

SUMMARY OF ADMINISTRATIVE MEETING
February 14, 2018– 4:00 p.m.
Commission Chambers, Room330
City-County Building
316 N. Park Avenue, Helena

- 1. Call to order, introductions, opening comments** – Mayor Collins called the meeting to order. Commissioners Farris-Olsen, Haladay and Noonan were present. Commissioner O’Loughlin was excused. Staff present was: City Manager Ron Alles; Executive Assistant Sarah Elkins; City Attorney Thomas Jodoin; Deputy City Attorney Iryna O’Connor; Police Chief Troy McGee; Fire Chief Mark Emert; Parks and Recreation Director Amy Teegarden; Public Works Director Randall Camp; Assistant Public Works Director Phil Hauck; Street Superintendent Ben Sautter; City Engineer Ryan Leland; Engineer David Knoepke; Community Facilities Superintendent Troy Sampson; Parking Director Dave Hewitt; Administrative Services Director Glenn Jorgenson; Budget Manager Libbi Lovshin and City Clerk Debbie Havens.

Others in attendance included: HCC Representative Sumner Sharpe; TSI&T representatives Matt Gorecki, Kevin Hamm and Randi Swingley; IR Reporter Thomas Plank and Robin Suzar.
- 2. February 7, 2018 Summary** – The February 7, 2018 administrative meeting summary was approved as submitted.
- 3. Commission comments, questions –**
Upcoming Appointment – There are no appointments on the February 26th city commission meeting agenda.
- 4. City Manager’s Report** – Manager Alles reported there will be two open houses on the Beattie Street trailhead, February 20th and 27th.
- 5. Department discussions:**
Public Works
Gas Tax Projects/Street Projects Funds and Funding – Manager Alles referred the commission to the worksheet showing the Street Projects that are currently budgeted or that have been under recent discussion.

City Engineer Leland and Assistant Public Works Director Hauck reviewed the information on the worksheet for the following projects - West Main; Front Street; Capital High Pedestrian Crossings, Quiet Zone, Clark/Hamilton Street; Cruse/Cutler Improvements; Five-Point Intersection Study; and TA Grant Match for Benton Avenue Path.

The worksheet showed the current budget by fund, expenditures to date, the estimated remaining costs, and the estimated ending balance. Staff also included the utility portion of each project if applicable. The second page shows a preliminary plan for the FY19 budget to insure that these projects can be completed.

Commissioner Noonan asked if the ending balances include the FY18 ending funds. Assistant Director Hauck noted when he brings a project forward; he will present it with the current budget year. He noted some of the projects listed are not currently budgeted; however, if the commission moves a project forward, the budgets could be adjusted.

West Main – The bids were opened on February 13th and staff will need to review them before making a recommendation. Assistant Director Hauck spoke on the budgeted amount for the project and the various funds included to complete it. Commissioner Haladay asked what is the estimated timeline for completion and is there language for overruns if the project is not completed on time. Engineer Leland noted the timeframe is 150 days for completion; there are 10-days on either side of the completion date and then an incentive/decentive of \$5,000 per day.

Commissioner Haladay asked what is the total amount of time West Main will be closed. Engineer Leland stated staff does not have that timeframe; the contract will be awarded with a start time in April/May. The first portion of the project will be the utilities, in which West Main will be closed during April/May.

Front Street- Front Street is 90% designed and will be brought forward for commission discussion and how to move forward; one item that needs to be discussed is the light district. The specifics of the project will be on an upcoming administrative meeting. The original stormwater pipe size will be smaller than what was originally estimated. Staff hopes to have KLJ at the next administrative meeting to present to the commission.

Commissioner Haladay asked regarding the lighting district is one option being discussed is having the city own the district. Engineer Leland stated that will be the main topic of discussion.

Capital High Crosswalks—The project is complete and was done in conjunction with the School District. The changes have helped pedestrian traffic. The ending balance is \$102,000 under budget which will remain in gas tax to be reallocated. The School District paid for 50% of the project.

Quiet Zone – The project is complete, except for the warranty items. Total costs were approximately \$700,000 and there was a \$7,426 savings. Manager Alles spoke of the success of the quiet zone.

Clark/Hamilton Streets – Project is 60% designed; staff will bring the design forward for commission discussion on the curb, gutter and sidewalk on both Clark and Hamilton. Also included is the water replacement project on a portion of the project.

Commissioner Haladay asked what is the estimated life of the utilities. Director Camp stated there are utilities in Clark Street that are 100-years old and it is staff's recommendation is to replace the water and stormwater. Commissioner Haladay commented as we look at streets to replace, we need to look at the replacement of water and stormwater and pick the streets carefully..

Engineer Leland stated one factor as to why the project is so expensive is Clark Street has two water mains that need to be replaced. Assistant Director Hauck stated the most challenging is looking at what all is involved when doing a street project, including all utilities.

Cruse-Cutler Improvements – This project has been on the books for quite some time; money has been allocated and designed by city staff. However, Cruse Avenue is an urban route; the city has requested to have it removed from the urban route system. At this time, it has not been removed. Another issue is the surplus property the city is looking to surplus, which would change the design of this project. Commissioner Haladay asked when will MDT make the decision. Engineer Leland stated in April 2018.

Five-Point Intersection Study – This project will include both five-point intersections, the one by Helena High/Caird property and the other one on Last Chance Gulch. Staff is looking at doing a traffic study; there has been a meeting of the stakeholders and an RFP will be developed. Once the RFP's are received, a specific scope will be developed and brought forward to the commission.

Commissioner Haladay asked once the traffic study is complete and recommendations are developed, could those recommendations be stand-alone projects, and not bundle them where it is a 25-million dollar project. Engineer Leland stated he anticipates several stand-alone projects will be addressed and funded.

TA Grant Match for Benton Avenue Path – The TA grant was approved by the commission in January; the city's match is \$168,470. Staff has been talking with MDT to see if the city could do the project as MDT is not looking at doing this project until 2020.

Manager Alles noted he had a good conversation with the MDT Director Tooley, who encouraged the city to pursue the required certification in order to do the project. Commissioner Haladay asked what is the timeframe to accomplish certification. Engineer Leland noted there is a manual staff will have to complete; however, staff has not initiated the process at this time.

Assistant Director Hauck noted the five-point project and the path are two projects he anticipates including in the FY19 budget request.

Commissioner Haladay referenced the budget status and noted the gas tax allocation for FY19 is \$665,000 and asked if that includes the new allocated gas tax funds. Assistant Director Hauck stated it does not include the new allocated gas tax. The \$665,000 is more than the annual allotment, however, there is savings included in the total. The new gas tax fund allocation is \$420,000. Staff will receive training on the new allocated gas tax funds.

The commission, beginning in March, can request the new gas tax allotment. It will take direction and strategy on the allotment of the new gas tax funds and has a 5% match requirement. Staff is proposing a separate fund for the new gas tax allocations.

Snow Route Matrix – Manager Alles introduced the agenda item and asked Director Camp to give the staff report. Director Camp referred to the Emergency Snow Route Matrix, Emergency Snow

Route Streets in Helena and the Winter Maintenance Plan for both the west side and east side snow routes.

Director Camp explained the point values on the emergency snow route matrix which included input from the Engineering Division, Street Division, Fire and Police Departments. Staff is looking at the commission's concurrence on the criteria included on the Emergency Snow Route Matrix.

Manager Alles asked if this scoring will be applied to all streets in Helena. Director Camp stated it will not include the residential streets. Manager Alles stated staff's proposal and recommendation will be ready to present to the commission at the April 4th administrative meeting.

Commissioner Haladay asked for an example of a neighborhood outlet. Engineer Knoepke stated Beattie Street would be classified as a neighborhood outlet. Commissioner Haladay asked how the crosswalks that are physically painted on the streets are evaluated. Engineer Knoepke stated sidewalks was one of the criteria on the matrix that was difficult to score. He used Henderson Avenue as an example and explained how it would be evaluated as it has three variables; staff may have to break it up to rate it accurately. Most streets are going to fall in or out of the categories. He spoke on the rating categories, listed A-K on the emergency snow route matrix.

Director Camp stated the goal is to come back with a recommendation not only for snow routes, but a prioritization list for priorities 1,2, and 3. Any street the commission wants added, staff can do that. This is an outline that staff intends to move forward.

Commissioner Haladay asked what is the timeline for staff to bring their recommendation forward. Director Camp stated staff will be prepared to present at the April 4th administrative meeting.

Commissioner Farris-Olsen asked staff to also include a recommendation on how residents will know when a snow plow will be at which street. Director Camp noted the recommended priority zones will help accommodate keeping the public informed. Commissioner Farris-Olsen stated if residents have a general idea of when a snow plow will be on their street, they will move their vehicles.

Manager Alles stated staff is trying to accommodate the concerns of the residents. Again, a final recommendation will be presented at the April 4th administrative meeting.

Commissioner Haladay asked what the total miles of existing emergency snow routes are. Manager Alles stated he does not have the exact number; he estimated 1/4 of the streets in Helena are emergency snow routes. Commissioner Haladay commented in terms of efficiencies and resources right now, would it be better to scale back some of the emergency snow routes. How effective and cost efficient are the snow routes; it would be helpful to know what we are doing now.

Street Superintendent Sautter stated staff is looking at adding priorities; he has never looked at removing snow routes; the routes will provide a methodology on what streets should or should not be on an emergency snow route.

Director Camp noted staff will look at the efficiencies of the snow routes and will bring back a recommendation. Commissioner Noonan asked that staff be prepared to explain the snow route policy changes and how we can accomplish them in simple terms at the public meeting. The commission understands the police cannot remove the cars during a storm, due to higher priorities. It is important to be clear with the citizens and educate them on what the city can and cannot do.

Discussion was held on how to better educate the public of the snow route policy; the door hangers have helped; however, not totally successful. Also discussed was removing vehicles that have been parked on the street ; the current abandoned vehicle ordinance and improved methods of notifying citizens of when a snow plow will be on their street.

Commissioner Farris-Olsen asked that staff look at using a notification system that would include text messages and email. This type of notification would be more effective than door hangers. Manager Alles noted staff will look at what is available through the reverse 911 system. Police Chief McGee noted it is feasible to use the reverse 911 system for notification.

Police Chief McGee spoke of the problem with abandoned vehicles and suggested there may be a way to clear them in the fall prior to any snow fall. When the Police Department receives a complaint, they process it; however, it can take up to eight days to get a vehicle towed. He noted the sticker is not required prior to towing; however, it does help to notify the owner.

Commissioner Haladay referenced the cars that are continually parked and it is clear they have not moved within 72-hours, can we just sticker the car and move forward with towing the vehicles. Chief McGee again stated if they receive a complaint they will process it; however, you cannot tow it after 72-hours, you have to follow the process. If it is a junk vehicle, the county will process it and tow it the county landfill.

Commissioner Haladay stated another option would be to have the snow plow drivers report vehicles that have continually been parked.

Commissioner Noonan stated this discussion will help the commission to let the public know the process. Chief McGee also reminded the commission, if a vehicle is moved two or three inches, the vehicle is no longer considered abandoned. Commissioner Noonan asked if that can be changed by city ordinance. Deputy City Attorney O'Connor stated she has not done any research on this; it seems most of the laws are tied to moving the vehicle; she will definitely look at what language could be changed.

Micro-trenching – Manager Alles introduced the agenda item and referred the commission to the following memo from City Attorney Jodoin and Deputy City Attorney O'Connor:

Subject: Applicable requirements to Treasure State Internet & Telegraph (“TSI&T”) for installation of TSI&T’s infrastructure in the City’s right-of-way.

I. If TSI&T is a Public Utility

If TSI&T is considered a public utility under Montana laws then they would be able to use the public right-of-way as a right to install their utility lines and facilities. Mont. Code Ann. § 69-4-101. However, all utility lines and facilities “shall be so constructed as not to incommode or endanger the public in the use of said roads, streets, or highways, and nothing herein shall be so construed as to restrict the powers of city or town councils.” *Id.* Furthermore, installation of any wires for “telegraph, or signal transmission or reception” by a utility is subject to the provisions of the National Electric Safety Code (“NECS”). Mont. Code Ann. § 69-4-201. The State has adopted the 2017 NECS as the current standard. ARM 38.5.1010. The City has no authority to allow deviations from the 2017 NECS as “[n]o ordinance in conflict with any provisions of the national electrical safety code may be enacted in any city or town in the state, and any such ordinance is void.” Mont. Code Ann. § 69-4-204.

It is important to note that Montana law assigns tort liability and damages to any “excavator who damages an underground facility” and that excavator “is liable for the entire cost of the repair of the underground facility.” Mont. Code Ann. § 69-4-523. In addition, any excavator that manages an underground facility is also subject to civil penalties by the department of labor and industry. Mont. Code Ann. § 69-4-524; Mont. Code Ann. § 69-4-501. The underground facility owner may also be subject to civil penalties if “a locate and mark was not properly completed or if the locate and marks provided were not reasonably accurate for locatable underground facilities.” Mont. Code Ann. 69-4-525.

II. If TSI&T is not a Public Utility

Section 7-13-2 of the Helena City Code limits private commercial use of the public right-of-way except as provided in Title 7 chapter 13. Section 7-13-5 of the Helena City Code grants the City Commission the power to grant a public right of way use permit to “cable television and other utility services that are not allowed to use public right of way by law.” If TSI&T is not considered a public utility under Montana law then TSI&T would be required to obtain a permit specified in 7-13-5 of the Helena City Code. As a condition of getting the permit the applicant must indemnify the City and pay “an annual fee for the right of way use permit of five percent (5%) of the fair market value of the property as determined by the most recent appraisal by the Montana department of revenue for ad valorem property taxation purposes, with credit for landscaped areas, alternate routes, and amortized costs of improvements for public improvements, with a minimum fee per year.” Helena City Code 7-13-5(6); 7-13-5(8). Notably, this is not the franchise fee that is currently being paid by Charter. One of the questions that would have to be answered is what type of fee TSI&T would be subject to. As far as I could find, there are no other provisions in city code or MCA that would clarify this question. If it’s something other than the 5% fair market value we would have to come up with a way to justify the deviation. Perhaps an answer could be found in federal law.

The applicant also is subject to all other city code provisions. Helena City Code 7-13-5(10). This included the requirement for a street opening permit. Helena City Code Title 7 Chapter 2. This code section however is not very specific as to depth of excavations nor does it refer to the engineering standards. Section 5.2.10 of the City’s Engineering Standards provided specifications on Utility Trenches. However, the Engineering Standards do not appear to specify any requirements with respect to bury depths, for utilities other city owner and maintained infrastructure, other than to say “[t]he intent is to protect the integrity of the roadway riding surface and eliminate the potential for roadway failure due to failure of trench backfill material under a roadway.”

III. In addition to the issues discussed above, other questions would have to be resolved prior to allowing TSI&T’s use of the City’s right-of way.

- Whether or not TSI&T enters into a franchise agreement, the City would have to determine whether or not any provisions of the Charter Franchise Agreement will be implicated. To determine that, it is necessary to determine whether TSI&T would fall under the definition of a "cable system" as it is defined by 47 USC § 522(7) (the Cable Communications Policy Act of 1984) and thus subject them to the franchising requirements of the Act. If TSI&T is not classified as a "cable system" it will be important to determine what set of federal laws govern TSI&T's operations in order to determine what kind of terms can be included in the franchise agreement.
- FCC's net neutrality rules could potentially be implicated, as well as Governor Bullock's recent Executive Order No. 3-2018. However, at this time, the City Attorney's office cannot say definitively whether or not any of these rules would be applicable.

It is the recommendation of the City Attorney's Office to contact a telecommunications attorney to help the City answer these questions given the complexity of the federal government's regulatory scheme in this area.

In addition, it is also the recommendation of the City Attorney's Office that the City Commission consider a more detailed franchising ordinance for these types of request as it is likely that more companies would want to use the City's right-of-way in this manner in the future. If the City Commission chooses to pursue such an ordinance, it is recommended that the ordinance specifically outline what type of "utilities" could request use of the right of way, how the fees would be set, what standards they would have to follow, what process they would have to go through, and any potential terms that we would want included in every franchise agreement.

Engineer Leland referred the commissions to the following language that was included in the memo from himself and Director Camp:

As directed by the Commission, staff contacted Treasure State Internet and Telegraph on January 24 and again on 25th telling them that the standards will be on the February 7th administrative meeting. No comments were received as of February 1st, 2018, when this memo was due. Staff also continued to research on standards and based on staff experience and other standards have a recommendation to protect the integrity of the street, any utility within the ROW, and not pass future costs on to the City or third party. Please keep in mind this is a standard for the use of ROW and not an agreement with one utility or company. Additional information that was researched, in the building code adopted by the City and State, requires a bury depth of 24" and New York City only allows Micro Trenching in special situations and under a franchise agreement.

As directed by the Commission, Treasure State Internet and Telegraph was contacted and followed up on questions presented to the staff by the commission. Treasure State Internet and Telegraph is considered a utility because of providing a telegraph service and is not required to have a franchise agreement with the City of Helena, unlike other companies like Bresnan (Charter). As a public utility MCA 69-4-101 allows the use of public rights-of-way (ROW) without the need for an agreement but needs the approval of the governing body that has jurisdiction of the ROW. Public utilities line and facilities have protection by MCA 69-4- part 5, and require any excavator that damages a properly marked utility to pay for damages and could receive a civil penalty not to exceed \$10,000. Also with being a utility the City could be responsible for paying for utility relocations during a construction of a street or utility project.

City staff has had issues with Micro trenching in the past, not only with settlement, improper rehab of the street, and installation without permits or approval. Staff has received complaints from bicyclists with getting their wheels stuck in the cut because it not even with the existing pavement.

Engineer Leland gave a Power Point presentation and spoke on each of the following items:

- Standard Telegraph Utility Installation vs. Agreement for Micro Trenching. – TSI&T has the right to use the city's right of way.
- Standards to Consider
- Standard Location of Micro Trenching in ROW
- Utility/Trench Width
- "Dig Once" Typical Section
- Trench Width Standard
- Depth Considerations
- Depth of Top of Conduit

- Residential Water/Sewer Service Line Potential Conflicts
- Potential Liability
- Depth of Top of Conduit Standard
- Street Restoration
- Street Restoration Longevity Considerations
- Street Restoration Standards
- Recommended Standards:
 - Allowed at the lip of curb (LIP) and back of curb (BOC)
 - Bury depth
 - LIP – 18 inches minimum to top most conduit
 - BOC – 12 inches minimum to top most conduit
- Width of trench shall be a minimum of 2 inches
- Micro trenching is not allowed to wind around existing infrastructure
- Contractor using micro trenching shall insure the conduit is at bottom of the trench
- Minimum separation from water and sewer main 10 feet
- Backfill material shall be:
 - Permanent but able to be milled at later dates without damaging remaining backfill
 - Highly resistant to freeze/thaw cycles – Spall proof
 - Extremely impermeable and high abrasion resistance
 - Easily applied
 - Quick cure time
 - Eco-Friendly
 - UV and chemical resistant
 - Submitted and approved by the Public Works Department

Commissioner Farris-Olsen asked why staff is recommending 18" minimum if the deepest asphalt we have is 14". Engineer Leland noted staff is recommending the 18" as that is what is used by others and gives some flexibility. Charter Communications uses 18", NorthWestern Energy recommends 18" and other issues are dealing with the frost line and safety. Engineer Leland referred to the detective cameras for the signals, which are called loops and are installed using micro trenching. These loops are cut all the time and are hard to reinstall. Commissioner Farris-Olsen asked how much does it cost to replace a loop at a crossing as staff had estimates on how expensive it is to replace the fiber. Engineer Leland responded the city does not use loops; we use video detection. He used the loop as an example of fiber often being cut. Commissioner Farris-Olsen asked clarifying questions on the cost to replace fiber in the city. He also asked if Charter Communications has fiber inside the city. Engineer Leland stated he is not sure if Charter has fiber inside the city; however, other companies, the city of Helena and the state of Montana have fiber installed and this standard would apply to everyone.

Commissioner Farris-Olsen asked Engineer Leland what staff is referring to when they note there are settlement issues with micro-trenching. Engineer Leland stated when the state of Montana installed fiber, it was installed next to the lip of curb and there are settlement issues. Other issues include the installation of micro-trenching being installed without permits; bikes getting their tire stuck where the micro trenching occurred, specifically on Helena Avenue. Commissioner Farris-Olsen commented with the smaller trench there would be less of a chance for an issue. Engineer Leland stated the width of the trench needs to be wide enough to get a good seal; there are regular trenches that do not get good patches. He noted the recommended standard will get the best results.

Manager Alles stated the idea is to get below the pavement or the road bed. Engineer Leland stated staff would recommended below the road bed; however, certainly below the asphalt. Manager Alles noted there are varying degrees of asphalt depth, it ranges from 3" to 14", and asked if there is there a reason why the city cannot have varying depths if the recommendation is to get below the road bed. Engineer Leland stated when reconstruction occurs, the fiber needs to be lower than the asphalt to avoid being torn up and having to relocate it. Manager Alles again asked if there could be a range of depth. Engineer Leland stated the recommended standard would be 18".

Commissioner Haladay referred to Engineer Leland's comments about other places that allow micro trenching by agreement, he understands that staff believes there is a benefit to have it under a franchise agreement and what is the benefit. Engineer Leland stated as far as a benefit, he didn't see all the agreements; one example is Chicago where they have language included in the agreement to take all

the liability away from the city if the fiber is cut and has to be replaced. An agreement could also include language where the lifetime of the trench is the utility company's responsibility; an agreement signs away liability. Commissioner Haladay stated under Title 69, the city cannot force a public utility to either waive or sign away liability; the franchise agreement would allow the language. Engineer Leland stated he does not know if an agreement could include language that would sign away the city's liability.

Commissioner Haladay spoke on the current code regarding utility companies and the penalties that could be imposed by the Department of Labor. Deputy City Attorney O'Connor stated there are two parts of liability; one to cutting it and one to the costs of restoring it. The civil penalties imposed by the Department of Labor are separate from the liability and is used as an enforcement tool to assure people do not cut utilities. Deputy City Attorney O'Connor stated a company could not sign that part away because it is a penalty.

Commissioner Haladay stated one thing he saw when looking at fiber installation around the country, is a number of places have entered into franchise agreements with local jurisdictions, and with separate terms from anyone else holding a franchise agreement; by doing that a most favored company clause is not included. All you have to do is spell out is the public good, the public benefit and what the city is getting back for it. Each company's agreement has different language and what they agree to. It would not be an exclusive franchise agreement; the city could articulate an agreement for public good.

Manager Alles stated he is not sure if we can enter into a franchise agreement with a utility company. Deputy Attorney O'Connor stated she would have to research whether the city could enter into a franchise agreement with a utility company. She noted the city cannot deviate from the electrical code. Deputy Attorney O'Connor stated she believes the city can enter into separate franchise agreements; one item she would flag, is based on how our franchise agreement with Charter is written and tied to the cable act. The potential answer is it does not conflict; however, the laws are complicated. Assuming it does not implicate, the city can enter into a different type of franchise agreement.

Commissioner Haladay stated private parties can enter into a contract with specific terms, even with a public utility. Discussion was held on indemnifying the city by entering into a franchise agreement. Deputy Attorney O'Connor stated she does not disagree, however, she would have to work on language to be included in an agreement.

Commissioner Farris Olsen stated he would assume electrical standards would not apply to fiber. Deputy Attorney O'Connor stated that code does address communication lines and where they are located; staff in the building division could clarify the requirements. Engineer Leland stated there are two different building requirements that require fiber be 24" deep. Engineer Leland noted with some of the agreements he looked at, there is language that requires a plan to be submitted prior to micro-trenching.

Commissioner Haladay asked with the current roster of players in Helena who would use micro trenching. Engineer Leland listed the following that would use micro trenching: Century Link, Blue Cross/Blue Shield, NorthWestern Energy, Charter Communications, State of Montana, City of Helena and private contractors,

TSI&T representative Kevin Hamm stated the discussion has been focused on utilities as a whole, there is confusion on what is being required. TSI&T is only installing fiber and are exempted from the building codes, they are micro trenching and not putting in thousands pieces of copper. Mr. Hamm stated for TSI&T to be required to go 18" is ridiculous; the trench is 1.5 inches wide, they do not want to rip up the streets. Micro trenching is the smartest way to go; TSI&T is not doing it because it is the easiest way. Mr. Hamm stated TSI&T will work with the city to locate their fiber and will mark it when necessary.

Commissioner Farris-Olsen asked if there is a smaller area to do as a test project on and see what the results are after the winter. TSI&T representative Eric Gorecki noted they asked for the city to be part of a demonstration; the county participated in a pilot project where the fiber was installed using micro trenching. Commissioner Farris-Olsen asked where TSI&T has installed fiber using the 1.5 inches. Mr. Gorecki stated that was the project they proposed last summer that was derailed; TSI&T has a 3" wide saw and are now proposing to use the 1.5" saw.

Commissioner Farris-Olsen asked staff to figure out a pilot project to see what the effect is using TSI&T recommendations. Engineer Leland stated staff can set up a pilot project, some of the effects will not be seen for several few years. Engineer Leland stated he feels strongly about the depth and the type of saw cut.

Commissioner Farris-Olsen stated he would support the commission adopting the recommended standards and then move forward with a pilot project using the 1.5" cut. Mr. Hamm stated TSI&T will propose a pilot project.

Commissioner Haladay stated his questions regarding a franchise agreement were asked only if a company was interested in entering into a franchise agreement. There may be no interest in entering into a financial agreement of any sort. Manager Alles asked could it also be a form of an agreement that does not include monetary costs; however it would include a waiver of liability. The city can articulate what should be in an agreement and answering the liability concerns.

Engineer Leland stated the city needs to make sure proper fill is being used and it is being installed correctly. Commissioner Haladay stated the hold-up comes back to liability. TSI&T representative Kevin Hamm stated it is his understanding that they can sign away liability through a letter of agreement. Commissioner Haladay stated this would be a deviation of standards, which would apply to all companies. Mr. Hamm noted the 3" micro trenching standards would apply to everyone; the 1.5" mini trenching would be the pilot project and that is where the liability would be signed away through a letter of agreement.

Deputy Attorney O'Connor commented when you are talking about utilities, it complicates the discussion because of the language in MCA; if we are not talking about utilities and it is two parties signing a contract, there is a lot more lead way. In doing some of the research, some cities have a franchise ordinance that spells out specifics, use of right of way, liability issues, and if there is a cost involved. If the commission is interested she will do further research into the issues regarding entering into a contract.

Administrative Services –

Mid-Year Budget Review – Manager Alles referred the commission to the memo from Budget Manager Lovshin and noted there are no issues to report on the mid-year budget review:

Budget Review Process:

Review of city budget status is routine throughout the year. Each department is responsible for managing and monitoring their own budget to ensure adherence to the adopted budget. In addition to departmental reviews, the Budget Office reviews major budget areas throughout the year and contacts departments when potential concerns are found. Appropriate actions, such as a budget amendment or an accounting adjusting entry, are initiated as necessary.

Mid-Year Review:

A comprehensive budget review is performed near mid-year by the Budget Office. This budget review includes analysis of the current budget status and projection of trends and expectations through the end of the fiscal year. Evaluation also includes identifying line items and expenditure or revenue categories with significant variances to budget, taking into account seasonal or timing components, and assessing consistency with prior years. Departments provide feedback about areas of potential concern or other potential issues.

The fiscal year 2018 mid-year review shows no major areas of concern. City operations are proceeding routinely as expected and are anticipated to stay within bottom line budget parameters. A summary of revenue and expenditure comparisons to budget for the general fund and larger departments within the City is attached.

EXPENDITURES

Comparisons of actual expenditures to budget, at the division and department level, by expenditure type (personal services, operating, or equipment), and by individual line item.

PERSONAL SERVICES

Personal services expenses are on track at mid-year and departments expect to remain within their budget parameters.

OPERATIONS

In the course of any budget year some line items end up with a budget surplus while others show a budget overrun. This is normal and is the nature of budget planning and predicting costs and usage to maintain operations. Line items in various departments that appeared to be in or headed toward a year-end overrun were evaluated by the departments. In all cases, department analysis indicated either no anticipated budget problem by year-end or offset with savings in other line items.

REVENUES

Comparisons of actual recorded revenues to the budgeted amounts at the department and division level, by revenue category and individual line item.

GENERAL FUND REVENUES

General Fund revenues are on track and are anticipated to come in very close to original projections in all major areas.

OTHER FUND REVENUES

Revenues in funds other than the General Fund are expected to come in at or above projected levels assuming no significant changes in trends.

CONTINUING REVIEWS

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

6. Committee discussions:

- a) Audit Committee, City-County Board of Health, L&C County Mental Health Advisory Committee, Montana League of Cities & Towns – Mayor Wilmot Collins – No report given.
- b) Mayor Pro-Tem, Audit Committee, Helena Chamber of Commerce Liaison, Information Technology Committee, Public Art Committee – Commissioner Andres Haladay – No report given.
- c) Board of Adjustment, Civic Center Board, Non-Motorized Travel Advisory Board, Transportation Coordinating Committee – Commissioner Rob Farris-Olsen – No report given.
- d) ADA Compliance Committee, Business Improvement District/Helena Parking Commission, City-County Administration Building (CCAB), Montana Business Assistance Connection – Commissioner Ed Noonan – No report given.
- e) Audit Committee, City-County Parks Board, Transportation Coordinating Committee – Commissioner Heather O’Loughlin – No report given.
- f) Helena Citizens Council – HCC Chair Sumner Sharpe thanked staff for meeting with HCC members regarding the FY19 budget. The HCC is also interested in the snow removal policy.

7. Review of agenda for February 26, 2018 - No discussion held.

8. Public Comment – No public comment.

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

10. Adjourn – Meeting adjourned at 6:15 p.m.