

## SUMMARY OF ADMINISTRATIVE MEETING

April 2, 2014 – 4:00 p.m.

Room 326, City-County Building

**1. Call to order, introductions, opening comments** – Mayor Smith called the meeting to order. Commissioners Ellison, Elsaesser, Haladay and Haque-Hausrath were present. Staff present was: City Manager Ron Alles; Executive Assistant Sarah Elkins; Police Chief Troy McGee; Fire Chief Sean Logan; Community Development Director Sharon Haugen; City Attorney Jeff Hindoién; Human Resources Director James Fehr; Human Resources Benefits Manager Morgan Maynard-Dixon; Parks & Recreation Director Amy Teegarden; Community Facilities Director Gery Carpenter; Assistant Public Works Director Phil Hauck; HCC Coordinator Judy Garrity and City Clerk Debbie Havens.

Others in attendance included HCC representative Elizabeth Andrews, Community Gardens representatives Kim Dagner and IR Reporter Al Knauber.

**2. February 19, 2014, March 5 & 19, 2014 Administrative Meeting Summaries** – The February 19 and March 5 & 19 Administrative Meeting summaries were approved as submitted.

**3. Commission comments, questions** – Commissioner Haque-Hausrath referred to the commissioner's priority list, specifically the re-evaluation of creating a Fire Service District and stated she is still interested in moving forward with this. Commissioner Haque-Hausrath stated she believes there is a way to create a district and she asked City Attorney Hindoién to comment. Attorney Hindoién stated he has begun the research and would be happy to put together an informational packet and report back to the commission at an upcoming administrative meeting.

Commissioner Haladay stated he too would be interested in the discussion and believes state statute may have changed since 1994 AG opinion. Commissioner Elsaesser asked if the discussion would be for all properties in the city or specifically the non-profit and government buildings. Commissioner Haque-Hausrath stated she is interested in an assessment method and would apply to any property requiring fire protection. Commissioner Elsaesser stated he too is interested in the discussion.

Manager Alles stated he will bring this back to an administrative meeting at the end of April or early May, 2014. He noted when it was previously discussed the assessment would have applied to all properties within the city limits.

Commissioner Haladay referenced an email he had sent asking for clarification on the city's legal authority to create a non-motorized district and asked when the commission would receive an update on the creation of a non-motorized district. Attorney Hindoién commented staff has met and has conceptually looked at some of the functions that are included in street maintenance and trail maintenance assessments that may qualify to be included in a non-motorized district.

Manager Alles stated staff will define a draft scope of the proposal and will bring it back to an upcoming administrative meeting. He concurred that some of the components may be pulled out of street and trail maintenance and included in the non-motorized district. The commission will need to discuss what method they want to bring the proposal forward; either go directly to a vote or create a resolution of intent with a protest period. Administrative Services Director Magee stated he is working on the scope of creating a district and would provide the information to the manager and commission prior to making a decision.

Manager Alles has asked City Attorney Hindoién to look at the legality on use of the city's gas tax and street maintenance assessment.

Mayor Smith asked Commissioner Haladay if the work being done is on the priority list and where does it fall on the list. Commissioner Haladay stated it is his understanding the non-motorized district is listed as priority 3. However, with the information received on the sidewalk component not being included in a non-motorized district, it may change his priority of the district. Commissioner Haladay commented he wanted to have this general discussion.

Mayor Smith expressed his reservation to create any new district at this time. He appreciates the work staff is doing to provide the commission the information.

Commissioner Haladay stated the commission received the Non-Motorized Travel Advisory Council's 2014 recommendations and at this time, he would recommend the commission reach a consensus to accept the inclusion of Exhibits A-G and forward them onto the Great Helena Area Transportation Plan 2014 Update working group. Commissioner Elsaesser concurred with Commissioner

Haladay's comments and noted the recommendations would be helpful to the working group and the consultants.

Commissioner Haque-Hausrath concurred to forward the recommendations onto the working group. Manager Alles stated he has not reviewed the entire document; however, he noted the consultants will take all the recommendations into consideration.

There was commission concurrence to forward the Attachments A-G from NMTAC to the Greater Helena Area Transportation Plan 2014 Update working group. Mayor Smith asked what would be the best way for the commission to review and consider the recommendations submitted by NMTAC.

Commissioner Haladay stated his intent is to forward attachments A-G and not any formal recommendations. The commission can take the time and review the recommendations.

Commissioner Ellison asked Mayor Smith for an update on his trip to Washington DC. Mayor Smith and City Manager Alles will give a report under the City Manager's Report.

Commissioner Elsaesser stated he would like to see the non-motorized district come forward as soon as possible to be included in the upcoming budget discussions. He realizes the proposal will not fully address the condition and lack of sidewalks; that may need to be a separate discussion. What he is proposing is to pay for the maintenance of non-motorized components that do not qualify under street and/or park maintenance assessments, which would include prioritized sidewalk routes.

City Manager Alles reminded the commission if the non-motorized district is created, the earliest the assessment would be collected is November 2015. For budgetary purposes, no numbers could be included in the FY2015 budget. Commissioner Elsaesser stated he recognizes the delay; however, he still wants it brought forward sooner than later.

Commissioner Elsaesser asked when a working group would be formed to address growth within the city limits; discussed in hearings on the increase in building fees. Manager Alles stated he will report back to the commission on the working group. Staff is working on the internal processes and once that is done, meetings with the development community will be scheduled. Manager Alles stated he will ask Community Development Director Haugen to address the R&D Loan Program.

Manager Alles noted staff is working with Stahly Engineering on the updated preliminary engineering report on the Westside. Commissioner Elsaesser asked what the timeline is for the completions of the report. Manager Alles stated it will be at least two months.

Commissioner Elsaesser referenced his email regarding capital improvement projects and the Greening Capitals Report and asked when the commission would receive the information on the CCIP projects. City Manager Alles noted that 99% of the CCIP funds are allocated for maintenance on what the city currently owns and needs improved/updated. Once a project is identified, it will be added to the list; however, it usually is on the list for a number of years. The commission will see the proposed CCIP budget during the budget work sessions. Manager Alles stated he could ask the budget office to prepare a summary of the CCIP projects. He also addressed the gas tax revenues the city receives and the qualified projects those funds could be used for.

City Manager Alles spoke on the Greening Americas Capital Report which included many concepts; however, staff has not put any numbers to any one project. A more thorough discussion would need to take place. He noted even if a project is not in the CCIP list, the commission can choose to add a project. He used Centennial Trail as an example of a project the commission has added.

Commissioner Elsaesser stated his concern is on projects that were approved years ago and funding has been allocated and the projects have not been completed. Commissioner Elsaesser stated he would like to see a list of specific projects, allocations and any funds allocated as a match for Tiger Grant projects.

Mayor Smith asked City Manager Alles to bring forward the CCIP program for additional discussion that would include any funds set aside for upcoming projects. Manager Alles concurred a work session could be set up prior to the beginning of budget discussions to review the information. Commissioner Elsaesser noted he is asking for a list with dates of approved CCIP projects, allocated funds and proposed deadlines.

Assistant Public Works Director Phil Hauck noted staff has lots of lists; he asked if the focus is on all utilities or a specific area the commission has looked at. Commissioner Elsaesser stated he would like information on any CCIP project above \$50,000 to \$100,000 and any larger projects that addresses several utilities. Assistant Director Hauck noted staff will prepare the information for the commission.

Administrative Services Director Magee noted every year any project that is not completed, it is moved forward to the next year's list. Again, staff will prepare a summary of the projects and bring it forward for commission review and discussion. Commissioner Haladay asked if the list could include

projects for the next fiscal year and identify any project that may be a good choice to submit for a Tiger Grant. Assistant Director Hauck noted the current list of projects should give the commission the information being requested.

Mayor Smith referred to the Greening America's Capital Report and noted he does not recall the commission having an in-depth discussion on the report and would like to do so. At this time, he is not ready to concur with all the recommendations within the report. Commissioner Haque-Hausrath stated the commission has not had a comprehensive discussion of the Greening America's Capital Report. However, she has read through the entire report and would accept the report and would be interested in how it could be incorporated into the CCIP projects. Manager Alles concurred there was no specific commission action on the report. Staff currently looks at and includes the complete street designs and incorporates it into any project. Staff will include discussion of the report with the CCIP.

Commissioner Elsaesser concurred with Commissioner Haque-Hausrath's comments and noted the Greening America's Capital Report has additional information and guidelines which include environmental and economics benefits. There was commission consensus to include the Greening America's Capital Report in the CCIP discussions.

**4. City Manager's Report** - City Manager Alles spoke on the following items:

a. Implementation of the Rural Area Definition of Revised by the Farm Bill – City Manager Alles handed out a copy of a series of email correspondence in regards to the city of Helena not being an eligible lending area for Rural Development Housing Program. Manager Alles noted the area outside the city limits and the city of East Helena is eligible for the program and stated the commission could decide to write a letter; however, he does not believe it would change the outcome.

Director Haugen gave a summary of the information within the email correspondence. Commissioner Haque-Hausrath asked if Helena has ever been eligible for R&D Loans. Director Haugen stated Helena has not been eligible since 1990; which was based on the census of 1990. Additional discussion was held on the language within the decision that Helena is not eligible for R&D Loans.

Commissioner Haladay asked if the valley outside the city continues to be eligible and is it grandfathered in. Director Haugen noted the valley is eligible regardless of population because of the definition of the county. The Helena valley is not an entity and therefore is defined as a rural area. Commissioner Haladay stated he would prefer to see equity between the city and valley residents. If the city moves forward with writing a letter he would like to address the failure of the policy and the inequity of valley residents qualifying and city residents not.

Commissioner Haque-Hausrath stated she would like to pursue a letter and would argue the valley should be removed from the rural area definition; the whole area should be treated the same. Manager Alles asked if the content of the letter would be to request the removal of the valley from the destination where those residents would not qualify for the R&D loans. Commissioner Haque-Hausrath stated the intent of the letter would ask Montana's congressional delegation and USDA representatives to interpret the rules equally. She concurred not to send the letter to the congressional delegation asking that the valley residents be removed from the destination.

Commissioner Elsaesser stated he knows a lot of people who would like to live in the city limits; however, have had to use the R&D program. He stated before the commission sends a formal letter, we should ask for assistance for the areas that were not annexed prior to 1990 to be eligible for the loans. Commissioner Elsaesser noted the city cannot afford to keep losing population due to the residents not qualifying for certain programs, including R&D loans. Prior to any letter being written, the city should invite all interested entities to the table to figure out how to address the inequities and pursue other options.

Mayor Smith stated the Farm Bill was just passed for a three to five year period. He does not believe it was an oversight or accident on how the bill was written and at this time he does not see much upside in writing a letter. The commission would be more productive to move forward with the Westside annexations.

Commissioner Elsaesser stated he would support some type of letter asking those entities to look at the equity of the R&D program. If the commission pursues annexation of the Westside, then those properties would not be eligible for R&D loans.

b. Washington, D.C. - City Manager Alles reported that Mayor Smith, Public Works Director Camp and himself met with Montana's congressional delegation last week and the meetings were successful. The entire delegation was receptive to a variety of funding sources for city projects, including

the WRDA and the Army Corp 595 Program for additional funding of the city's the water distribution system; also discussed was the Upper Tenmile Watershed issues. The Farm Bill includes language where the Governor can designate as part of the landscape, 3,000-acres from a categorical exclusion. Manager Alles stated he is working with Mr. Harrington and Mr. Tubbs on that for the inclusion in the Governor's request to the Secretary of Agriculture.

Mayor Smith concurred with Manager Alles' comments and was pleased to see Senator Walsh has retained many of Senator Baucus's staff. He then spoke of the last three years budget process in Washington D.C.

Commissioner Elsaesser asked who Mr. Harrington is. City Manager Alles stated Mr. Harrington is the State Forrester from the Department of Natural Resources & Conservation. Commissioner Elsaesser asked what the Army Corp 595 Program is. Manager Alles stated it is funding for the Missouri River Treatment Plant and noted there is a list of city projects where those funds have been used. Assistant Public Works Director Hauck commented the city received \$600,000 from the Army Corp for the Missouri River Treatment Plant. A list of funded projects will be provided to the commission.

Commissioner Haladay stated he would support writing a letter to the Congressional delegation to address the concerns of this commission regarding Helena not being in an eligible lending area for Rural Development loans. He commented by 2020 the valley population will surpass the city residents. It is important the congressional delegation is aware of the concerns.

Mayor Smith stated he continues not to support sending a letter; he does not believe it will do any good and could do some harm in regards to other projects the city is working on. There was commission consensus to write a letter to the Congressional delegation on the Rural Development loan program. Commissioner Elsaesser commented the letter should be general in nature; he would also recommend the information from Mr. Runkel be forwarded with the letter. This is a major challenge the city faces in addressing growth outside the city limits. Commissioner Elsaesser stated the commission should not accept the response that Helena is not eligible without expressing our concerns.

Mayor Smith stated it is still unclear what should be included in the letter; he suggested that Commissioners Elsaesser, Haque-Hausrath and Haladay get together to provide some bullet points to be included in the letter. Commissioner Haque-Hausrath stated she supports sending a letter to the congressional delegation that would explain the impacts this has with growth in the valley and agriculture land. She would also support working in a way to directly push back with the USDA folks, through a separate letter or making note of it in the letter to the congressional delegation. She does not believe this is what is intended with the R&D program and offered to submit bullet points. Commissioner Haladay concurred with the previous comments; he believes the problem is with the inequity of how the policy is interpreted. City Manager Alles stated he will work with Commissioners Haque-Hausrath and Haladay to prepare a draft letter for the commission to review.

Manager Alles stated he received a request from the Montana Independent Living Project (MILP) to enter into a three-month trial period for a mobility coordinator by using some of the HATS grant funding. With commission consensus, Manager Alles would work with Mr. Maffit to develop an agreement and scope of work for a mobility coordinator. The city would contract with MILP and the coordinator would be a staff person of MILP.

Mayor Smith asked for clarification on the proposal. Manager Alles stated there are a lot of details to work on before an agreement could be developed. There is approximately \$90,000 left in the grant funds that could be used for this purpose and would provide a demonstration project. Manager Alles stated staff would contact the Montana Department of Transportation to make sure the grant funding could be used for a mobility coordinator.

Commissioner Ellison asked if this would require any general fund monies. Manager Alles stated no. Commissioner Haque-Hausrath stated this was one of the recommendations from the advisory board. Commissioner Elsaesser stated he is glad to see this proposal.

Mayor Smith stated he is not interested in a three-month demonstration project. There was commission consensus to have City Manager Alles proceed in developing an agreement with MILP.

City Manager Alles stated his intent would be to proceed with the drafting of the agreement and to make sure it is eligible for grant funding. Mayor Smith stated he would prefer to see additional infrastructure and not operations. It was clarified these funds can only be used for operational expenses.

## 5. Department Discussions

### Parks & Recreation

**Community Gardens Presentation** - Parks & Recreation Director Teegarden introduced Kim Dagner with the Helena Community Gardens. Director Teegarden spoke of the successful partnership between Community Gardens and city staff.

Ms. Dagner submitted several informational hand-outs on the Helena Community Gardens organization and noted this group of volunteers is very successful and gave a brief overview and their successes. Ms. Dagner showed a map with the location of all eight community gardens and spoke on each one of them.

Community Gardens' volunteers work very closely with Food Share; which helps to provide fresh vegetables to those who use Food Share. There is an educational component of Community Gardens by providing classes throughout the gardening season. They continue to look for additional community partners.

Commissioner Elsaesser asked how the kick-off potluck was. Ms. Dagner stated it was successful as approximately 150 people showed up. Director Teegarden stated the partnership is strong with new opportunities to look at.

### Human Resources

**City Health Benefits Discussion** – Manager Alles introduced the subject and noted additional information is forthcoming. Human Resources Director Fehr gave an overview of the five options staff has prepared for commission review and consideration.

Commissioner Ellison asked how the state of Montana can provide a plan where the family premium is \$254.00 per month versus the city's rate of \$673. Human Resources Director Fehr explained the state is charging each program more than what the costs are and the extra dollars supplement the pool.

Commissioner Ellison asked how other cities can provide their insurance at the premiums they do. Director Fehr stated other cities supplement their insurance programs.

Commissioner Haque-Hausrath asked if the recommendation is Option Five. She then asked Director Fehr if it is his opinion if the single employees would have less of an impact by offering the Madison Plan since they have access to CareHere. Director Fehr concurred the single employees would see less of an impact due to having access to CareHere. City Manager Alles spoke on the services provided by CareHere for those employees who choose to use it; there are no out of pocket expenses. He did note not every employee will benefit from the proposed changes.

Commissioner Haque-Hausrath commented it is her understanding that employees who have families do not qualify for subsidy under the Health Care Act because the city offers coverage. Manager Alles stated he wants to verify that information.

Commissioner Ellison thanked staff for the great spreadsheet; he then referenced the information and gave the example of Option One using the Bridger Plan and the increase of 1.6% for a difference of \$22,000 for FY2015. He asked how the difference would be paid and would it all be from the general fund. City Manager Alles stated 60% of city employees are enterprise funded and 40% are general fund and that portion of the increase could be included in the mill levy for health insurance. Commissioner Ellison stated if Option Five is used, the difference would be approximately \$50,000 and half as expensive to add a family. He commented that would help many employees provide coverage for their families.

Commissioner Elsaesser asked how this change would affect the retirees. Director Fehr stated everyone who currently is covered, which includes retirees, would be affected by the change. Commissioner Elsaesser stated he would like to make the decision during the budget process and would like to hear input from other entities to include the BID, library and airport.

Manager Alles stated he has discussed this with the city directors and some first-line supervisors have weighed in on the proposal. Another option he may consider is to survey all employees. There is additional work to complete before a final recommendation is made. Manager Alles stated staff will contact the other entities to inform them of the proposal and report back to the commission.

Director Magee noted at this time, all city departments have a 7.75% increase included in their budgets; if this shift is made it would be a 5.25% increase in the medical budget; a decrease in what was put in the preliminary budgets. Retirees under the age of 65 will be impacted by the increase.

Manager Alles noted single employees are less attracted to Option Five; however, it is important to reach out to all employees. Mayor Smith concurred it is important to reach out to the outside entities.

Manager Alles stated the outside entities can always make the decision to continue to pay the Bridger Plan premiums for their employees

Mayor Smith asked if there is information on city employees; how many are single, married and with children. Manager Alles stated he has not asked staff to compile that information. Mayor Smith stated what is motivating this is there are employees who cannot afford to add a spouse and/or children.

Commissioner Ellison stated this proposal may be attractive to him personally. Mayor Smith stated if this is approved the hope would be to get employees to take advantage of CareHere.

Commissioner Haladay likes Option Five and would like to move forward and noted the city should try and be competitive with benefit packages of other government entities.

City Manager Alles stated staff will poll the other entities, proof the numbers and get clarification on ACA. Once that information is compiled, he will provide it to the commission. In order to get the correct numbers in the preliminary budget, Manager Alles stated he would like to get commission direction at the next administrative meeting. The commission will need to proceed once the information is received.

Manager Alles asked the commission if there is support for one specific option. There was consensus to work with Options 3 and 5.

## **6. Committee discussions**

- a) Audit Committee, City-County Board of Health, Civic Center Board, L&C County Mental Health Advisory Committee, Montana League of Cities & Towns - Mayor Smith - No report given.
- b) Audit Committee, Board of Adjustment, Helena Chamber of Commerce Liaison, Information Technology Committee, Montana Business Assistance Connection – Commissioner Dan Ellison – No report given.
- c) Intergovernmental Transit Committee, Non-motorized Travel Advisory Board, Transportation Coordinating Committee – No report given.
- d) ADA Compliance Committee, Business Improvement District/Helena Parking Commission, City-County Parks Board, Transportation Coordinating Committee – No report given.
- e) Audit Committee, City-County Administration Building (CCAB), Public Art Committee – Commissioner Haque-Hausrath – No report given.
- f) Helena Citizens Council – Elizabeth Andrews reported the HCC continues to develop their 2014 work plan. HCC voting members on city boards have been filled. Administrative Services Director Tim Magee attended the March meeting and gave a great presentation on the budget. There was also an update on the transportation plan. At the April meeting the focus will be on recycling. Ms. Andrews asked for confirmation on when the commission will address recycling. City Manager Alles reported the city will begin to accept plastics on April 22<sup>nd</sup>.

**7. Review of agenda for April 7, 2014 City 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** – Meeting adjourned at 6:05 p.m.