

**PUBLIC MEETING
JUNE 18, 2013
MINUTES**

The Lewis and Clark County Commissioners Public Meeting was held on Tuesday, June 18, 2013, at 9 a.m. in Commission Chambers Room 330 of the City-County Building, 316 North Park Avenue, Helena, Montana.

Chairman Mike Murray called the meeting to order at 9 a.m. Commissioner Andy Hunthausen and Commissioner Susan Good Geise were present. Others attending all or a portion of the meeting included Eric Bryson, Nancy Everson, Melanie Reynolds, Drenda Niemann, Christal Ness, Cheryl Green, Paulette DeHart, Jack Walsh, Richard Hill, James Kavajecz, James and Joni Pancoast, Luba Solonoko, David Smith, Rhonda Huseby, Mike Latka and Rita Cortright, Recording Secretary.

Pledge of Allegiance. Everyone recited the Pledge.

Consent Action Items. (Eric Bryson)

- a. Resolution 2013-61 Ordering a Refund of Taxes/Fees/Assessments Paid by Timothy D. O'Reilly in the Amount of \$145.66. (Cheryl Green)

Eric Bryson reported on the consent action item and recommended approval.

No public comment was received.

Commissioner Good Geise moved approval of the consent action item, as recommended by staff. Commissioner Hunthausen seconded the motion. The motion carried 3-0.

Interagency Radio Frequency Use Agreement Between U.S. Dept. of the Interior, Bureau of Land Management and Lewis & Clark County to Allow Lewis & Clark County Access to a Dept. of Interior, BLM Radio System for Joint Operations or Mutual Aid. (Tammy Potter)

The Commissioners will consider the 5-year agreement allowing the County to utilize BLM radio frequencies for the purpose of wildland firefighting.

Eric Bryson presented the 5-year Interagency Radio Frequency Use Agreement for that allowed for their continued use for firefighting endeavors between BLM and the Sheriff's Department and recommended approval.

No public comment was received.

Commissioner Hunthausen moved approval of the Interagency Radio Agreement, as presented. Commissioner Good Geise seconded the motion. The motion carried 3-0.

Task Order #14-07-4-51-103-0 to L&C County Master Contract that Covers the Period July 1, 2012 – June 30, 2019. (Melanie Reynolds) The Commissioners will consider the contract in the amount of \$19,000 for Case Management Services to meet medical needs of HIV infected individuals for the period July 1, 2013 – June 30, 2014.

Melanie Reynolds, Health Officer, presented the DPHHS Task Order to the Ryan White B Contract in the amount of \$19,000 that provides for case management services to meet medical

needs of approximately 14-25 HIV infected individuals. No new cases had been reported in 2-3 years. Funding for the program comes from the CDC.

No public comment was received.

Commissioner Hunthausen moved approval of Task Order #14-07-4-51-103-0 to the Master Contract, as presented. Commissioner Good Geise seconded the motion. The motion carried 3-0.

Independent Contractor Contract Between Lewis & Clark City-County Health Department and Karen Filipovich. (Melanie Reynolds) The Commissioners will consider the contract in the amount of \$9,180 for completion of an agency strategic plan that will guide department priorities for the next three years. Contract period is June 15 – Dec. 31. 2013.

Melanie Reynolds, Health Officer, presented the contract with Karen Filipovich for development of an Agency Strategic Plan that meets the goals and requirements of accreditation.

No public comment was received.

Commissioner Hunthausen moved approval of the Independent Contractor Contract Between Lewis & Clark County Health Dept. and Karen Filipovich, as presented. Commissioner Good Geise seconded the motion. The motion carried 3-0.

Amendment Number One to Task Order Number 13-07-5-21-012-0. (Drenda Niemann) The Commissioners will consider the task order in the amount of \$10,000 to administer the Women, Infants & Children Supplemental Nutrition Program through Sept. 30, 2013.

Drenda Niemann, Div. Administrator, presented Amendment No. One to the Task Order in the amount of \$10,000 to provide additional staffing funds for the Women, Infant and Child Supplemental Nutrition Program through Sept. 30, 2013.

No public comment was received.

Commissioner Hunthausen moved approval of the Amendment to the Task Order for the Women, Infants & Children Supplemental Nutrition Program, as presented. Commissioner Good Geise seconded the motion. The motion carried 3-0.

Public Hearing. Resolution 2013-62 Levying and Assessing a Tax Upon All Benefitted Property Within the Panoramic Meadows Rural Improvement District No. 2013-1. (~~Carrie Severson~~) (Christal Ness) The Commissioners will consider public testimony and the draft Resolution.

Christal Ness, Permit Coordinator, in Carrie Severson's absence, presented the Panoramic Meadows RID and the proposed Resolution. Panoramic Meadows was final platted on June 5, 2008, with a Subdivision Improvements Agreement that included the completion of the public internal infrastructure. The roads on the southern portion of the subdivision were largely in compliance with the agreement; however, roads on the northern portion were not completed. The fire suppression system was completed, tested and the improvements were accepted by the Tri-Lakes Fire Service Area. All property owners within the Panoramic Subdivision have waived their right to protest a district for maintenance of the internal road, the common areas, onsite improvements and the fire protection improvements. The district was established on May 28, 2013, through Resolution 2013-42, and included the public internal infrastructure within the

Scope of Service. The method of assessment was covered by Sec. 7-12-2151, MCA. Annual Maintenance included the following: Chip Seal | 5 years, crack sealing, snow plowing, culvert cleaning, sweeping, fire protection and miscellaneous. A 5 percent Admin. Fee brought the total to \$31,311.91, divided by the number of lots resulted in \$396.35 per lot per year. Staff reviewed estimates providing a chip-seal in 2, 3, 5 and 7 years: Two years, \$54,000; Three years, just over \$41,000; five years, \$31,311; and at seven years, \$26,911. Staff recommended the 5-year chip-seal option to provide the developer time to finish the upper roads. The district boundaries were viewed.

Christal Ness distributed copies of the following: A memo dated June 17, 2013 and Petition containing signatures of those against Resolution 2013-42; Declaration of Protective Covenants, Conditions & Restrictions for Panoramic Meadows Subdivision, recorded June 11, 2008; and Subdivision Restrictions for the Panoramic Meadows Subdivision recorded June 5, 2008.

The County would serve only to coordinate the necessary work, collect the assessment and disperse payments for the District. A private contractor, possessing the qualifications to work for the County, would perform the maintenance. Public Works preferred to work with a representative group of property owners in the decision of funding expenditures. Today's public hearing on the Resolution to Levy and Assess provided the Commission with an opportunity to hear testimony on the proposed costs to provide the maintenance, repair and preservation of the infrastructure within the District. The developers were not required to chip-seal the roads and, therefore, no chip-seal has been applied.

A correction was noted in Resolution 2013-62, replacing Big Sky Subdivision with Panoramic Meadows Subdivision. The private covenants on page 13, Section 7 paragraph a. referenced a provision for maintenance and repair.

Public hearing –

David Smith, 3265 Arabian Road. He and his wife understood and had signed the Waiver to Protest, which he said was not uncommon or unreasonable. He first became aware of the RID in a letter he received from the County, and was concerned that they had no input, and did not understand how the budget estimates had been created. Approximately half of the lots had been sold or developed in the subdivision. He was unsure if anyone in the subdivision had been in contact with the developer and was seeking more transparency and time to work through the process with the homeowners association. He requested postponing until the homeowners or a representative group had time to meet with the developer or representative. He understood the developer had two votes, according to the covenants, while the property owners only had one each.

David Smith noted the good representation of homeowners at today's meeting, and stated they would be willing to meet within 30 days with the developer or representative.

Richard Hill, 3278 Quarterhorse Court, agreed with Mr. Smith's assessment that the letter was dropped on them unexpectedly. He had a series of questions that he felt might better be answered by the developer: How would they evaluate the results of the money being distributed? How will they assess chip-sealing? How will they we assess for mailboxes, repair or maintenance? He was not aware of any current damage to the asphalt and questioned the need for chip-sealing, and said the County did not plow snow on their roads. He also desired time to assemble as a group and address questions.

Laura Curtis, Derby Lane, said she had not developed her lot yet and didn't understand the RID process. She wanted to know who initiated the RID and who decides how it's spent. She received information at the time of purchase regarding formation of a homeowners association, which had not happened. She requested a delay to allow time to develop that homeowners association so they could take care of themselves.

Rhonda Huseby, 5663 Derby Drive, voiced the same concerns as the previous members of the public.

Mike Latka, 7190 Rosemary Drive, purchased a lot three months ago, and was not made aware of an RID at that time. He was told everything was to go through a homeowners association for roads and improvements. The County's letter was the first he had heard of the RID; nothing was said by the developer or the realtor.

Christal Ness stated the developer initiated the RID process, which was an allowable process within the statutory authority. At the point in time that the Panoramic Meadows Subdivision was final platted, both private and county covenants were filed. When the County's covenants were filed, each lot owner waived their right to protest the creation of the RID for this specific maintenance issue.

Commissioner Hunthausen supported the facilitation of a community meeting to further enhance communication and education. Commissioner Good Geise also supported convening a meeting and answering questions, and suggested tabling the resolution. Commissioner Murray requested tabling until Tuesday, July 30, and in the interim, asked Planning Staff to work with the homeowners and set up a meeting with the developer to work out their differences.

George Theborge, Planning Director, was more than willing to facilitate setting up a meeting. He clarified that RID's involved a 2-step process: Step 1 was adopting a resolution in a public meeting creating the district, which was done in May, with public notices. Step 2 was completing the calculations for the assessments for all maintenance to be levied against those properties, which was being addressed during today's public hearing. The purpose of the meeting was to provide members of the public an opportunity to question and challenge the calculations. The developer submitted a petition and once the petition was filed, the County initiated and managed the process of completing the calculations. Public Works Staff had trained engineers, well qualified to do the calculations, which was a standardized process. The developer was the petitioner and Carrie Severson, Special Districts Coordinator for the County, worked with the developer. It was the County's initiative at this point, not the developer's, and questions should have been directed to the County Planning Office and the Special Districts Coordinator. His department would definitely reach out to the homeowners association and provide an opportunity for a full explanation of the assessment amounts that Ms. Severson proposed in the Resolution, hopefully, in July, to meet the current tax levy cycle.

Commissioner Good Geise moved to table Resolution 2013-62 until July 25th. Commissioner Hunthausen seconded the motion. The motion carried 3-0.

10-Minute Break

Fiscal Year 2014 Preliminary Budget Presentation. (Nancy Everson) The Commissioners will receive a presentation on the FY2014 Preliminary Budget.

Nancy Everson, Director of Finance, gave a PowerPoint presentation on the Preliminary Budget

for Fiscal Year 2014. This year, the procedure for departments to present budgets to the Commission was changed from a 2-week process to a 2-day process, held May 29 & 30 at the Fairgrounds. Following that, the Commission held work sessions, with the last one scheduled for today. The budget has been scheduled for a public hearing on July 9, 2013, with final adoption later in July.

The Commission set the following four goals for the budget, and departments were directed to incorporate them in their budget planning and long-range planning: 1) Develop and maintain a culture of customer service; 2) Engage in effective long-range planning; 3) Improve communication between departments, community partners and the public; and 4) Efficiently and effectively manage public resources.

The Fiscal Year 2014 Budget totaled \$77,248,151, reflecting an increase of \$2,421,523 or 3.2 percent over the FY2013 Budget. Total Revenue was \$66,189,029 reflecting a decrease of \$866,445 or 1.2 percent, compared to the FY 2013 Budget, due in part to decreases in federal grants.

Overall, the Fiscal Year 2014 Budget intentionally proposes to use \$11 million in expenditures over revenues from cash reserves set aside in previous years for capital purchases. Cash reserves were adequate to fund the decrease in reserves.

The All Purpose Fund reflected expenditures of \$10,807,808, an increase of \$547,793 or 5.3 percent, compared to the FY 2013 Budget. The 5.3 percent increase was due mostly to inflationary increases; a COLA adjustment, increase in health insurance, operating transfers, and a transfer to the Liability Insurance Fund for contingency money. The largest portion, \$4,440,956 or 51.4 percent, was for Personnel. Operations totaled \$2,290,355, or 21.2 percent; Fixed Charges totaled \$711,777, or 6.6 percent, and Operating Transfers were \$2,254,720, or 20.9 percent.

The All Purpose Fund reflected revenues of \$10,449,655, an increase of \$640,704 or 6.5 percent, compared to the FY 2013 Budget. The 6.5 percent increase was due to: 1) growth built into taxes, and 2) a transfer from the local option tax. The local option tax is collected from vehicle license fees and is split between the General Fund, Planning Fund, District Court Fund and Public Safety. The net decrease in the All Purpose Fund Reserves was \$358,153, intended to use up excess cash reserves and maintain a 20 percent cash reserve estimated for next year.

The Revenue/Reserves Analysis reflected a 1.03 percent inflationary increase in the tax revenues of \$197,510. State statute allows growing the prior year's property tax revenue levied by ½ of the 3-year average inflationary rate. The actual numbers from Dept. of Revenue won't be available until August; therefore, the revenue was an estimate of \$461,000. Year-End Operating and Capital Reserves were reviewed: Countywide Reserves totaled 24 percent of budgeted expenditures, or \$18,757,175; All Purpose Fund Reserves totaled 20 percent of budgeted expenditures, or \$2,285,000; and Capital Reserves totaled \$3,960,000.

In accordance with Governmental Accounting Standards, the County budgets based on fund types: 100's – All-Purpose (General) Fund; 200's – Special Revenue Funds; 300's – Debt Service Funds; 400's – Capital Projects Funds; 500's – Enterprise Funds; and 600's – Internal Service Funds.

Special Revenue Funds were reviewed: 17 Special Tax Levies totaling \$23,906,066; 25 Grant or Restricted Funds totaling \$6,539,556; 22 health Dept. Grants totaling \$2,488,414, and 73 RID's totaling \$3,578,301.

The Debt Service Fund, the account for debt proceeds and payments, totaled \$813,783, and included payment on the Health Dept. facilities, Open Space Bonds, and 16 RID funds.

The Capital Projects Funds account for Capital purchases and projects. Transfers in totaled \$1,471,360; expenses totaled \$4,448,353. Other Capital Funds included RID projects of \$395,000; CTEP/Federal project of \$631,760; Road and Bridge Infrastructure of \$6,617,882, and the Search and Rescue Building for \$900,000, for a fund total of \$8,544,642.

Enterprise Funds totaled \$5,962,962 and accounted for the self-supporting activities of the Fairgrounds and Solid Waste operations.

Internal Service Funds totaled \$10,194,262, which accounted for Centralized Services provided to other County operations; Information Services & Technology, Building and Equipment Maintenance, and Liability and Health Insurance.

Personnel Funds reflected a 2 percent Cost of Living increase, a 1 percent increase in the PERS contribution, \$300/year increase in Health Insurance contribution, 3.5 FTE new personnel for the Health Dept., CHC, Historic Preservation, and Coroner. A 1.0 FTE reduction resulted from elimination of the Executive Secretary in the Commission Office.

Operations and Maintenance retained all current services and programs. The following initiatives were included: the Energy Efficiency Performance Contract; Mental Health Services; Planning will receive one-time funding to update the Growth Policy, Subdivision Regulations, and complete the Urban Boundary Study; and Detention Center Master Plan.

Debt and Capital: The County has a low debt ratio and the departments were committed to saving for capital purchases and projects.

The Public Hearing on the FY2014 Budget was scheduled for July 9, 2013.

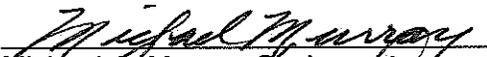
No public comment was received.

Commissioner Hunthausen moved adoption of the Fiscal Year 2014 Preliminary Budget, as presented. Commissioner Good Geise seconded the motion. The motion carried 3-0.

Public comment on any public matter within the jurisdiction of the Commission that is not on the agenda above.

There was no other business and the meeting adjourned at 10:32 a.m.

LEWIS AND CLARK COUNTY
BOARD OF COMMISSIONERS


Michael A. Murray, Chairman


Andy Hunthausen


Susan Good Geise

ATTEST:


Paulette DeHart, Clerk of the Board