

## SUMMARY OF ADMINISTRATIVE MEETING

June 1, 2016 – 3:30 p.m.

Room 326, City-County Building

316 N. Park Avenue, Helena

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**1. Call to order, introductions, opening comments** – Mayor Smith called the meeting to order. Commissioners Ellison, Farris-Olsen, Haladay and Noonan were present. Staff present was: City Manager Alles; Executive Assistant Sarah Elkins; City Attorney Thomas Jodoin; Assistant City Attorney Iryna O'Connor; Community Development Director Sharon Haugen; Police Chief Troy McGee; Fire Chief Mark Emmert; Public Works Director Randall Camp; City Engineer Ryan Leland; Utility Maintenance Superintendent Kevin Hart; Community Facilities Director Gery Carpenter; Administrative Services Director Glenn Jorgenson and City Clerk Debbie Havens.

Others in attendance included HCC Representative Sumner Sharpe and IR Reporter Al Knauber

**2. May 18, 2016 Meeting Summary** – The May 18, 2016 administrative meeting summary was approved as submitted.

**3. Commission comments, questions –**

**Board Appointments** – Mayor Smith is recommending the following board appointments:

City Zoning Commission

Appointment of Jerin Borrego to a first term, as the alternate member, on the Zoning Commission. Term will begin upon appointment and expire September 30, 2019.

Helena Open Lands Management  
Advisory Committee (HOLMAC)

Appointment of Jeff Shirley to a first term on HOLMAC. Term will begin July 2, 2016 and expire June 30, 2019.

Reappointment of James R. Phillips to a second term on HOLMAC. Term will begin upon appointment and expire June 30, 2019

Public Art Committee

Appointment of Chris Riccardo to an unexpired term on the Public Art Committee. Term will begin upon appointment and expire December 31, 2017.

**Commission Comments** – No comments were offered.

**4. City Manager's Report**

**Central School (Darby Bramble)** - City Manager Alles introduced Darby Bramble and Jennifer McKee.

Ms. Bramble addressed the commission and noted it is their goal to educate the community on Central School. Jennifer McKee acknowledged the city commission cannot solve the problem of Central School; she gave an overview of the demographics of the students who attend Central School. She also spoke on the size and safety of Central-Lincoln School versus Central School.

General discussion was held on the deterioration of the Central School facility and the neighborhood. Commissioner Noonan stated he lives close to Central School and has seen a different atmosphere of the neighborhood since the school was closed.

Commissioner Haladay noted the City cannot take any action regarding the school district, unless asked. He then asked Ms. Bramble and McKee what they see the city's role being. He noted the commission has approached the school board in the past.

Ms. McKee stated she does not know; the school district holds the cards. Hopefully when the school district and school board feels the community pressure, a decision will be made. She suggested the city could submit a letter to the editor or write an opinion article. Ms. Bramble encouraged the city to appoint a designated representative to be on the school district's working group.

Commissioner Ellison asked if the parents have approached the newly elected school board trustees and the appointed interim superintendent. Ms. McKee stated they have been meeting with Sarah Sullivan to engage the board. A task force is being appointed to continue discussions on the school district needs.

Ms. Bramble noted it is coalition building time for the Central School parents; the newly appointed superintendent is acceptable to meet with the group. Commissioner Farris-Olsen stated he would be happy to be the commission representative on the task force. He does not know if keeping it open is the best option; however, he is willing to serve on the task force.

Mayor Smith noted the city has held off on any special bond issue due to the needs of the school district and county.

Manager Alles noted city staff has attended the citizen's advisory group meetings.

## 5. Department Discussions:

### Administrative Services

#### **Certificates of Participation Advance Refunding Resolution – Administrative Services**

Director Jorgenson reported the city is in the process of refunding the 2009 Certificates of Participation that financed the 15<sup>th</sup> Street Parking Garage. Staff will present a resolution to the commission on June 6<sup>th</sup> that will authorize the Mayor, City Manager, and the Administrative Services Director (the Pricing Committee) to issue the preliminary official statement, approve the sale of the new bonds and sign the related documents. This is referred to as the second amendment to the lease purchase agreement with US Bank.

The resolution is referred to as a “parameters” resolution as it will allow the Pricing Committee to approve the sale based on certain parameters. Those are:

- The principal amount may not be more than \$8,600,000,
- The True Interest Costs (TIC) interest rate may not exceed 3.5% which provides a minimum Net Present Value savings of \$750,000, and
- The final maturity date shall not be later than March 1, 2039.

The latest savings estimate is approximately \$100,000 per year in interest with a net present value savings of \$1,129,552 using current interest rates. The savings will change as interest rates are changing daily and have recently been increasing due to a stronger economy. Staff would like to bring the COP's to the market as soon as possible to get the greatest savings.

### Public Works

#### **Tenmile Water Line/Rimini Road Update – City Manager Alles and Public Works Director**

Camp referred the commission to the letter from P.E. Jamie Clark to the Eastern Federal Lands Highway Division, outlining the city's concerns with FHWA Project #MT PFH-98-1 – Rimini Road Reconstruction Project Letter of Concern and Opportunity.

Director Camp stated there have been discussions to split the cost of repair between Federal Highways, Lewis & Clark County and the City to repair the damaged pipe. However, those discussions have ended as Federal Highways has determined the replacement of pipe does not qualify for their funding. There is significant damage to the pipes and city staff has documented it. Staff will continue to look at all options to get this pipeline replaced.

Director Camp noted this is an update only. Manager Alles stated the bottom line message is the line has to be fixed; the legal end will have to be figured out after that. The city is going to have to prove the long term damage to Federal Highways. The water fund reserves will pay to fix the damaged pipes. Staff is doing their due diligence to leverage the information to get it fixed.

Commissioner Noonan asked is the county part of the discussion. Director Camp noted staff is trying to set up a meeting between all the parties. Originally the county offered to cover 10%; however, Federal Highways have rescinded their offer. An additional meeting will be scheduled.

Mayor Smith noted the funding will be taken out of water reserves and this is the highest priority to get fixed. The city is going to take money from reserves to fix the pipes that the contractor has damaged. Manager Alles again stated staff is working through the issue. Manager Alles noted he will also reach out to the congressional delegation for assistance in discussions with Federal Highways.

Commissioner Ellison appreciates the comment from Manager Alles that he will reach out to the congressional delegation regarding Federal Highways. He believes the congressional delegation will be sensitive to protecting the city's water supply.

Mayor Smith stated when contacting the congressional delegation, staff needs to have a package of information based on the facts staff has found.

**Boulder Avenue East of Interstate Discussion** – Manager Alles referenced the letter from the Dyrud Law Office regarding the American Building Company; American Parks Associates, Public Traffic Crossing Private Property within city limits.

Staff needs to respond to the letter by June 10<sup>th</sup>; staff is currently working with the county on possible solutions. Engineer Leland showed an area map of Boulder Avenue and the property referenced in the letter. He noted there are issues with stormwater drainage in the area.

Commissioner Ellison referred to the area map and noted he has gone east on Boulder where Boulder turns east to south, there is a sign that says no vehicles and there is a finished trail there. Engineer Leland stated Centennial Trail is located in that area and is within the city limits. City staff is trying to keep vehicles off Centennial Trail.

Commissioner Haladay commented the owner has a problem with cars crossing his property; he then asked is there anything stopping him from restricting cars. Engineer Leland noted the property owner could block it off, if he chooses to do so.

Commissioner Haladay noted the problem with cars is completely in control of the property owner. Engineer Leland stated in his opinion; that is the case. Commissioner Haladay then asked has the construction of Centennial Trail compounded the stormwater drainage on the property. Engineer Leland stated no and explained the improvements that were done for stormwater drainage.

Commissioner Haladay asked if the property owner also owns the property directly to the south. Engineer Leland stated he does not own it directly to the south; however, he does own a small section of property in the area. Commissioner Haladay asked if the property owner is still using California Street to access his property. Engineer Leland stated the property owner is not personally accessing his property; however, others are through California Street. Commissioner Haladay commented the property owner is complaining about vehicles on his property; however, they are also driving on Centennial Trail to access his property. Engineer Leland concurred.

Mayor Smith asked if property was blocked off is there an alternate route for Boulder Avenue; that would be feasible and affordable. Engineer Leland stated staff has looked at an alternate route for Boulder Street; however, it would require a road be built to city standards and addressing the stormwater, both would be very expensive projects.

Mayor Smith asked what does buying the property look like. Manager Alles noted the cost would be approximately \$290,000 and at this point he would recommend the city and county look at purchasing the property. Manager Alles noted a solution for stormwater needs to be found.

Commissioner Ellison asked if there has been any feedback from the county. Manager Alles stated he has spoken with County Administrator Bryson and he will bring the proposal forward to the county commission. In terms of the letter, Manager Alles has requested a meeting with the property owner and his attorney.

**Consensus Direction to Manager – Continue to work with the county to purchase the property and request a meeting with the property owner and his attorney.**

## 6. Committee discussions

- a) Audit Committee, City-County Board of Health, L&C County Mental Health Advisory Committee, Montana League of Cities & Towns – Mayor Smith noted he did not bring up the issue of the requirement of an abandoned septic tank at the Board of Health due to the appropriate staff not being at the meeting. He does intend to follow up with the County Health Officer.

Mayor Smith reported he has been made aware the County Health Department has approved a septic tank and well for an office building for the storage units being built in the county for Trinity Development; however, there are city services available within 200' of the property. He intends to visit with Manager Alles to get all the facts. At this point he is very distressed the county would approve the septic system and well. Manager Alles noted he has

contacted County Administrator Bryson who will contact the Health Department regarding this approval.

Attorney Jodoin noted the resolution of intention to annex the five-acres on the southern portion of the property, requires them to hook into city services. Long term, they are going have to extend city services.

Commissioner Ellison stated he too is troubled by this news. There is another action pending for final annexation. The property owners need to be asked why they chose to install a septic tank instead of hooking into city services. If the developer doesn't want to divulge their plans, that is okay; however, he will have some questions of the developer.

Commissioner Noonan asked if the Health Department didn't have the knowledge they needed to speak to the City prior to approving the septic system and well. Engineer Leland explained when city staff received the plans for the five-acre annexation request; they noticed the plan to install the septic system for the storage units. At that point, city staff contacted the County Health Department to ask what was going on. County staff indicated the developers showed it would be three-times the cost to hook into city services versus installing a septic system, which city staff disagrees with. The permit was issued one day after the inquiry was made.

Commissioner Haladay asked if the developers of the storage units never seek annexation, nothing would require them to seek city services. Attorney Jodoin stated the city could not force them to hook into city services.

Mayor Smith stated he believes the entire development should comply with city standards. There is definitely a disconnect between the city and county. Commissioner Haladay asked if this property is owned by Parker Heller. Manager Alles stated it is part of the Trinity Development. Commissioner Haladay stated he still believes the developer is trying to circumvent the subdivision regulations, engineering standards and annexation requirements. This is evidence the developer will continue to try to circumvent the process.

Commissioner Ellison stated at the May 9th commission meeting that while he had concerns about this proposed annexation he voted for it while noting that the last thing he wanted to see out in the urban services boundary area was more wells and septic systems. Now we are learning that there are additional plans to do just that and he will have questions about why that is necessary with city water and sewer infrastructure in close proximity.

Commissioner Noonan asked when the commission would consider the resolution of annexation. Director Haugen noted the developer has requested the resolution be on the June 20<sup>th</sup> agenda; however, staff does not believe they have reached a consensus of the conditions. Attorney Jodoin noted staff is working through issues with the conditions of annexation.

Commissioner Noonan clarified the developer of the storage units is the same as the five acre annexation. Staff concurred.

Commissioner Haladay asked if the storage units are on a separate parcel. Director Haugen explained there are two parcels of property and in order to remove the five-acres, the developer will have to do a boundary relocation of the two tracts. The storage units are currently being built on the tract that is in the county.

Commissioner Haladay asked if the land restrictions being placed on the property could include language restricting the installation of any septic tanks. Attorney Jodoin stated the city has the authority to do so. The plan for the remaining property is still not being divulged. Ultimately there is going to be a deed restriction on the Cemetery.

- b) Audit Committee, Helena Chamber of Commerce Liaison, Information Technology Committee, Transportation Coordinating Committee – No report given.
- c) ADA Compliance Committee, Audit Committee, City-County Parks Board, Civic Center Board – Commissioner Farris-Olsen reported he attended a Parks Board meeting and is impressed with new summer programs being offered at pool.
- d) Board of Adjustment, City-County Administration Building (CCAB), Non-Motorized Travel Advisory Board, Transportation Coordinating Committee – No report given.
- e) Business Improvement District/Helena Parking Commission, Montana Business Assistance Connection, Public Art Committee – Commissioner Noonan reported the quarterly meeting with the BID/HPC and the City Commission is scheduled for June 7<sup>th</sup> at 7:30 a.m.

- f) Helena Citizens Council - HCC Vice Chair Sharpe reported a new HCC Coordinator has been hired. The HCC continues to work on the new committees that will address new topics; i.e. traffic safety, city codes (specifically the sign ordinance); budget; financing and resources.

The HCC has recommended the county and city look at a \$.02 cent gas tax. There are other communities looking at a gas tax.

Mr. Sharpe thanked Mayor Smith and Commissioner Ellison for attending an HCC meeting. He again invited the other commissioners to attend an upcoming meeting. He also encouraged the commission to engage the HCC on issues.

Mayor Smith commented he attend the May HCC meeting and noted the last communication on the gas tax was in June 2015. He asked Manager Alles to put this on the July or August joint work session agenda.

Commissioner Noonan stated he will attend the June HCC meeting.

7. **Review of agenda for June 6, 2016** – No discussion.
8. **Public Comment** – Jake and Phil with the Montana Conservation Corp. attended the meeting.
9. **Commission discussion and direction to the City Manager** – No discussion held.
10. **Adjourn** – Meeting adjourned at 5:35 p.m.