

**SUMMARY OF ADMINISTRATIVE MEETING**  
**February 20, 2013– 4:00 p.m.**  
**Room 326, City-County Building**

1. Call to order, introductions, opening comments – Commissioner Ellison called the meeting to order. Commissioners Haque-Hausrath and Thweatt were present. Mayor Smith and Commissioner Elsaesser were excused. Staff present was: City Manager Ron Alles; Executive Assistant Sarah Elkins; City Attorney Jeffrey Hindoien; Fire Chief Sean Logan; Human Resource Director James Fehr; Police Chief Troy McGee; Public Works Director John Rundquist; Assistant Public Works Director Phil Hauck; HATS Supervisor Steve Larson; Administrative Services Director Tim Magee; Budget Manager Robert Ricker; Community Facilities Director Gery Carpenters; Parks & Recreation Director Amy Teegarden; HCC Coordinator Kelli McLane; and City Clerk Debbie Havens.

Others in attendance included: Helena Parking Commission Director Dave Hewitt, HPC member Mike Dowling and BID Director Jim McHugh.

2. **February 6, 2013 Administrative Meeting Summary** – The February 6, 2013 Administrative Meeting summary was approved as submitted.

3. **Commission comments, questions –**

A. **Upcoming Appointments** – There are no appointments on the February 28, 2013 city commission meeting agenda. Commissioner Ellison reported there are currently two vacancies on the Non-Motorized Travel Advisory Committee.

**Commission Comments** – No comments.

4. **City Manager's Report**

**Helena Parking Commission** – City Manager Alles presented a PowerPoint presentation on the history and plans for the future for the Helena Parking Commission. Manager Alles stated he is not looking for any decisions today.

Manager Alles stated there is a cooperative effort between the city and the Helena Parking Commission to resolve some of the current issues and clearly define the roles and responsibilities of the city of Helena and the Helena Parking Commission.

Commissioner Ellison thanked Manager Alles for the presentation and Mike Dowling, Dave Hewitt and Jim McHugh for attending the meeting.

Commissioner Haque-Hausrath asked for clarification on the MCA's that were referenced in the PowerPoint. Manager Alles stated the MCA language offers different options on how to operate a parking commission; however, the agreements between the city of Helena and the Helena Parking Commission have specific language. Commissioner Haque-Hausrath asked if the HPC employees could be under the direction of the City Manager and the HPC would continue as an advisory board. Manager Alles noted he would be hesitant to rescind the entire agreement due to the bonding issues with the 15<sup>th</sup> street garage; however, the initial discussions would address those specific questions.

Attorney Jeff Hindoien stated there is a wide range of opportunities and staff is prepared to bring forward a more transparent operation.

Commissioner Haque-Hausrath stated she would also be interested in addressing the jurisdictional areas during this in-depth review.

HPC member Mike Dowling stated effective management of HPC is an important issue and is critical to the success of downtown. The HPC is in full support of sitting down and moving forward with the discussions between the city and HPC.

Dave Hewitt concurred with Manager Alles comments and concurred to move forward with the discussions.

Commissioner Ellison thanked Mike Dowling for his service on the Helena Parking Commission. Commissioner Ellison asked that copies of the presentation will be made for Mayor Smith and Commissioner Elsaesser.

**Civic Center Sound System** - City Manager Alles reported the city commission approved \$40,000 in FY13 for the Civic Center sound system upgrade; \$20,000 from 440 and \$20,000 from the Civic Center board. However, at this time, Gery Carpenter has researched and found a better system and the cost is \$75,000. The board has agreed to pay \$30,000 leaving a balance of \$45,000 that would be paid by the city. Manager Alles noted he has the authority to increase the budget line item; however, he wanted to inform the commission. His recommendation is to move forward with the purchase of the sound system at \$75,000.

Commissioner Haque-Hausrath asked if the city budgeted \$40,000 or \$20,000. Manager Alles explained the city would have paid \$20,000 and it will now pay \$45,000. There was commission concurrence to move forward with the purchase of the recommended system. Commissioner Ellison asked Manager Alles to visit with both Mayor Smith and Commissioner Elsaesser.

**Engineering Standards** - City Manager Alles stated the Engineering Standards have been put on the city's web page and he would recommended giving the commission and the public a couple of weeks to review the document. He would then schedule a work session, specifically to discuss the engineering standards, for two or three weeks out and invite the public to share their comments. There was commission concurrence to allow time for the commission and public to review the standards and then schedule a work session.

## 5. Department Discussions

### Public Works

**HATS – FTA/MDT Grant Request** – HATS Supervisor Steve Larson reported the Montana MDT Section 5311 Transportation Assistance grant is a primary funding source for the HATS public transit service. In FY 2014 HATS will be requesting \$706,924.95 of operating funds and \$136,884.00 of capital funding; applications are due March 1, 2013. Public notice of the grant requests has been advertised in the Independent Record. Approval of the preliminary grant request does not indicate final commission approval of the transit budget. These budgets will be reviewed and may be increased or decreased by the commission during the regular budget process.

Commissioner Haque-Hausrath asked if the matching funds for JARC have been resolved. Supervisor Larson noted the county has not committed to additional funding; however, they are just beginning their budget process and have expressed their commitment in finding funding. Staff is working to define the numbers and will continue to work with the county.

Commissioner Ellison noted this is a regular agenda item for the February 28<sup>th</sup> city commission meeting for approval to apply for the grant. He then asked if staff has any indication that the 5311 federal funds will be affected by the proposed federal cuts. Manager Alles noted the funding could be affected and staff is prepared to address that, if needed.

Manager Alles noted this could be discussed at the April joint work session.

### Parks and Recreation

**Park Use Fees – Review 2012 season of implementation and overview of recommended changes** – Parks and Recreation Director Amy Teegarden reported last February the City Commission adopted Resolution #19902, establishing fees to be charged for park use and recreation services and programs. The fee resolution was based on administrative guidelines. These guidelines incorporate the principles of cost-recovery and levels of community/individual benefits. The appropriate level of cost recovery is based on an assessment of who benefits from the service provided (individual vs. community). The resolution also combined and listed existing recreation fees into the same fee schedule.

#### Outreach & Education Efforts

After passage of the resolution, staff revised the reservation and special use application forms to reflect the new fees and process. Information pertaining to the policies and fees was posted on the webpage and summarized in a brochure.

#### Reservation & Fee Figures

A 150 park reservations and special use applications were processed from April 2012 thru February 2013. A total of \$1,515.00 was collected in reservation fees and \$3,566.00 in park use fees. These fees were deposited in the revenue code 441-0000-347. (This total does not include recreation fees).

A majority of the reservations (63%) were classified at the Benefit Level 1 category (0% cost recovery) and 8% of the reservations were classified at the Benefit Level 5 category (100% cost recovery). These reservation numbers include reservations that are not required to pay a reservation fee, such as Alive@Five, the State Capital Band and ParkFIT.

Observations

In general, the public seemed acceptable of the new policies and fees. When staff explained that the fees would be deposited into “park improvement fund” for future park needs, people voiced their support. However, because there were approximately 40 fewer park reservations in 2012 than in 2011, it may be assumed that some people and groups opted not to make reservations and “take a chance” that the space would be available for their use, rather than pay to reserve a park.

The policies proved to be especially effective for managing commercial use activity within parks. Prior to the resolution, the Department could not charge fees for commercial uses and could not prohibit commercial activities in the parks. Several of the vendors readily agreed to pay the fees, others took their business elsewhere. It appeared that there was a level of non-compliance with private lessons and sports camps. Many instructors opted not to comply with the policy. Additional effort will be put forth this year to inform and enforce.

While it took some effort to implement a new reservation form and collection process, overall the new process has had minimal impact on staff workload. In fact, from a compliance standpoint, the new process has proved to be more effective in delivering a consistent method of policy administration and collection of fees.

Changes to the Resolution

After nearly a year of implementation, staff has identified some necessary changes to the existing resolution. These changes are the result of identifying inconsistencies in the fee schedule; clarification in fee names or categories; and finding that some fees had been left out of the resolution all together. A Resolution of Intention highlighting these changes will be presented to the City Commission later this spring for consideration.

Staff will bring forward a resolution with some minor changes after using this fee schedule for the last year.

Commissioner Haque-Hausrath stated the system staff has implemented is an improvement and the additional revenue was great.

Commissioner Ellison asked for examples of non-compliance. Director Teegarden stated there is a local tennis instructor who uses the Civic Center tennis court for private lessons and has not reserved it and there are organized youth camps who charge a fee but are not reserving the parks. Commissioner Ellison thanked Director Teegarden for the presentation.

**Pool Fees – Review of 2012 season of implementation** – Parks and Recreation Director Amy Teegarden reported the 2012 summer was a good season for Helena’s aquatics program. The following report highlights significant areas of interest.

**Attendance:** 2012 had the second highest attendance in open swim and water activities for the past ten seasons. The swim lesson program had a large increase for both group and private lessons.

**Table 1: Yearly Attendance for Open Swim & Water Activities:**

	2007	2008	2009	2010	2011	2012
<b>Open Swim &amp; Water Activities</b>	19,161	19,924	25,983	21,370	22,843	25,728

**Table 2: Yearly Attendance for Swim Lessons:**

	2009	2010	2011	2012
<b>Group Lessons</b>	871	745	808	1,131
<b>Private Lessons</b>	Unknown	Unknown	117	210

**Revenue:** Revenue was at an all-time high this season due mainly to the increase in swim lessons and open swim season passes, but many factors could have affected the revenue. The average temperature was tied for the highest temperature, last seen in 2009. A warmer summer directly benefits the bottom line. The restructuring of the evening swim lesson program probably helped along with better communication with the public about our programs and policies. This season the staff also pushed the sales of season passes.

**Table3: Annual Revenue Summary:**

	2007	2008	2009	2010	2011	2012
<b>Total Revenue*</b>	\$45,182.81	\$46,581.99	\$136,029.77	\$124,262.25	\$133,497.93	\$155,763.50

*\*Reminder, in 2009, the waterpark opened and there was a restructure of pool fees.*

**Table 4: Revenue Comparison:**

	2011	2012	Change of revenue
<b>Lessons</b>	\$33,041.00	\$45,654.50	\$12,613.50 increase
<b>Open Swim</b>	\$55,545.00	\$57,683.00	\$2,138.00 increase
<b>Water Activities</b>	\$1,524.05	\$2,075.00	\$550.95 increase
<b>Punch Pass: Open Swim</b>	\$9,250.50	\$8,644.50	\$606.00 decrease
<b>Punch Pass: Water Activities</b>	\$1,866.50	\$2,504.75	\$638.25 increase
<b>Season Pass: Open Swim</b>	\$3,568.00	\$7,380.00	\$3,812.00 increase
<b>Season Pass: Water Activities</b>	\$1,331.25	\$1,257.25	\$74.00 decrease
<b>Swim Team: Practice</b>	\$2,331.88	\$1,885.00	\$446.88 decrease
<b>Swim Team: Meet</b>	\$1,200.00	\$1,200.00	<i>Status quo</i>
<b>Private Pool Party</b>	\$1,500.00	\$750.00	\$750.00 decrease
<b>Concessions</b>	\$21,352.30	\$26,603.75	\$5,251.45 increase
<b>TOTAL</b>	<b>\$133,497.93</b>	<b>\$155,763.50</b>	

**Table 5: Revenue vs. Expenses:**

	2010	2011	2012
<b>Total Expenditures</b>	\$289,854.34	\$310,771.50	\$318,577.25
<b>Revenue</b>	\$124,262.75	\$133,497.93	\$155,763.50
<b>General Fund Support</b>	\$165,591.59	\$177,273.57	\$162,813.75

**Comments and Observations:**

1. Pool Closures: This season the waterpark had to close early 26% of the scheduled open days due to thunder and lightning, more than in 2010 and 2011. Staff was able to reopen the facility more due to the State policy change from 1 hour closure time to 1/2 hour. One pool was also closed due to other safety reasons seven other times during the season (i.e. fecal releases, vomit, or vandalism). The front staff was also more consistent in telling patrons about the lightning/safety policy even when there was no chance of storms. This increased

communication along with information on the website and Facebook page seemed to increase the public's awareness.

2. Safety Voucher: A safety voucher refund program was implemented in 2012. This refund system was instituted as a direct response to public feedback. The safety voucher was issued any time the pool(s) were closed for any particular health-code related reason. Regardless of why the pool was closed, the safety voucher helped with public relations. Many of the vouchers were returned, which demonstrated that the public came back to use the facility rather than going elsewhere. Some of the public was still unhappy that they were receiving a \$1 off the next time they came to visit rather than a free visit or refund, but all in all most were happy that some compensation was made.

3. Programming Changes: Program changes occurred with swim lessons and the arrangement of pool usage. A swim league was offered that allowed children to participate in a variety of ways and levels. Participants could swim 2-5 times per week for 4-8 weeks. Parent comments reflected that they were happy with the flexibility of the program since summer is such a busy time with inconsistent schedules. Four one-week swim camps were also offered. These were not as well attended as hoped and may or may not be offered next season. At 4 PM, the main pool was closed primarily for lap swim, water aerobics, and swim lessons. The diving well was left open for the public. Even with signs, verbal communication, brochures, and website information, people still seemed to be confused and surprised that the lap pool was closed after 4 PM. Though there was still plenty of room in the leisure pool and diving well for them, the public has requested that at least part of the lap pool is open to them next season.

Participation in water activities increased this year. Lap swimmers continued to enjoy the morning lap swim times. Coached lap swim on Tuesdays and Thursdays was still used greatly and helped maintain a steady lap swim group. Three lap lanes were offered during evening swim lessons to accommodate the lap swimmers who work. Once again, lap swimmers requested more lanes for the evening lap swim time and were unhappy that the lanes were short course rather than long course. In looking at the overall usage of the pool, staff recommends that lap lanes are short course rather than long course again next summer so that all activities can be enjoyed at the same time. Water walking, water aerobics, lap swim, and water polo were still much used programs that are worth offering to the public.

4. Swim Lessons: Swim lesson enrollment was the highest since 2003. This is likely due to the office assistant informing people what their options were if their class was full. Just with some simple rephrasing, patrons responded in a different way and thus an increase in swim lesson participation. Swim lesson classes were pretty much full in every class this summer. Diving was still a popular choice along with parent-tot and the beginners preschool and beginners Learn-to-Swim level. The main change this year was increasing the daily time of evening lessons but not having lessons on Fridays unless there were lightning days. This seemed to help limit confusion from staff and participants.

5. Marketing: Preseason advertising consisted of a utility insert, school brochure, newspaper brochure, fairs, website, Facebook, individual brochures per program, and an ad in the Youth Connections magazine. This season the office assistant posted on Facebook daily to help create excitement and to raise awareness about the facility. This was a positive addition.

6. Concessions: The concessions program continues to increase revenue and program efficiencies. Concession clerk hours decreased from previous years but still require more flexibility in the hours. Two concession workers were needed on the weekends for most of the time. The concessions manager tried to offer a few healthier menu options, but they did not sell very well. The concessions met all health codes, positive feedback from the public.

7. Slides: This year the slide staff was the best that the pool has had thus far. They interacted well with the public and were very professional. Because of this improvement, management was not aware of parents being unhappy with children not being allowed to ride the slides, not being able to ride the slides together, or wanting their children to ride down the slides with lifejackets. This also could be partially due to the fact that the patrons are becoming familiar with the facility.

The height change from last year helped with not having as many issues with the slides. Some patrons were upset that they could ride the slide last season but not this season. Some adults complained because they were not tall enough. Due to the height change, the fee structure for patrons also changed. Overall patrons seemed to be very happy with the change. It was also much easier for patrons to understand the prices.

This year one patron cut up his back on the green slide seams and needed first aid. Once this occurred, parks maintenance contacted the slide manufacturer to see what could be placed on the seams to protect the patrons. This resulted in the slide manufacturer deciding to replace a portion of the slide to take care of the seam

problem. The new section was not installed until after the season closed. Season 2013 will be the test run on the new slide section.

Commissioner Ellison noted the increase in swim lessons and other services had a positive impact on the general fund.

Administrative Services Director Magee noted when revenues have been lower; staff has always cut expenditures to match the loss.

Director Teegarden noted there has been increased use in other programs including tennis lessons, swing and splash and Kay's Kids.

### **Administrative Services**

**Mid-Year Review** – Manager Alles noted staff's memo will point out the exceptions to the budget. Any items outlined in the memo have been addressed and the necessary budget amendments will be brought forward.

Administrative Services Director and Budget Manager Robert Ricker presented the mid-year review.

### **Budget Review Process:**

The City's budget components are continuously reviewed throughout the year. Each department is responsible for managing and monitoring their budget to ensure adherence to the legally adopted budget. In addition to these departmental reviews, the Budget Office periodically reviews major budget areas throughout the year and contacts departments whenever potential concerns are found. Appropriate actions, usually a budget amendment or an accounting adjusting entry, are initiated whenever necessary.

### **Mid-Year Review:**

A comprehensive budget review is performed after the close of the December accounting period (early January). This budget review includes analysis of the current budget status and projection of trends and expectations through the end of the fiscal year. Departments are solicited for feedback on areas of potential concern and any other questionable areas departments may know of. Although the process cannot catch all budget management challenges, the review does provide for detection of more obvious or predictable concerns.

### **Findings:**

Aside from the exceptions listed below, the fiscal year 2013 mid-year review shows that city operations are proceeding as anticipated and are expected to stay within their bottom line budget parameters. A summary of findings is as follows.

**PERSONAL SERVICES:** Generally, personal services expenses are looking good at mid-year and, with department confirmations, are projected to remain within original budget parameters aside from the following exceptions.

**Urban Wildlife:** Personal Services is expected to exceed original budget by year-end in this program. This is due to a lower anticipated level of deer culls (approx. 50-100) at the time the budget was prepared. After the budget was adopted, the Montana Fish, Wildlife & Parks recommended a higher level of 200 culls. It is the intent of the City to meet the recommended quota of deer culls. The actual amount of the overrun could vary depending on the time necessary to complete the culls, but is estimated to be approximately \$10,000 at this time. A budget amendment will be submitted after the culls are completed this spring.

**Police Operations:** An overrun is anticipated by year-end for this program. This is due to several retirement payouts that have already been paid or will be paid later in the fiscal year. It is currently estimated that the budget overrun will be approximately \$50,000 at year-end depending on the payouts in the spring that are yet to be determined. The overrun is expected to be covered through other savings in the Police Department budget and use of retirement contingency funding.

**HATS / East Valley Programs:** An overrun is anticipated by year-end for these two programs. This is due to two unanticipated retirement payouts that have been paid (one in each program) and higher than anticipated use of temporary bus drivers to cover regular drivers out due to sickness. It is currently estimated that the budget overrun may be as high as \$20,000 in HATS and about \$3,000 in the East Valley program based on the first half operational trend and maintaining planned service levels. However, it is hoped that illnesses will subside a great deal in the second half of the year and the overruns will be less than projected. Public Works will strive to minimize program costs for the remainder of the year to help offset some of the projected overrun, but anticipates they

will still need to amend the budgets of the two programs unless service levels are reduced.

#### **M&O**

In the course of any budget year some line items end up with a budget surplus while others show a budget overrun. This is normal and is the nature of the budget plan and predicting estimated costs and usage versus the actual costs and requirements to maintain operations.

There were line items found in various departments that appeared might cause budget concerns by fiscal year-end on an individual line item basis. However, in all cases, as confirmed with each department, the analyses have shown either no anticipated budget problem by year-end or that possible line item budget overruns would be covered with savings from other lines within their bottom line budget authority.

#### **GENERAL FUND REVENUES**

General Fund revenues are anticipated to come in close to original projections in all areas, with the fund as a whole expected to come within about 97 – 101 % of budgeted revenues barring any major unforeseen changes.

#### **OTHER FUND REVENUES**

Revenues in funds other than the General Fund are looking to come in at or above projected levels assuming no major changes in trends. The Public Works utilities funds (Streets, Water, Wastewater, Solid Waste, Transfer Station/Recycling, Bus and Shop are all projected to meet or exceed their budgeted revenues due to budgets being set based on rates in effect at the time budgets were adopted. Rate increases adopted for those funds in August are projected to bring in revenues in excess of budgeted amounts.

#### **CONTINUING REVIEWS**

The Budget Office will continue to monitor department budgets throughout the remainder of the fiscal year in order to determine if projections or budget conditions have changed. Any significant changes will be discussed with the appropriate department and, where necessary, possible courses of action will be determined and conveyed to the City Manager.

Commissioner Ellison asked for an update on the deer harvest. Chief McGee reported as of last weekend 111 deer have been removed and the program will run through March 2013.

Commissioner Ellison asked with the reduction in funding for HATS and the East Valley route, will a budget amendment be necessary. Manager Alles stated hopefully not, but if so staff will bring it forward.

Commissioner Ellison noted at the beginning of FY13, there was a shortage of approximately \$190,000 and asked if staff anticipates a shortage again this year. Manager Alles noted that number will be positive at the beginning of FY2014.

Commissioners Ellison, Haque-Hausrath and Thweatt thanked and acknowledged City Manager Alles and staff for the budget presentation and monitoring of the individual budgets. Manager Alles also acknowledged the work the directors and staff does to monitor their budgets.

#### **6. Committee discussions**

- a) ADA Compliance Committee, Audit Committee, Board of Health, Civic Center Board, Montana League of Cities and Towns –No report given.
- b) IT&S, Non-Motorized Travel Advisory Committee (NMTAC), Board of Adjustment, Pre-Release Screening Committee – Commissioner Ellison reported the IT&S Board met to discuss the budget and the Pre-Release Screening Committee meets once a week.
- c) Audit Committee, City-County Weed Board, Montana Business Assistance Connection (MBAC), TCC – No report given.
- d) BID/HPC, City-County Parks Board, TCC, L&C County Mental Health Advisory Committee – No report given.
- e) Audit Committee, City-County Administration Building (CCAB), Public Art Committee, Intergovernmental Transit Committee – Commissioner Haque-Hausrath reported the Public Art Committee is reviewing proposals for a piece of public art at Centennial Park.
- f) Helena Citizens Council – Kelli McLane reported the HCC continues to work on the subdivision regulations.



7. **Review of agenda for February 25, 2013 City Commission meeting** – Commissioner Ellison asked how the agenda looked to Commissioners Hauque-Hausrath and Thweatt and they did not anticipate any difficult agenda items for the meeting.
8. **Public Comment** – No comments received.
9. **Commission discussion and direction to City Manager** – No discussion held.
10. **Adjourn** – Meeting adjourned at 5:10 p.m.