

SUMMARY OF ADMINISTRATIVE MEETING

May 16, 2018– 3:30 p.m.

Helena Civic Center

340 Neill Avenue, Helena

1. Call to order, introductions, opening comments – Mayor Collins called the meeting to order. Commissioners Farris-Olsen, Haladay, Noonan and O’Loughlin were present. 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; Community Development Director Sharon Haugen; Planner Ellie Ray; Public Works Director Randall Camp; City Engineer Ryan Leland; Budget Manager Libbi Lovshin; Community Facilities Superintendent Troy Sampson; Civic Center Manager Byron Dike; Human Resources Director James Fehr; Parking Director Dave Hewitt and City Clerk Debbie Havens.

Others in attendance included: Dennis Taylor; Railroad TIF Advisory Board member Max Pigman, Eric Seidensticker and Barbara Wetherill; Clark with the American Legion Baseball; Steve Wagner with the Expedition League; Cathy Burwell, Helena Chamber of Commerce and representatives from the Beattie Street neighborhood.

2. May 2, 2018 Administrative Summary – The May 2, 2018 administrative meeting summary was approved as submitted.

3. Commission comments, questions –

Upcoming Appointments – There are no appointments on the May 21st city commission meeting agenda.

Introduction of Dennis Taylor, Interim City Manager – Mayor Collins introduced Dennis Taylor, who will serve as Interim Manager beginning on June 19th. Dennis Taylor thanked the commission for the opportunity and he looks forward to working for the city of Helena. Manager Alles stated he believes Dennis Taylor is an excellent choice as interim city manager.

Commissioner Haladay referenced a letter regarding the Montana Wilderness Study Areas and asked for commission concurrence to the letter to Senator Daines and Congressman Gianforte. There was commission consensus to send the letter and encourage local meetings.

Manager Alles stated staff will prepare the letter for all five signatures of the commission.

4. City Manager’s Report –

Manager Alles reported there is a sink hole in the Safeway parking lot due to a stormwater breakage; this was on the schedule to replace in the FY19 budget for 1.5 million. However, staff will ask the commission to declare this as emergency process due to the urgency of the situation. Staff will bring the proposal forward to the May 21st city commission meeting agenda.

Engineer Leland stated this is a 36’ storm main and is 25’ deep; it has to be replaced and rerouted. Attorney Jodoin explained the process the commission needs to take to approve emergency spending and it will take a majority vote of the commission to approve emergency spending.

Manager Alles reported police officers have met with business owners on the 400 block of Last Chance Gulch. Chief McGee stated the police department has increased their patrol in the area and are logging the number of complaints received and citations issued. The officers are making a presence by talking with the business owners and he offered any assistance regarding the community conversation being organized through the commission office.

Mayor Collins thanked Chief McGee for the update and the willingness to work on the issues. He noted Clerk Havens is working to schedule a meeting with interested parties to begin scheduling a community conversation. Commissioner Noonan noted the business owners appreciate the benches being removed from the area where people use to gather.

Future Use of Kindrick Legion Field – Manager Alles, on behalf of Parks & Recreation Director Teegarden, reported city staff shares the perspective that the City has an obligation and commitment to Helena American Legion Baseball (Legion) while also supporting optimal use and enjoyment of the

Kindrick Legion Field (KLF) facility by the community. Legion Field was built in 1932 by the American Legion Lewis & Clark Post No. 2 and renamed Kindrick Legion Field in the mid- 1970's in honor of longtime American Legion supporter Ace Kindrick.

Last summer, representatives with Brewers Baseball LLC, announced that the 2018 baseball season would be their last season in Helena and would not be renewing their lease. Since then, the City was contacted by two college level leagues with proposals to utilize Kindrick Legion Field (KLF) starting in 2019. With the situation of the lease agreement coming to an end with the Brewers, the City and community now have the opportunity to discuss preferred uses and benefits of KLF. The following discussion is focused on how we accommodate existing use and consider potential new uses.

Lease Agreements

The city's lease agreements with Legion and Helena Brewers, charges for the prorated expenses for utilities (gas, electricity, water, sewer and solid waste services) and the special tax assessment. There is no separate fee for use of the facilities or offices. The lease agreement "caps" the Brewer's fee to a 3% increase per year from the base amount of \$17,000 in 2008. Last year the Brewers were charged \$22,181.14 for year-round use of the facility (buildings, offices and field). Last year Legion was charged \$8,304 for their prorated share. Historically the total costs to the city exceeds the "capped" prorated charges to the Brewers.

Interest from Collegiate Teams

Last fall, Mr. Steve Wagner with the Expedition League submitted a formal proposal to start a college level team in Helena. The city also was contacted by Mr. Bill Larsen, with The New Development Baseball League, who submitted a business plan/prospectus. The Expedition League (EL) emulates minor league baseball with players using wood bats and playing 6 games per week on average in front of large crowds in ballparks in North America. EL players are top tier collegiate baseball players from across the country who gains exposure to professional scouts. The players stay with host families from the local communities. Teams play a 64-game season beginning in late May through mid-August. These leagues generate revenue through local community sponsorships, gate admissions, concessions and merchandise.

Field Sharing Issues

KLF is the home field for Legion baseball. For more than 10 years the field has been "shared" with the Helena Brewers and other minor league teams before that. Legion has three teams, of which, only two can practice and play all of their games on the field. Past issues have included; the need to balance practices/games played and field rest between the leagues; not being able to host regional American Legion tournaments; schedules and field demands; equity of sign revenue; and improvements required for minor league baseball vs. improvements to facility fan amenities. The overlap between a collegiate league and Legion baseball would be condensed into a shorter season and have many of these same issues.

Desire to Expand Legion Baseball

After having met with Mr. Wagner of the Expedition League, representatives with Legion have expressed a desire to city staff and the City-County Parks Board to expand their programs and fully utilize Kindrick Legion Field (KLF) without the presence of a second league. Expansion of youth baseball would include the following;

- Expand the Keith Sell Tournament as a regional destination tournament and host additional new tournaments as well as submit bids for regional tournaments;
- Partner with Helena Babe Ruth Baseball by utilizing KLF for championship games and invitational tournaments;
- Increase local sponsorships that have a direct effect on local youth baseball.

In considering future use of KLF, city staff has identified the following facts and pros/cons having one league versus two leagues using the field.

1. American Legion League Only

Pros:

- a. There would be no scheduling conflicts with other teams
- b. The field could accommodate Legion's practices and games as well as rest for adequate field maintenance

- c. Local sponsorships could directly benefit Legion baseball, and help ensure player costs remain affordable
- d. Tournament expansions would have a direct economic benefit to hotels, restaurants, etc.
- e. The field could be used for local youth baseball camps
- f. Less games would open-up the facility for an assortment of recreational uses of the facility (concerts, special events, etc.)
- g. Office space could be leased at a market rate to other businesses or organizations

Cons:

- a. Legion would have to pay more for the increased use of the field and facilities
- b. Legion would pay for all of the field maintenance

2. American Legion and New League

Pros:

- a. Collegiate team would provide high-quality baseball entertainment
- b. Collegiate team would integrate into the community (host-families, etc.)
- c. Collegiate team would hire seasonal employees to work concessions

Cons:

- c. Overlap of seasons with Legion baseball
- d. Increased number of games being played, would limit Legion use of field
- e. Competition between teams for local sponsorships
- f. Limits opportunity to expand Legion baseball program and tournaments

City staff proposes a two year delay in negotiating with a new league in an effort to allow Legion baseball to expand their program and evaluate the potential community benefits of different recreational uses of the facility.

Legion baseball has the opportunity to grow their program and continue to foster youth baseball in Helena. The disadvantage is there may not be interest in the future by other leagues. Staff is looking for a policy decision.

Public Comment - Clark with the American Legion Baseball commented they would like to take the opportunity to expand the program as explained in Director Teegarden's memo. It is difficult to incorporate everything in the short season and they would like to work with Helena Babe Ruth baseball; sponsor regional tournaments; and organize a big push for sponsorships for local youth. .

A strong Legion baseball program has worked well in other communities and it is a way to promote local youth baseball. It is not without a challenge; but it can be done.

Steve Wagner, Expedition League, addressed the commission and gave an overview of their program and plans to expand over the next few years. Mr. Wagner noted they want to work with Legion baseball to promote youth baseball in Helena. He noted in other communities they work closely with Legion baseball in order to make both schedules work.

Cathy Burwell, Helena Chamber of Commerce, noted the Chamber was instrumental in bringing the Brewers to town and noted this is a quality of life when a city has a professional baseball team. If you take the Brewers out, you lose the professional team; however, there is not an economic impact with Brewers. There is an economic impact with Legion baseball tournaments when you fill the motels, shopping and restaurants. The chamber swish tournament is a huge economic impact to Helena.

Commissioner O'Loughlin noted there was a conversation at the Parks Board and one of the issues discussed was the challenging relationship between Legion baseball and Brewers baseball. She noted Steve Wagner does work with Legion baseball representatives in other communities. Commissioner O'Loughlin asked if staff has met with both groups together to see if a schedule could be worked out.

Manager Alles stated staff has met with the two organizations and the noted it would be difficult to schedule for Legion baseball, including the proposed tournaments, and the Expedition League. However, if it is the commission policy to have the Expedition League, schedules will be done to make it happen for both organizations. Staff has not set down with both organizations together; however, it could happen.

Commissioner O'Loughlin stated the board was acceptable of Legion's proposal to work with the Babe Ruth players. It would be helpful if staff could work with both organizations to see if it can work; if

possible, she would like to see it happen. Manager Alles stated he will spend time with both organizations.

Commissioner Noonan asked if the costs would increase for Legion baseball if there isn't another organization to share costs. Manager Alles stated if Legion baseball uses the field more, they would incur more costs.

Commissioner Haladay asked if Legion baseball is capable of handling the additional costs and when is the timeline when a decision needs to be made regarding the Expedition League's schedule. Steve Wagner stated he would like to have a decision made by late August 2018 to have the team ready to go for the 2019 season. It would give the year round staff time to promote the team to the community.

Manager Alles stated staff will spend time with both organizations and work on a combined schedule and one for Legion baseball only schedule.

**5. Department discussions:
Community Development**

Railroad TIF Advisory Group Update - Director Haugen gave an overview on the activities of the Railroad TIF Advisory Group and their progress to date. Last fall, the City Commission established the Railroad TIF Advisory Committee. The makeup of the Committee was established in the Railroad Urban Renewal Plan, as well as the Committee's role and responsibilities. These duties and responsibilities include making recommendations on the annual work plans and budgets; the allocation of TIFD funds; and making any amendments to the URD Plan or boundaries. The Plan also establishes the Goals and the Objectives for the District and it is those goals that guide how TIF funds may be used.

Since its establishment, the Advisory Board has completed their review of the Railroad Urban Renewal Plan, and has set priorities for the goals that are stated in the Plan. A copy of the results of that prioritization process is attached to this memo. The Advisory Board has also had presentations from City staff regarding the recommended infrastructure and parks improvements for the Railroad District, as well as some of the needs of the School District. Based on those priorities, the Advisory Board has developed a draft Work Plan and review criteria for the allocation of TIF District funds. I have attached both of those drafts to this memo. The Advisory Board anticipates finalizing these documents at their May meeting and with the approval of the City Commission would like to start soliciting applications for TIF funds in either June or July.

Currently, City staff anticipates that there will be about \$125,000 available TIF funds for FY2018 and a similar amount for FY2019. The current priorities for the consideration of recommended funding include: a) water and stormwater infrastructure improvements; b) sidewalk rehabilitation and/or construction; c) transportation planning; d) demolition and removal of structures and e) marketing and branding initiatives. The Board is recommending that each of these priorities be weighted equally when considering priorities for funding. They are recommending that all grant awards be matched at a minimum of 50% match, with the knowledge that some of the proposed projects will cost substantially more than the available TIF funds for that project. At this time, the Advisory Board is not recommending a cap on the funding requests. These recommendations have to be approved by the City Commission prior to being implemented. Once approved, it is the intent of the Advisory Board that they would solicit applications for funding on City projects, School District projects and other groups and entities as they relate to each of the priority. The TIF Advisory Board recommendations will then be forwarded to the City Commission for approval. Based on the response for the request for applications and changes in circumstances, the Advisory Board can always recommend changes to the work plan.

Director Haugen introduced and recognized TIF Advisory Board members Max Pigman, Barb Westerfall and Eric Sidenseicker. She also recognized Deputy City Attorney O'Connor, Administrative Services Director Jorgenson and Planner Ray for their work with the Advisory Board. Director Haugen noted the plan is also to partner with other entities for the larger infrastructure projects.

Included in the commission packet was the Railroad Urban Renewal District Work Plan; Goals one through five; and the Railroad Urban Renewal District Tax Increment Financing Criteria for Review.

Public Comment - Max Pigman thanked city staff for guiding the TIF Board through the process. The board feels some of the projects can be addressed quickly and some will have a big impact in the area, specifically stormwater issues. This is a good program and the TIF board is encouraging business owners to take advantage of TIF funds and the sidewalk improvement program and install sidewalks that would improve the entire area through connectivity.

Commissioner Noonan asked for clarification on whether there could be individual sidewalk requests and how much would they be funded. Director Haugen noted the recommendation is all projects

will require a 50% match; however, she does not anticipate individual sidewalk projects being funded through TIF funding as property owners can utilize the sidewalk replacement program.

Commissioner Haladay asked if there has been discussions on holding some of the TIF funds for long term bonding for larger community projects. Director Haugen stated that is not a discussion the TIF Advisory Board has held; the recommendation at this time is to use the funding for smaller improvement projects and generate support of the district. Manager Alles stated he sees the concept of using some of the TIF funds and use for long term bonding; however, it will take time to establish the increment and create an opportunity to bond for larger projects.

Commissioner Haladay asked if there has been any discussions about the Helena Industries properties and what is going on with them. Director Haugen noted Helena Industries closed during the prioritization process; however, TIF funds could be used to do some improvements around the buildings and if they were purchased by a for profit entity that would increase the increment. Eric Sidenseicker stated there is significant interest in both buildings owned by Helena Industries.

Commissioner O'Loughlin referenced the five point intersection in Transportation Planning Study and asked if this is something the city had been separately been studying and is this the best use of the TIF funding. Director Haugen spoke on the five point intersection study and if the commission wanted to add additional funding, the TIF funds would be an additional source. The city would have to apply to the TIF Advisory Board for the city to access the funding. TIF funds can also fund pedestrian and infrastructure projects.

Engineer Leland stated the commission directed staff to study both five point intersection. An RFQ was issued; this is a large project with no funding identified. There is a small contract with a consultant to come up with a scope and report back to the commission for the overall project.

Commissioner Farris-Olsen stated he likes the prioritization of goals; he would also like to look at bonding for larger projects in the future.

Commissioner Haladay commented the TIF Advisory Board will prioritize the projects and then come back to the commission; are there other funding sources that could be used for some of the identified projects and reserve the TIF funds for other projects. He asked staff to look at alternate funding for other projects, specifically traffic planning. Director Haugen stated the commission has to approve the projects by resolution and can be done throughout the year.

There was commission consensus on the recommendation from TIF Advisory Board on how to move forward.

Public Works

Sussex Court Easement Release Request – Manager Alles introduced the agenda item.

City Engineer Leland reported the city has a 30' wide pedestrian trail and utility easement across the common boundary line between Lots 15 and 16 of the Sussex Park Subdivision. This subdivision is located in the upper Westside of Helena. The easement is 15' on either side of the common property line. A single track pedestrian path and a city water main lie within the easement. The main was installed by Sussex Construction as part of the development of the subdivision. The water main is located at or near the common boundary line between Lots 15 and 16 of the Sussex Park Subdivision. The trail was not accepted by the city during the approval of the subdivision and as such has no responsibility for maintenance or operation of the pedestrian trail.

Sussex Construction recently built a dwelling unit on Lot 15 (535 Sussex Court) for the property owner. A corner of the house was built within the easement that lies on Lot 15. The house and eaves extend approximately seven and a half feet (7'6") by ten feet six inches (10'6") by eleven feet eight inches (11'8") into the abovementioned pedestrian trail and utility easement. The proximity of the house to the water main may already preclude the city from accessing the main out of concern that excavation that close to the house may compromise the structural integrity of the house. As a result the city may have to abandon the main which would result in two dead end water mains. Dead end water mains are not desirable due to water quality and fire flow concerns. The approved building plans show the house outside the existing easement and the house was not built in the approved location. In the recent past, it has been documented that Sussex Construction has trespassed and caused damage to city property (Ridgeview and Sussex Subdivision).

Sussex Construction has requested the release of the city's interest in the north nine foot (9') of the pedestrian trail and utility easement across the southern lot line of Lot 15, as shown on Certificates of Survey No. 3115068.

If approved, the city would have approximately seven to eight feet (7'-8') from the eaves of the house to the water main. Current engineering standards require easements for mains on private property to be within an easement that is ten feet (10') on either side of the main. The city may not be able to access the main for maintenance and repair activities, or replacement. The city may face claims for damages to the dwelling unit for maintenance activities or a water main break. The main may have to be abandoned or relocated which will affect fire flows in the area.

The easement release request is on the May 21st city commission meeting agenda and staff is recommending denial of the release of the City's interest in the north nine foot (9') of the pedestrian trail and utility easement across the southern lot line of Lot 15, as shown on Certificates of Survey No. 3115068 and deny the filing of the amended plat depicting the reduction of the easement.

Attorney Jodoin noted the builder on behalf of the property owner, when this was discovered, requested an encroachment agreement. However, the property owner refused to sign the encroachment agreement mainly because it authorizes the city, in a worst case scenario, if the house is in the way for maintenance and operation, the house could be removed. Attorney Jodoin emphasized that is not the intent of city staff. Sussex Construction is asking for the release of the easement due to the property owner not signing the encroachment agreement.

Commissioner O'Loughlin asked if Sussex Construction received permission to build on the easement. Attorney Jodoin stated Sussex Construction submitted a site plan that was outside the easement; however, for whatever reason they built the house where it encroaches on the easement.

Engineer Leland stated the site plan that was submitted showed the house outside the easement; however, the excavator missed the survey and dug in the wrong place. The zoning requirement is a 10' setback, this is a unique situation and there is a 15' setback due to the easement. The plans showed the 15' easement on the approved plans.

Attorney Jodoin stated the city has an interest in the easement; there is a single tract trail that is not maintained or accepted by the city; he is not sure if other utilities are in the easement. The property owner is asking the city to release 9' of the 15' easement. If denied the house will remain in the easement and becomes an issue if the water main needs to be fixed, what happens. The city has been accused of being responsible by not catching this in the review of the foundation. It is not a routine practice for city building staff to go out and measure the foundations. The engineer for the project normally signs off on this.

The homeowner is looking for a permanent resolution as they need to complete their financing.

Commissioner Noonan stated staff's recommendation is to deny. Commissioner Haladay asked where does that put the city if the commission denies the release of easement. Engineer Leland stated it would be up to the property owner, it is a legal issue between property owner and builder.

Attorney Jodoin stated staff would have to engage in an analysis on when the water main may need to be fixed. Abandoning the main creates water flow concerns. The property owners wants the issue resolved; the water main is approximately 10-years old.

Commissioner Haladay stated assuming the commission denies the request and there is increased costs to deal with this main at a later date, who pays the costs. Attorney Jodoin stated the question would be if the city would want to pursue recovering those costs from Sussex Construction; ultimately the city will be involved in some resolution to this issue.

Commissioner O'Loughlin referenced the recent sidewalk variances the commission considered and stated she would like to see when a request is made to the city in order to get a sense on how long staff to complete their deliberations on these requests; it would be helpful information for her. Manager Alles stated this request was submitted less than a month ago. Engineer Leland stated with a utility easement, others are involved and staff has to contact all utility companies.

Commissioner Noonan stated he appreciates this being discussed at the administrative meeting, prior to commission action. He asked if the Homeowners Association has been involved with this issue. Manager Alles stated not to his knowledge. The risk to the city is having to be responsible for any repair and possible damage to the house if the easement is forgiven.

Commissioner Haladay asked when we have plans that show the correct set back, does city staff ever go out and check the foundation placement on a new build. Director Haugen stated the building inspectors generally eyeball the set back; what has occurred in some instances, the stakes may have been moved. She cannot tell what happened with this specific incident.

Manager Alles stated he spoke with a representative with Sussex Construction and was told the backhoe operator dug the foundation outside the plans.

Mayor Collins asked for public comment – none received.

Mayor Collins asked for an update on the parade permit for the PRIDE event. Chief McGee noted everything is ready to go. There is no open container for the entire area; however, certain portions will be blocked off.

Commissioner Noonan stated there were a couple of events last week-end and the permitting in the parks is being well managed.

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 – No HCC report given.

7. Review of agenda for May 21, 2018 Commission meeting – No discussion held.

8. Public comment – The following persons addressed the commission regarding their concerns with the transparency and recommendation for the Beattie Street Trailhead:

Nick Sovner, Phil Johnson, Susan Leonard, Cheri Thorton, and Mike Roberts.

A petition with 134 signatures opposing the current proposal for the Beattie Street Trailhead and requesting their concerns be incorporated into the proposed design and to be actively involved in any planning for the Beattie Street trailhead development. Pictures of the current use of the trailhead parking lot were also submitted.

Commissioner Haladay asked how many parking spaces are proposed with Alternative One; the commission was told 20 spaces with a turn around on the east side. Engineer Leland stated there are currently 18 spaces being proposed. Commissioner Haladay clarified in previous discussions, the proposal was always more than what is currently being proposed. He then asked the neighborhood representatives if the 18 spaces is still too many. Mr. Sovner stated this is the first the neighborhood has heard this number; however, they continue to be concerned with the additional amenities that are being proposed, including the restroom and picnic tables. Commissioner Haladay stated he wants to make sure the commission and neighborhood are talking about the same proposal.

Commissioner Farris-Olsen stated Alternative One includes fifteen regular parking spaces with three ADA spaces. Overall it is the same design that was originally proposed; there is still no traffic calming being proposed.

Manager Alles stated the 20 spaces is the exact number that was discussed at the meetings. Staff incorporated all comments received and worked with engineering to redesign; it was from the public's comments that Alternative Three was developed. The general consensus was to pursue Alternative One, the traffic study has yet to be completed.

Engineer Leland noted there were two public meetings scheduled and held by city staff and there was one neighborhood meeting that staff attended. The three designs were discussed and Alternative Two was not acceptable.

Commissioner O'Loughlin stated the traffic study on Beattie Street should be completed by the end of May or the first of June and asked that it be put on an upcoming administrative meeting agenda. She asked that the neighborhood be notified when this will be on the agenda. Commissioner O'Loughlin also stated staff is looking at traffic calming for the area.

Commissioner Farris-Olsen stated there is an increase in traffic; cars treat Beattie and Chaucer as through streets and there is the need to have traffic calming devices, specifically adjacent to Clinton

Park. The parking lot does need to be entirely accessible; the city cannot ignore what is going on up there or the comments from the neighborhood.

Commissioner Noonan stated receiving the traffic study information and having more time for review would be good. He acknowledged the popularity of Beattie Street Trailhead is not driven by the city, it is what the public is choosing to use. There are safety issues if nothing is done.

Mayor Collins asked that the Beattie Street Trailhead be rescheduled for an upcoming administrative meeting and wait until after the traffic study is available. Manager Alles concurred and will reschedule it for June/July.

Commissioner Farris-Olsen asked if staff could provide cost estimates for safety improvements. Engineer Leland concurred. Commissioner Haladay stated there is no funding source for any type of build out at this time; the city received a grant to build the proposed restroom and a match is required.

Commissioner Farris-Olsen stated his parents may have signed the petition that was submitted.

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

10. Adjourn – The meeting adjourned at 5:30 p.m.