

SUMMARY OF ADMINISTRATIVE MEETING
March 6, 2013– 4:00 p.m.
Room 326, City-County Building

1. Call to order, introductions, opening comments – Mayor Pro Tem Elsaesser called the meeting to order. Commissioners Ellison, Haque-Hausrath and Thweatt were present. Mayor Smith was excused. Staff present was: City Manager Ron Alles; Executive Assistant Sarah Elkins; City Attorney Jeffrey Hindoi; Fire Chief Sean Logan; Human Resource Director James Fehr; Public Works Director John Rundquist; Assistant Public Works Director Phil Hauck; Administrative Services Director Tim Magee; Community Development Director Sharon Haugen; Planner Kathy Macefield; HCC Coordinator Kelli McLane; and City Clerk Debbie Havens.

Others in attendance included: HCC representatives John and Cyndi Forbes, Montana League of Cities and Towns Executive Director Alec Hansen, County Finance Director Nancy Everson and BID Director Jim McHugh.

2. **February 20, 2013 Administrative Meeting Summary** – The February 20, 2013 Administrative Meeting summary was approved as submitted.

3. **Commission comments, questions –**

A. Upcoming Appointments – There are no appointments on the March 11, 2013 city commission meeting agenda.

B. Earth Hour – City Manager Alles reported there is a proclamation on the March 11th city commission meeting agenda. Commissioner Thweatt will read it on behalf of Mayor Smith.

Manager Alles reminded the commission when an item is going to be on a city commission meeting agenda, it needs to be submitted approximately ten-day prior to the meeting.

Commission Comments – Commissioner Ellison reported on the Greening America’s Capitals meetings with the consultants, staff and community partners. He recognized staff for the work they did to make the meetings very successful.

Commissioner Ellison recognized the work the city attorney’s office is doing and the article that was recently in the Independent Record regarding the enforcement of city codes. He also noted NMTAC has two vacancies and the HCC representative recently resigned.

4. **City Manager’s Report**

Legislative Update – City Manager Alles introduced Alec Hansen, Executive Director of the Montana League of Cities and Towns. Director Hansen updated the commission on the following bills:
HB-11 – will fund the Treasure State Endowment Program for the next two years. The introduced version authorized grant money for 25 projects, but the House Appropriations Committee agreed to cover the entire list of 49 projects. This bumped the total price tag on the bill to over \$30-million, and it is possible that some of the bonus money might be knocked off the bill in the final work to balance the state budget.

HB-152 – would have set up a system under which applications for tax exemptions on new and expanding business property would have automatically been approved if a city did not act in a narrow time frame. The House Taxation Committee removed the automatic approval provision in the bill.

HB-156 – would have substituted state authority for local discretion in a zoning disagreement in Missoula. A majority of the House Local Government Committee did not believe it should act as the Missoula Reconciliation Bureau, and it tabled the bill.

HB-185 – would have required a referendum to establish a park district anywhere in Montana. This was one of two bills introduced in response to the creation of a park district in Billings. The House Taxation Committee tabled the bill.

HB-194 – will increase the competitive bid limit on gas tax funds allocated to local governments from \$25,000 to \$80,000. This bill will be coordinated with a Senate Bill that increased the general bid limit to \$80,000.

HB-234 – will allow police officers and firefighters to include overtime and other extra pay in the definition of compensation to calculate pension benefits. The League testified that this change might be acceptable if the Legislature ended the practice of including insurance premiums and other benefits in the definition of compensation.

HB-314 – is the other measure that came out of the Billings Park District imbroglio. As introduced, this bill included a retroactivity section that threatened districts in other cities. The House Local Government Committee amended the objectionable provisions out of the bill before sending it on to the floor where it passed by a narrow margin.

HB-316 -- would have increased the state gas tax by two cents to fund public transportation. The bill was tabled in the House Taxation Committee because it would have increased costs for motorists. It is ironic that the price of gas has been increased 30 cents a gallon in Helena since the time of the hearing.

HB-435 will allow cities and towns to apply for Coal Board grants of up to \$200,000 to establish railroad quiet zones. The bill was approved by the House Appropriations Committee.

HB-443 -- would require Tax Increment Finance Districts to terminate after 15 years. This bill could eliminate one of the most effective economic development strategies in Montana. The sponsor is interested in discussing amendments that could possibly answer some of the many questions about TIF districts in the Legislature and among state agencies.

HB-452 -- will allow local governments impacted by oil and gas development to collect a surcharge of up to \$5 per night on hotel rooms and other accommodations. The money would be available for police and fire protection, emergency medical services and other operation costs connected with the transient populations flooding into Eastern Montana. This is the only one of the many impact assistance bills that directly connects costs to the people using the services. The Appropriations Committee will hear the bill on March 5th.

HB-454 – is the Governor's proposal to bring the Public Employees' Pension System into actuarial balance. The bill will increase employee and agency contributions by 1% and add coal tax revenues to stabilize these accounts. An actuarial analysis used to back the bill indicated that these changes would reduce the amortization period to 36 years by 2019. This is important progress achieved by moderate increases in funding over an extended period of time that is totally consistent with the MLCT resolution adopted last fall in Kalispell.

HB-461 – will increase the limit on Fire Relief Association pension payments from \$225 to \$300 per month. The House passed the bill on February 27th.

HB-486 – would have allowed nonresident property owners to vote and hold office in cities and towns. There are legitimate legal and constitutional questions about freeholder voting rights, but the Legislature considered two different measures to allow people who own property but don't live in town to vote in municipal elections. House and Senate Committees had the good sense to table both bills.

HB-526 – will require the sheriff's department to personally deliver a final notice to people threatened with the loss of their home through the tax deed process. The bill also requires the sheriff's department to determine if the recipient of the notice understands the possibility that their home could be taken for back taxes.

SB-77 – increases the competitive bidding amount from \$50,000 to \$80,000 for construction projects and equipment purchases. It is coordinated with a House Bill that increased the bid limit on fuel tax funds.

SB-111 -- allows cities with 5,000 people in the immediate area to qualify for Urban System Funds distributed by the Department of Transportation. The bill passed both houses and became law without the Governor's signature.

SB-122 – gives cities and towns the option of holding primary elections for those offices and in the wards where there are less than three candidates.

SB-130 – was the Senate response to the nonresident voting rights movement that seems to have been touched off by two people from different corners of the state.

SB-140 – would have combined school and primary elections. The sponsor agreed to exempt cities from the bill, but it was still tabled.

SB-239 – would also revise Tax Increment Financing by compressing industrial, technology and aerospace purposes into targeted economic development districts. This change will eliminate confusion and provide consistency in the TIF laws.

SB-284 – was the most expensive bill introduced in the first half of the session. It would have given anyone who alleged that a government action diminished the value of their property by 10% elevated standing, expedited proceeding and legal fees in cases filed under the proposed law. The bill arrived with an estimated cost to state and local government of more than \$600-million. The Senate Local Government Committee tabled the bill.

Director Hansen noted the Legislature is off to a good start but there is a lot of work that will have to be done before the session adjourns late in April. The Governor and both houses of the Legislature have to agree on bills to fix the pension systems, reduce property taxes and provide oil and gas impact assistance. They will also have to decide whether to expand Medicaid coverage to 70,000 Montanans under the Affordable Care Act. These are some of the most consequential issues our state has faced in many years. There is a grand opportunity to do a lot of good for many people and maybe that is what the optimists mean when they talk about the promise of spring.

Commissioner Ellison thanked Mr. Hansen for the legislative update. He then asked Mr. Hansen for an update on HB14 - the bonding bill for the university system and historical society. Director Hansen stated the administration supports HB-14; however, the bill takes a 2/3 votes in each house and he does not anticipate there is the support. At this time, there isn't another version of the bill; there will be a lot of work that needs to be done to move any version of it forward. Director Hansen stated he believes this is a good time to do it; however, he is not sure it will happen.

Mayor Pro Tem Elsaesser thanked Director Hansen for the presentation.

Commission Priorities – City Manager Alles referred the commission to the list of commission priorities, reviewed the original list from May 2012 and asked for input for the 2013 priorities. Manager Alles stated his intent is to have the commission review the report and submit their comments along with any new projects they may be thinking about.

In the past, the commission has considered the resolution of commission intent regarding budget items; however, Manager Alles stated he believes the commission's recommendations for budget could be included in the commission priorities lists.

Commissioner Haque-Hausrath referred to the priority list and asked for clarification on the Zoning Ordinance Update. Manager Alles explained the zoning ordinance update would include the review of the parking and sign portions of the zoning ordinance. In addition, Commissioner Thweatt had asked for information on form based zoning. Staff has recommended bringing the sign ordinance forward in the near future.

Community Development Director Haugen noted the sign ordinance has been identified as a priority by the Board of Adjustment, Zoning Commission, business owners and individual citizens. She also noted there is some clean up language on the entire zoning ordinance.

Commissioner Haque-Hausrath asked what process would be used. Director Haugen explained staff would introduce the subject, hold public meetings to receive input and would then forward it to the zoning commission who would then bring their public process. The zoning commission would then

forward their recommendation to the city commission where a public hearing would be held. Director Haugen stated the entire process could take up to one-year to complete.

Commissioner Thweatt asked if during the zoning ordinance review the water body protection issue could be addressed. For budget consideration he would like the commission to consider implementing a sidewalk program to assist with the installation of sidewalks where there are currently gaps adjacent to the busier streets in the city.

Mayor Pro Tem Elsaesser stated he would like to discuss this matrix in depth. Commissioner Ellison asked City Manager Alles when he would like to hear back from the commission. He noted a lot of work was accomplished this past year and attributed it to City Manager Alles and city staff.

Manager Alles asked the commission if they felt the priority list process was helpful. A lot of projects move parallel. As for a timeline, he asked the commission to submit any budget requests to him in the next two to three weeks.

Commissioner Haque-Hausrath stated she would support Commissioner Thweatt's proposal to look at a sidewalk program to fill in the sidewalks and to look the water body protection during the zoning ordinance review.

Commissioner Haque-Hausrath recognized the Police Department had increased their enforcement regarding pedestrians in May of 2012 and she would like to see it again this year. Commissioner Haque-Hausrath referred to a previous Attorney General opinion in regards to the fire service assessment and stated she would like to ask for a 2nd opinion from City Attorney Hindoi.

Mayor Pro Tem Elsaesser stated the Tenmile EIS should remain a high priority. He then referred to the Cruse Avenue bike/ped lanes on commission priorities list and commented the cyclist have indicated they do not want bike lanes installed along Cruse Avenue; this was addressed during the FY13 CCIP discussions. City Manager Alles noted Cruse Avenue will be addressed during the Transportation Plan Update. Mayor Pro Tem Elsaesser asked if the Transportation Plan would include the ADA Transition Plan. Manager Alles stated the ADA Transition Plan would be outside the Transportation Plan; city staff is in progress of developing the plan and has hired Stahly Engineering to assist with the project.

City Manager Alles reported he has asked NMTAC for a recommendation on how to implement a sidewalk plan to transition existing neighborhoods that do not have sidewalks. At this time, he is waiting on the recommendation from NMTAC.

Commissioner Haque-Hausrath noted there are limitations on how the street maintenance assessment dollars are spent and asked for City Manager for an overview. City Manager Alles explained there is a set criteria and he would get the specific language to the commission. The commission has held a discussion and there may be interest on the creation of a non-motorized transportation district. There was commission concurrence to have Manager Alles bring that discussion forward.

Mayor Pro Tem Elsaesser stated he too had sent out a legislative update - HB 437 would allow for biking and walking districts in Montana has been transmitted to the Senate. The bill was heard on February 19th with five proponents including Yellowstone County, Montana Association Counties, and three residents of Lockwood. The bill allows for a district that can include sidewalks, bike paths, bike/ped bridges, lighting, and other maintenance such as snow removal within the designated area based on how it would be presented to the voters of the district. The bill evolved from the situation of Lockwood, which is a large unincorporated area though to include at least 7,500 residents with 1,200 students in their K-8 school. The need for streets to accommodate biking, walking, and ADA users was mentioned in the hearing, with the focus being on the need to students to get to school safely-especially in light of a recent death. The district is needed as other special levies would be limited based on "beneficial use" which would put the cost of installing and maintaining the features solely on adjacent or nearby property-it was mentioned that this would not be affordable, nor pass protest provisions. An investment by the school districts in the style of 'Safe Routes to School' would likely be limited by laws against off-site maintenance.

Commissioner Thweatt stated he would like the commission to consider requiring sidewalks be installed when a certain percentage of a property is remodeled. He would also support requiring MDT to implement a complete streets policy. Mayor Pro Tem Elsaesser stated MDT has worked with city staff to implement sidewalk installation.

Mayor Pro Tem Elsaesser stated his interests also include reviewing the operation of HATS and expanding the range of ridership; the Tenmile Source Water Protection Plan and addressing the pedestrian bridge at Henderson regarding Centennial Trail. Mayor Pro Tem Elsaesser stated he has had conversations regarding creating a sidewalks in lieu of program. The details would have to be researched and discussed.

Manager Alles stated he would send a follow-up email to the commission on the commission priority list and the budget guidance deadlines. Mayor Pro Tem Elsaesser asked Manager Alles to forward the introductory language from the previous resolutions of commission intent.

5. Department Discussions
Community Development

Greening America's Capitals Update – City Manager Alles introduced the subject and thanked city staff for the work they did to accommodate these meetings.

Director Haugen recognized Planner Macefield, Engineer Ryan Leland, Fire Chief Logan, BID Director Jim McHugh and the Civic Center staff for all of their work leading up to and during the Greening America's Capitals meetings.

Community Development Director Haugen and Planner Macefield presented a PowerPoint presentation. Manager Alles recognized and thanked staff for the work they have done with the Greening America's Capitals.

Commissioner Thweatt stated one of the presenters discussed the methods to divert stormwater and do upstream infiltration projects; he then asked if any of those recommendations sound practical. Public Works Director Rundquist stated some of the ideas are worth following up on.

Mayor Pro Tem Elsaesser reported there was a lot of discussion regarding the pedestrian crossing at Neill and Front Streets being the connector to the Great Northern and Centennial Park; he asked how that may affect the installation of the 96" main being installed along Front Street. Public Works Director Rundquist noted most of the work will be done underground, there will be one large manhole and the street will be blocked off.

BID Director Jim McHugh spoke highly on the process used for the meetings and the strong consensus of getting pedestrian traffic across Neill Avenue. Funding is always an issue; if possible all partners should work toward common goals. The BID board will meet next week and if the city would like a response from the board, he will ask for it at their next meeting.

Mayor Pro Tem Elsaesser stated he too thought the meetings went well and addressed many issues and there was community consensus reached on many of those issues. He then spoke of the pilot project being discussed was changing traffic on Last Chance Gulch to two-way traffic.

Commissioner Thweatt concurred with the previous comments; he then urged the Greening America's Capitals consultants to visit with the transportation consultants. Community Development Director Haugen stated the consultants that worked on the Tiger grant attended the transportation focus group meeting.

Mayor Pro Tem Elsaesser concurred the Transportation Plan is crucial part of the discussion; absent federal funding the city isn't going to be able to fund a total project. The city could do the improvements to Neill Avenue and accomplish some of the concerns. All options need to address on-street parking for the adjacent businesses.

BID Director Jim McHugh stated the topic of calming the speed throughout the downtown area was one of most addressed issues.

Commissioner Thweatt stated the consultants were asked if two-way traffic was any better than one-way traffic and they could not point to any specifics. The proposal to use Front Street for pedestrian's access to the Great Northern seemed to have consensus to move forward.

Mayor Pro Tem Elsaesser stated NMTAC's recommendation is to install a pedestrian crossing across Neill Avenue. He also addressed two-traffic versus one-way and noted two-way traffic is for a longer distance than being considered in Helena.

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 – No report given.
- 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 – No report given
- f) Helena Citizens Council – HCC Representative Cyndi Forbes showed the commission the HCC water bill insert. The HCC website has been updated.

7. Review of agenda for March 11, 2013 City Commission meeting – Mayor Pro Tem Elsaesser asked if there was any discussion for the March 11th meeting. No discussion held.

8. Public Comment – No comments received.

9. Commission discussion and direction to City Manager – Commissioner Thweatt brought up the issue of email between commission members and asked for clarification on when two or more commission members could have an email conversation. City Attorney Hindoien stated it currently is not an issue for the commission members to email back and forth; however, all email is a public record. The commission needs to keep in mind not to have in-depth conversations on any upcoming legislative action. When the mayorandcommission email address is used, a copy goes to the press.

Manager Alles reported for the last ten years there was an agreement between the City of Helena and the Helena Housing Authority for payment in lieu of taxes; which there was not an agreement on the amount owed to HHA. An agreement has been reached that is acceptable to both the city and the HHA.

10. Adjourn – Meeting adjourned at 5:45 p.m.