

**SUMMARY OF ADMINISTRATIVE MEETING**  
**March 4, 2015– 4:00 p.m.**  
**Room 326, City-County Building**

**1. Call to order, introductions, opening comments** – Mayor Smith called the meeting to order. Commissioners Elsaesser, Ellison, Haque-Hausrath and Haladay were present. Staff present was: City Manager Ron Alles; Executive Assistant Sarah Elkins; City Attorney Thomas Jodoin; Police Chief Troy McGee; Public Works Director Randall Camp; Assistant Public Works Director Phil Hauck; City Engineer Ryan Leland; HATS Supervisor Steve Larson; Human Resources Director James Fehr; Parks & Recreation Director Amy Teegarden; Community Facilities Director Gery Carpenter; Fire Chief Sean Logan; Senior Planner Dustin Ramoie; Utility Maintenance Superintendent Kevin Hart; HCC Coordinator Judy Garrity and Deputy City Clerk Robyn Brown.

Others in attendance included: County Commissioner Susan Good-Giese; HCC Representative Dick Sloan; HATAC Representative and Inside Edge Design consultant Jessica Peterson; IR Reporter Al Knauber; MILP representatives Bob Maffit and Les Clark; Mike Casey- DEEM Investments, LLC; and numerous Lewis & Clark County residents living within Phases 1 through 4 of the proposed Westside Infrastructure Project.

**2. February 18, 2015** - The February 18, 2015 administrative meeting summary was approved as submitted.

**3. Commission comments, questions –**

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| Helena Housing Authority | Appointment of Bruce Hodess as a tenant representation on the Helena Housing Authority. Term will begin upon appointment and expire August 2, 2017. |
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| Non-Motorized Transportation Advisory Council (NMTAC) | Reappointment of Robert Rasmussen to a 2 <sup>nd</sup> term on NMTAC. Term will begin on April 1, 2015 and expire March 31, 2018. |
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| Tourism Business Improvement District | Appointment of Tiffanie Zavarelli to a first term on the TBID. Term will begin April 21, 2015 and expired April 20, 2019. |
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Commissioner Elsaesser spoke in support of the proposed appointments and announced the City also has openings on the Zoning Commission, ADA Compliance Committee, Non-Motorized Travel Advisory Council and Public Art Committee. Mayor Smith added said vacancies are currently being advertised and applications are due to the City Clerk's Office by 4:00 p.m. on Thursday, March 12, 2015.

**Commission Comments** – Commissioner Haladay stated he would like to propose an amendment to the City Commission By-Laws in order to avoid the current situation where a tie vote of 2-2 cancels any Commission action on the item under consideration. He explained the reasoning behind his proposal is due to a recent request for a sidewalk variance on Spencer Street. Only four of the Commission members were present and the vote was 2-2, which meant no action was taken on the proposal; therefore it failed.

There was Commission consensus for the proposed amendment to the by-laws. Manager Alles confirmed he would work with City Attorney Jodoin to bring the amendment forward to a Commission Meeting for consideration.

Commissioner Haladay spoke regarding House Bill 519 dealing with exempt wells. He stated it is an exempt well bill that will exacerbate and enshrine the irresponsible development patterns in the Helena Valley that City of Helena residents ultimately bear the brunt of financially. He recommended the Commission send a letter to Governor Bullock regarding concern for taking a Department of Environmental Quality (DEQ) rule and turning it into statute, basically carving out residential exempt wells

in perpetuity.

Manager Alles noted the Montana League of Cities and Towns (MLCT) is in a “monitor” position on the Bill with no official stance or position.

Following discussion, there was Commission consensus to express Helena’s opposition to the bill via a letter to the Governor and/or testimony by the City Manager, while awaiting an update from MLCT regarding their stance on the bill.

Commissioners Elsaesser and Ellison commended city staff’s response to the recent water main break under 6<sup>th</sup> Avenue.

Commissioner Elsaesser gave a brief summary of his previously presented zoning proposal and asked it to be included in discussions with the Zoning Commission on March 19<sup>th</sup>.

**4. City Manager’s Report**

**Legislative Update** – No report was given.

**5. Department Discussions**

**Fire Department**

**2015 SAFER Grant** – Fire Chief Logan reported the SAFER (Staffing for Adequate Fire and Emergency Response) Grant Program was created in 2003 to provide funding to career and volunteer fire departments to help them with staffing of trained, frontline firefighters available to prepare for and respond to all hazards in their communities. This program is administered by the U.S. Department of Homeland Security and in this fiscal year will provide \$340 million to communities across the country. These grants are currently funded for two years and do not require that communities be able to sustain them at the end of the grant period. Grantees are able to reapply at the end of the program in certain circumstances. One of the goals of SAFER is to assist local fire departments to comply with NFPA (National Fire Protection Association) and ASHA standards. When the recession hit the U.S. in 2008, another goal of the program was to help communities avoid layoffs and retain staffing levels in the face of significant financial hardship.

The application period of this year’s SAFER program is from February 9, 2015 to March 6, 2015. As the Helena Fire Department considered making an application this year, we looked to the uncertain future that lies ahead. Presently, our collective bargaining agreement has expired and six unresolved issues will be considered at a final and binding arbitration hearing on April 20, 2015. During negotiations, the City of Helena tentatively agreed to wage and other pay matters that will total roughly \$90,000 annually and will bring firefighters to market median. In addition to that, financial demands (increased retirement benefit contributions, additional vacation requests and minimum staffing changes) that are unresolved could potentially increase the costs of operation by another \$150,000 annually should the firefighter’s union prevail at arbitration. The only way within our department’s means that we can sustainably afford these increases is to eliminate two funded positions in our personnel budget. The annual cost of a firefighter with wages and benefits is \$75,000. We are applying to SAFER to retain these two positions and keep our overall suppression firefighter staffing at thirty personnel.

Manager Alles stated he asked Chief Logan to explain the grant because he wants the Commission to be very aware of the situation and provide feedback if they desire.

Commissioner Haque-Hausrath asked if the city is successful in arbitration could this grant money be used to re-hire the firefighter position that was lost in 2010. Manager Alles stated that may be a possibility.

**Consensus direction to Manager: Fire Chief Logan will move forward with the grant application.**

**Community Development**

**Pre-Zoning, Annexation, Cost Reimbursement to City for Westside Infrastructure Project –**

City Manager Alles and Senior Planner Ramoie reported the City of Helena is considering the annexation of the wholly surrounded area generally described as Phase One of the Westside Infrastructure Extension Project, and all adjacent street and alley rights of way. Manager Alles gave an overview of reports that had been made to the Commission on the project.

Planner Ramoie presented a Powerpoint presentation detailing staff’s public participation and notification process for the project. The information listed below is an excerpt from the presentation and details the outreach performed along with the timeline.

# Public Outreach & Notification

- November 20, 2014
  - Public Open House held at St. Andrew School with all of Phase 1 property owners invited
  - Initial opportunity for public and staff interaction on this specific proposed project
  - Large public turnout with many questions and follow-up by staff
  - Issues such as legality of wholly surrounded area, timing, why there is a need for this project etc. were addressed with individuals that requested information
- January 21, 2015
  - City Staff hosted a Pre-Zoning Workshop at the Montana WILD Center to present the proposed pre-zoning and get feedback, all of Phase 1 property owners invited
  - Approximately 20 citizens attended
  - Feedback by the citizens helped to draft the final pre-zone proposal
- February 10, 2015
  - Helena Zoning Commission held a public hearing on the proposed pre-zoning for the Phase 1 area
  - Approximately 15 Citizens attended, but none gave comment
- Resolution of Intention to Annex
  - If the City Commission passes a Resolution of Intention to Annex, it will set a public hearing date for April 6, 2015
  - Public notices of the 20 day comment period will be published and mailed to all affected property owners as well as all registered voters residing in the area
  - All comments will be accepted and forwarded to the City Commission prior to the April 6, 2015 public hearing.
- Ongoing
  - Staff has been engaged on a daily basis sending out information and answering questions from citizens both within the affected area as well as in future phases

Planner Ramoie presented an exhibit showing an example of how property owners would be charged per square footage of lots containing existing dwellings. He also presented an example of the land requirements to develop to city standards on the Westside.

The properties are adjacent to and wholly surrounded by the City of Helena and are located within the “Urban Standards Boundary Area.” The area is mixed between residential developments, some limited commercial development, and some vacant undeveloped land. Many of the properties in the area are receiving either City water and/or wastewater service at this time even though they are located in Lewis & Clark County. The City is proposing to upgrade and extend water and wastewater services to the entire phase one area. Once the full installation of the infrastructure is complete, it is anticipated that the City will annex this wholly surrounded area.

A portion of the subject property was recommended to be pre-zone to the R-2 (Residential) District and B-2 (General Commercial) District by the Helena Zoning Commission on February 10, 2015. All of the subject property located south of Hauser Boulevard was pre-zoned to R-2 (Residential) District by the Helena City Commission on August 18, 2003.

Manager Alles explained the conditions for being required to hook into city sewer and/or water.

Commissioner Haque-Hausrath asked how many Westside residents are already receiving city services. Planner Ramoie stated approximately 300; there are approximately 80-90 properties connected at this time in Phase 1. He added the original mailing list for property owners in Phase 1 was to 108 addressees.

Commissioner Elsaesser asked if the Commission would be able to modify or strike the Conditional Use Permit allowance for multi-family homes in the proposed zoning. Attorney Jodoin explained the Commission can and would need to go through a general zone change ordinance process to revise the City's current Conditional Use Permit process. Commissioner Elsaesser expressed concern for the effect of multi-family dwellings on residential zoning in this area, as it allows for four-plexes everywhere.

Mayor Smith noted City staff is compiling all written comments received, and the audio of this meeting is being recorded.

Discussion was held on how property owners of multiple lots with development existing on only one or two of the lots would be charged. Engineer Leland noted City Code requires mains be extended across the frontage of the property for properties located in the City limits.

Mayor Smith called for comments and questions from persons in attendance.

The following issues were commented on by meeting attendees living in Phases 1 through 4 of the proposed project: the annexation effective date, desire for grant funding to be obtained to fund the project; the need for clarification of the cost to individual homeowners; concern over lack of public participation and notification; general concern over the cost of the project; difficult interpretation of the proposed rebate resolution; the desire for a committee to be appointed to work with the city on the project before the property is annexed; equity in the way residential properties and commercial properties are charged, as commercial properties should pay more; uncertainty over future costs for sidewalk, streets, curb and gutter; concern that the city would be placing liens on homes until they are hooked up to services; clarification of a possible error in the Stahley Engineering report; and claims that residents were told the Kessler School septic system fix was not going to create any wholly surrounded properties.

Manager Alles addressed the following questions/comments posed by members of the public:

- The Stahley Engineering report did not duplicate the costs for water and sewer lines in their report. The city does not run both lines in the same area so there is a cost for each installation. City Engineer Leland noted the design process for the project will produce more accurate costs.

- Regarding grant funding, a Westside water and sewer district was proposed a few years ago and was voted down. Cities are not successful in obtaining grant funding for water and sewer projects but special districts are and the neighborhood could have if they would've been willing to form a district.

- The City chose square footage to provide the ability to create developable lots if the existing owner so chooses. Charging using square footage also helps the costs be more equitable for corner lot owners.

- The City will not be placing liens on properties.

- The resolution states the following timelines for hooking into city services: current well users- 20 years to hook up; septic system users- hook up when system fails and must hook up to water within five years of connection; and current sewer system users – five years to also hook into city water.

- Manager Alles gave the example of the Woodlawn/Dunbar Subdivision as a neighborhood that hooked into city water and sewer but the City did not and has not forced them to install sidewalks, curb and gutter.

Manager Alles noted the proposed rebate resolution will apply to all properties hooking into city services, not just the Westside residents.

Commissioner Elsaesser requested written information be provided prior to the March 9<sup>th</sup> Commission Meeting. Manager Alles stated a FAQ document would be provided.

Commissioner Haque-Hausrath requested a cadastral map that includes examples of what the project would cost per property owner be provided.

**Consensus direction to Manager: None given.**

## **Public Works**

**HATS Coordination Plan** – City Manager Alles and HATS Supervisor Larson reported the City Commission is scheduled to accept the HATAC Coordination Plan on Monday, March 9<sup>th</sup>. Staff has attempted to identify items in the plan the Commission may wish to explore at the Administrative meeting scheduled for March 4<sup>th</sup>. The following is from the MDT guidance document for a Transportation Advisory Committee – “Coordination is a high priority at the Federal, State, and local level. Coordinated transportation services must be tailored based on each communities unique needs, skills, and **resources**. The local Transportation Advisory Committee (TAC) is charged with cooperatively assisting the City Commission (Lead Agency) with assessing and prioritizing local needs and in developing a local coordination plan”.

Each year the TAC develops a coordination plan for the upcoming fiscal year. The local TAC body serves as an advisory group to the lead agency. While the lead agency is not able to change the TAC coordination plan except for the capital equipment ranking list, it is assumed that that both bodies share a common goal of providing an effective transportation system. If the lead agency is unable to commit to the entire coordination plan objects as listed, the commission in its acceptance motion on Monday night can identify what it will attempt to accomplish during the upcoming fiscal year. The following items are areas that the Commission may wish to consider:

1. (Pg. V.)HATAC is recommending that the Commission ***review, approve and implement*** the entire coordination plan as presented.
2. From the Introduction (Pg1): “HATAC is committed to working with the Lead Agency on plan implementation, ***contingent upon the development of a Preliminary Grant Budget which supports HATAC recommendations***, and both acceptance of and a demonstrated commitment to implementing this FY2016 Coordination Plan”. It would be helpful to the lead agency if HATAC was willing to work with the lead agency on developing a budget that recognizes the financial constraints faced by the operation and identifies the incremental steps necessary to improve the transit operation.
3. From 1.3 Update Year 1-2 Lead Agency Objectives and Actions (pg 6.): “The HATAC is committed to continue to work toward completing or progressing on all remaining year 1 activities.....***if the lead agency demonstrates its commitment to the plan through the Grant Application Preliminary budgets***”. This again implies that the HATAC will be unwilling to work with the lead agency unless the current Grant Application budget meets the HATAC expectation of a “robust” budget.
4. (Pg2 – Introduction) The Coordination Plan requires “the Lead Agency adoption of key policies including allowing the restriction of in-kind and additional hard money contributions”. The in-kind policy was developed to allow the Commission to either accept or deny targeted in-kind donations. This was designed to function similar to the Commission accepting grants for a specific purpose or for accepting a property donation. There may be instances where the Commission doesn’t want to accept a donation or a targeted in-kind service.
5. The Coordination Plan outlines the best option for a new fixed route/para-transit service based on the yet to be completed HITP Grant Round 2 (4.2 – Pg29) but notes that “the various options including the preferred option need to be completely “ground trothed (sic) truthed ” by staff, to determine if slight changes need to be made to the routes...”. The City has asked to consultant to finish the route recommendations with staff assistance before any route changes are implemented in order to successfully meet the July 1, 2015 deadlines. The recommendations included in the Coordination Plan received to date are all conceptual. It would be advantageous for the lead agency to receive a specific route recommendation(s) including where the bus stops are located before being asked to implement the recommendation.
6. (Pg30) “It is recommended that a Mobility Manager for the Helena Area be hired to implement and oversee mobility management activities”. Although the consultant said in a recent I.R. article that “Nonprofits tend to put more money toward services than administration”, this recommendation would add administration to the HATS budget. HATAC has also suggested that

the Supervisor should be a full-time administrative position. These two recommendations would add 1.2 FTE's to the current budget or an equivalent cost even if contracted.

7. From a December 18<sup>th</sup> Memo "HATAC recommends the Lead Agency adopt the new brand, integrate it across all marketing and communication tools and it be simultaneously rolled out with the attached HATS local service Improvement Plan, recommended for launch no later than July 1, 2015". At this point, the local service improvement plan includes two fixed routes based on conceptual schedules, conceptual stops, and conceptual time points and would also ignore a good percentage of the current ridership. There is also significant concern about placing bus stops on MDT right-of-way and the ADA requirements for each stop.
8. (Pg 33, 4.6) HATAC has contracted with Nelson/Nygaard to conduct an evaluation of HATS' existing fare structure and "HATAC recommends the Lead Agency change fares and/or fare structure changes pursuant to findings of that report and collaborative recommendations". The Commission may want to review these recommendations and hold the required public hearings prior to implementation.
9. (Pg 36) "HATAC recommends that the lead agency consider para-transit service on election days and holidays for FY16".
10. (Pg48) "The HATAC Coordination Plan Subcommittee Capital Assistance Request Ranking was considered and approved by HATAC active members on January 20<sup>th</sup>, 2015 and are as follows:  
(1) Montana Independent Living Project Capital Assistance Request  
(2) Helena Area Transit Service Capital Assistance Request"

\*Although the City's request for capital is included in the FY16 preliminary budget, there is no justification, information or costs included for the Montana Independent Living Project request.

Superintendent Larson stated the Commission may want to discuss this request and how the priorities were established. Staff feels that there are many good recommendations in the Coordination Plan but believes Commission direction in the above areas would assist the lead agency to incrementally implement the recommendations within the constraints of the FY2016 budget.

Commissioner Elsaesser requested the public comment given at the February 23<sup>rd</sup> City Commission Meeting also be considered as public comment for the March 9<sup>th</sup> meeting as many citizens commented on both the budget and the Coordination Plan. Mayor Smith and Manager Alles agreed.

Discussion was held on the Human Rights complaint filed by Mr. Maffit. City Attorney Jodoin explained his concerns and reluctance to discuss the complaint as he looks at it as litigation. He gave a brief overview of the discrimination being alleged.

Commissioner Haque-Hausrath asked for the costs associated with MILP's capital request and the HATS capital request. Superintendent Larson explained the MILP request totals \$42,000 and MILP would be responsible for approximately \$6,000 in match funding. The HATS request totals \$297,800 and the City would be responsible for 13%, as required in the grant. Superintendent Larson then explained the ranking included in the plan.

Commissioner Haladay asked if city's like Butte that contract out their para-transit services have to bid out for those services. Manager Alles stated he would need to research the issue but he is fairly sure it would be required to be bid out as federal funding is involved.

Commissioner Elsaesser expressed concern over additional costs that involve MILP but he feels unable to discuss those issues because of Mr. Maffit's complaint.

Commissioner Ellison noted he finds a very chilling effect now on discussions on the transit system due to the complaint filed by Mr. Maffit. However, he noted he is grateful for all of the work that went into the plan; but cautioned that acceptance by the Commission does not mean any or all recommendations will be implemented.

Jessica Peterson- HATAC Representative; expressed support for the Coordination Plan and excitement to work together with the City to improve transit services.

**Consensus direction to Manager: None given.**

***Due to time constraints, Manager Alles stated the Tenmile Transmission Main Scope of Services would be moved to the next Administrative Meeting agenda for discussion.***

**New York Block Right-of-Way Use Agreement/Walking Mall** – City Engineer Leland reported a new business, Hawthorn Bottle Shop and Tasting Room, has opened their shop in the New York Block of the Walking Mall. The City Commission has previously given consent to the current façade modification that is taking place now. The proposed patio design, the reason for applying for this permit, has been approved with conditions by the Building Department with the understanding and agreement that it cannot be built without City Commission approval of an Exclusive Right of Way Use Permit.

This Exclusive Right-of-Way Use Agreement is being requested by the applicant, Deem Investments LLC, the owner of the building, on behalf of the building's tenants. The request, if approved would give the tenants more seating for their new business. Further, the proposed patio while not necessary for ADA compliance, would, if allowed, would serve as a more accessible ADA entrance and route than the currently used ADA compliant entrance.

Commissioner Haque-Hausrath asked if there is any other business located on the walking mall that already has the agreement being proposed. Engineer Leland stated no, nothing else like this currently exists on the walking mall. Commissioner Haque-Hausrath asked if a ROW Use Agreement is required to serve alcohol outside.

Mike Casey, applicant; explained the applicant will need approval of the agreement to serve alcohol outside per the Department of Revenue.

Commissioner Ellison asked if there are any other active ROW Use Agreements that serve alcohol outside. Mr. Leland agreed and listed the businesses that currently have agreements in effect in the downtown area.

Mayor Smith asked if the vaults under the property are a consideration in the construction of the patio. Engineer Leland explained they are but it is up to the property owner to ensure they are addressed safely.

Commissioner Haque-Hausrath spoke in support of the project and find this and future proposals exciting for the downtown area.

Manager Alles noted ADA access will need to be addressed as these agreements are processed due to location of access related to adjacent sidewalk café/ROW Use Agreements.

**Consensus direction to the City Manager: staff will bring the proposed ROW Use Agreement forward for formal Commission consideration.**

**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 – No report given.
- b) Audit Committee, Board of Adjustment, Helena Chamber of Commerce Liaison, Information Technology Committee, Transportation Coordinating Committee — 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, Montana Business Assistance Connection – No report given.
- e) Audit Committee, City-County Administration Building (CCAB), Public Art Committee – No report given.

7. Helena Citizens Council – No report was given.

8. **Review of agenda for February 23, 2015 City Commission meeting** – No discussion held.

9. **Public Comment** – No public comment received.

10. **Commission discussion and direction to the City Manager** – No discussion held.

11. **Adjourn** – Meeting adjourned at 6:02 p.m.