sampson stated the building will be managed the same as the City-County Building and each entity will pay per square footage on usage. The county will occupy more square footage and therefore pay more in rent. Commissioner Haladay stated the moment we move in, the county will have more space and the city will supplement a county purchase due to them using more square footage.

Manager Taylor stated the proposal is to move the Municipal Court in 2020. Commissioner O'Loughlin stated part of the agreement should say if the city is paying 50 percent, we use 50% of the space or the county would rent from the city.

Superintendent Sampson noted 50/50 ownership gives equal say at the board level; the costs are covered by the rent payments, which the county will be paying more. Commissioner O'Loughlin stated she did not have any concerns when it was recommended 50/50 usage; however, there seems to be more demand on the county side. Superintendent Sampson noted Municipal Court would be the first office to go into the building. The county has the pre-trial services that will be moved to the 404 Building; however, he doesn't have the percentages for the city and county.

Mayor Collins clarified if the agreement is to purchase the building 50/50 and the county is using more space, they should be paying the city rent.

Commissioner Haladay stated the city is dropping a significant portion of cash to assist the county in purchasing the building and what the city gets out of it is joint ownership; but not equal usage. This is money the city does not get back.

Mayor Collins suggested this be brought up at the November 1 joint work session. Manager Taylor explained the city and county went through the division process and acquiring both the 406 and 404 buildings; which will be a single building and until further proposals come forward. At the current time, there are no specific plans for tenants at the 404 Building. There is a proposal to rent the adjacent parking lot.

Commissioner Noonan recognized the board will have 50/50 representation. At the time occupancy is discussed, direction can be given.

Further discussion was held on the processes that has led up to the recommendations from staff. Commissioner Haladay expressed frustration from the commission that this was originally a free building and both the city and county passed on it. The city will be subsidizing the county.

Commissioner O'Loughlin stated Commissioner Noonan is correct, there are other decisions in the future. Staff needs to be aware of the commission's frustration. Attorney Jodoin commented if this is going to be raised as an issue, staff needs to know as it is the substance of the interlocal agreement. Commissioner O'Loughlin stated there should be the expectation of equal purchase and equal usage. Again, this can be discuss at the joint work session.

Chief McGee noted the parking lots need to be split 50/50. Manager Taylor stated there is general agreement the parking division will manage the two parking lots. The revenues will go toward the building costs.

Director Residency – Deputy Attorney O'Connor reported as a local government operating under a self-government charter, the City of Helena may exercise any power not prohibited by the Montana Constitution, state law, or the charter itself. As such, there is no legal prohibition to the city's enactment of an ordinance or resolution setting out residency requirements for its employees, and courts around the country have generally upheld such requirements.

At present, police officers are required to "reside continuously . . . in the county where the appointment is made for a period of at least 6 months prior to the date of appointment" but there is no requirement that they live within the city limits of the city in which they serve. See Mont. Code Ann. § 7-32-301. Members of the City Commission and the Mayor are required to live within the city limits in order to be eligible to serve on the City Commission and must resign their position if they ever stop being city residents. The members of the city's various advisory boards, commissions, and special committees are likewise required to be "adult citizens of the city" unless the City Commission provides otherwise in the establishing resolution of the relevant board, commission, or special committee. See HCC § 2-6-1. However, no such requirements exist for any other city employees. Traditionally, the City Manager r been required to live within the city limits but that requirement has been a contractual one.

Residency requirements in the other major cities in Montana are as follows:

- Missoula
 - Requires continuous residency of "public safety employees." See Missoula City Code 2.80.030.
 - Requires "department heads and supervisory managers" to "reside continuously within the city limits." See Missoula City Code 2.82.010.
 - Failure to comply with the residency requirements "shall result in automatic termination as department head or supervisory manager." See Missoula City Code 2.82.050.
 - The only exception to this ordinance is for employees who were employed by the City of Missoula at the time of the passage of the ordinance. See Missoula City Code 2.82.040.
- Bozeman
 - Only requires its City Manager to reside within city limits by operation of its charter. See Bozeman City Charter § 3.01.
 - The commission may waive this requirement at its discretion. *Id.*
 - As an incentive, the city does offer 12% of salary either as a housing stipend or contribution to deferred compensation for director-level positions.
- Billings
 - No residency requirements other than for the members of the city council.
- Great Falls
 - No residency requirements other than for the members of the city commission and the mayor.
- Butte-Silver Bow
 - Requires all employees to be "bona fide residents within the boundaries of Butte-Silver Bow during the period of their employment." See Butte-Silver Bow Code 2.08.010.
 - Does allow exception to the requirement for an employee "recommended by his supervisor as having particular or special qualifications for employment; and whose employment has been approved by the council of commissioners." See Butte-Silver Bow Code 2.08.015.
- Kalispell
 - Requires the City Manager to reside in the city. See Kalispell City Code 2-36.
 - All employees are required to be residents of Flathead County. See Kalispell City Code 20A-1.
 - Hiring preference for applicants who reside within the City of Kalispell. *Id.*
 - Emergency response personnel are required to live "within three (3) air miles from the City of Kalispell, or a farther distance, only if able to respond to the City of Kalispell within fifteen (15) minutes from his or her residence." *Id.*

The City Commission would like to create a requirement that director-level employees be required to maintain continuous residence within the city limits while employed in the director-level position. Staff recommends that any such requirement be implemented as a resolution as opposed to an ordinance as it will allow for more flexibility in implementation of the policy. Staff also recommends that the Commission consider in what circumstances they may consider exceptions to the residency requirement and by what process should any such exception be granted. The draft resolution proposes exceptions for highly-qualified applicants and in cases of internal promotions. The draft resolution also proposes that successful candidates be allotted some amount of time to move into the city after being selected for the position.

The argument for making residency a requirement of director-level positions is that it makes directors more in tune with the needs and wants of the community they serve. It also helps with the perception of fairness as the directors are subject to all of the same regulations, charges, and fees as the people whom they serve. Finally, it assures that the highest paid city employees contribute to the economic development of the city by spending their wages primarily within the city limits.

Requiring that director-level employees be residents of the city of Helena may limit the applicant pool for these positions and potentially screen out highly-qualified candidates. The City Commission may have to consider increasing pay or providing some sort of incentive to incentivize desirable candidates to change their domicile and relocate into the city. The draft resolution was included in the packet.

Deputy City Attorney O'Connor noted the commission may consider a set period of time for someone to move into city and a waiver process and how that would be implemented. The recommendation is for the waiver to go through the City Manager; Missoula requires commission action; and what kind of situation would a waiver be considered, specifically qualifications, internal promotions.

Deputy City Attorney O'Connor stated these ordinances/resolutions are not normally subject to litigation. A question the commission may consider is if this will affect the applicant pool for director level positions.

Commissioner Haladay asked what the city defines as a director level employee. Attorney O'Connor stated a director reports to the city manager. Commissioner Haladay confirmed the Municipal Court Judge would not be impacted by this as the judge is required to live with Lewis & Clark County. Attorney O'Connor concurred. Manager Taylor noted there are a couple of director reports right now; however, those positions may be reorganized by the new city manager.

Commissioner Haladay stated he would support a set period of time for the successful applicant to move into the city; a waiver does make sense if the person is a current city employee. He spoke on a waiver for a highly qualified applicant and questioned if we would decrease the applicant pool in some way. Why would we want to waive the requirement to live in the city for external applicants; even if they are highly qualified.

Commissioner O'Loughlin asked if there is a way to articulate the language if an applicant currently lives in the county, the requirement may be waived. She would be okay leaving the language for both current city employees and highly qualified language in the resolution. She would like to give the city manager flexibility to consider the applicant. Is there a way to tweak the language for those currently living in the county the residency requirement could be waived.

Mayor Collins stated he would not exempt applicants because they are highly qualified and would support a waiver for current city employees living in the county. Commissioner Noonan asked Mayor Collins what level of employees he was thinking about when he brought this up. Mayor Collins stated it would be the department directors; those who report directly to the City Manager.

Commissioner Haladay asked if there is a residency requirement applied to employees not at the director's level. Deputy City Attorney O'Connor noted there are requirements, not specific residency requirements, for public health and safety employees; which include Fire, Police and public utility employees. Deputy Attorney O'Connor spoke on the different residency requirements for other cities. Attorney Jodoin noted if the commission chooses to impose the residency requirement to other employees below the director level, that all employees within a classified level be treated the same.

Commissioner O'Loughlin stated she would support giving a 12-month period for directors to move into the city. Commissioner Haladay referred to Section 7 and asked was there a specific determination not to require the Municipal Judge to live inside the city. Deputy Attorney O'Connor stated the Municipal Judge is required to live within Lewis & Clark County.

There was commission concurrence to move this forward with the changes outlined tonight. Define director level employee; keep the exemption for current employees, keep the highly qualified applicant exemption if they currently reside in the county; and one-year for relocation.

Parking

Capital Parking Request – Parking Supervisor Dave Hewitt introduced General Services Division Director Steve Biamonte and then reported last summer the Montana General Services Division reconstructed the south parking area at the Capitol building adjacent to Lockett Avenue. The work included making two new drive approaches where there were none before, and in doing so the state created a standard boulevard area with a sidewalk, boulevard, and curb and gutter. As a result with the redesign it created 9 “one-hour parking” spaces along Lockett Avenue and 3 “15-minute passenger loading and unloading zone” spaces located between the new entrances

Currently, the enforcement of the Capital Complex’s on-street parking is patrolled by the Helena Parking Commission and the Capital’s security company and would not change with proposed restrictions.

Director Biamonte explained the need for the hourly parking spaces. With the update of the ADA parking, it created additional on-street parking. He is open for discussion on the timing on the spaces.

Commissioner O’Loughlin referred to the oval area and noted it is now for ADA parking and reserved parking on the west side and there is one 15-minute space. Commissioner O’Loughlin asked if there is any flexibility to reduce the reserved spaces. Mr. Biamonte stated not at this time.

Commissioner O’Loughlin commented the parking on Lockett is already challenging for state employees and what the impact will be when taking nine additional spots. Mr. Biamonte noted he is open for discussion on how long the nine spaces should be; is one-hour too short.

The Master Plan for the Capital Complex is to change Lockett and Roberts to one way streets with angle parking which would create more spaces. This proposal was shot down, however, it will be brought back for further discussion. The current proposal will have an impact on state employees.

Commissioner Noonan stated he supports the proposal as presented. Commissioner Haladay inquired on the enforcement in the area. Parking Director Hewitt noted the parking enforcement officers randomly patrol the area throughout the week and do try to do more during the legislative session.

Mr. Biamonte stated the capital security also writes tickets. Commissioner O’Loughlin asked who would enforce the one-hour and 15-minute spaces. Mr. Biamonte stated both the capital security and the parking enforcement officers would help enforce the time limits. All revenue would go to the city.

Engineer Leland noted the city was not the one who shot down the proposal for the two one-way streets. The state has not submitted a formal proposal for the traffic within the complex.

Mayor Collins asked what the necessity is for the 15-minute spots. Mr. Biamonte stated there are other 15-spots in the area; this allows people to run into an office to drop or pick-up something.

Commissioner O’Loughlin stated she has concerns that one-hour is not long enough. She would be comfortable considering three or four of the spots for the one-hour.

Public Works Director Camp reported the city of Helena Transit will provide shuttle service to the legislative session.

Mr. Biamonte again stated he is open to discuss the time limit for the on-street spaces. He then asked for clarification on the snow removal policy.

Commissioner Noonan stated he still supports having the one-hour parking; we may be denying immediate access for some people. Commissioner Haladay stated this it is up to the state to make the decision. Additional discussion was held on the number of spots and the time limit.

There was commission consensus to have three one-hour parking spaces and recognized the need for short term parking and to revisit the additional spots next summer.

Code Enforcement Officer Dige stated it will take formal commission action when removing and restricting public parking.

Engineer Leland addressed the snow removal policy and noted there will be restricted parking in the Capitol Complex, Benton Avenue and St. Peter’s from 8:00 p.m. to 5:00 a.m.

4. City Manager’s Report –

A. Equity Project - Manager Taylor reported Ron Waterman will attend the November 5th city commission meeting to present the project to the commission. He will ask the commission to be a partner to make this happen. Manager Taylor wanted to have the discussion on how we assure we follow

the city's procurement; and labor laws and other items that would need to be completed prior to accepting this gift.

Manager Taylor stated he has discussed this proposal with City Attorney Jodoin and the Public Art Committee. Commissioner Haladay referred to an email exchange with the Public Art Committee regarding them issuing an RFP for public art and if an advisory committee has the authority to do so. Manager Taylor stated he will have the discussion with the chair of the Public Art Committee, as it is staff's recommendation is an advisory committee cannot issue an RFP.

Commissioner Haladay referred to the equity project and noted money has been raised and an RFP was issued by an external steering committee. Manager Taylor stated approximately \$75,000 has been raised; if the city chooses to be a partner, a portion of the money needs to be earmarked for ongoing maintenance. At this time, he does not have a total cost for the project. Further discussion needs to be held on how it is going to be built and how the artist was selected.

Mayor Collins asked what the timeframe is to complete the project. Manager Taylor stated Mr. Waterman will present the proposal on Monday, speak on the funding and show how it will be constructed,

Commissioner Haladay asked if Mr. Waterman is gifting the chosen piece of art work or the money for the project. Mr. Taylor stated it is Mr. Waterman's intent to gift the chosen art. Manager Taylor stated for future projects, he would recommend city staff work directly with the artist and private group to assure all city policies are followed. Commissioner Noonan stated he believes the recommendation should come through the Public Art Committee.

Manager Taylor stated he attended a Public Art Committee meeting and he believes they chose not to make a recommendation on the equity project. Manager Taylor stated staff will work with Mr. Waterman. Commissioner Haladay asked that the commission be provided with the background on when Mr. Waterman had any communications with city staff regarding the project.

C. Replacement of Municipal Judge Bob Wood – Will be on the November 14, 2018 administrative meeting agenda. Manager Taylor reported

D. Selection Process to Fill City Commission Vacancy – Manager Taylor referred the commission to the Press Release that was issued on Monday, October 29th and to the memo outlining the recommended process.

5. Department Discussions
Administrative Services

Utility Bill Flyer – Administrative Services Director Jorgenson reported Resolution 19491 established the water bill insert policy for the City of Helena. City policy requires all inserts included in the monthly utility bill mailings be approved by the City Commission. Due to postage costs, mail weights are restricted, and only one or two inserts can be sent with each monthly utility bill.

Director Jorgenson referred the commission to the water bill inserts requests and staff's recommendation.

6. Committee discussions

A. Helena Citizens Council – HCC Chair Sharpe stated he will at the November 5th city commission present a recommendation on the homeless situation in Helena.

7. Review of agenda for November 5, 2018 Commission meeting – No discussion held.

8. Public comment – No public comment received.

9. Commission discussion and direction to City Manager – No discussion held.

10. Adjourn – The meeting adjourned at 7:10 p.m.