



PUBLIC MEETING

January 18, 2018
MINUTES

The Lewis and Clark County Commissioners Public Meeting was held on Thursday, January 18, 2018, at 9:00 AM in Commission Chambers Room 330.

Roll Call

Chairman Andy Hunthausen called the meeting to order at 9 a.m.

Commissioner Jim McCormick and Commissioner Susan Good Geise were present. Others attending all or a portion of the meeting included Roger Baltz, Paul Christofferson, Nancy Everson, Eric Griffin, Peter Italiano, Katie Jerstad, Charles Lane, Mike McCabe, Sharon McCabe, Greg McNally, Cherche Prezeau, and Nadine McCarty, Recording Secretary.

Pledge of Allegiance

Everyone recited the pledge.

Consent Action Items

There were no consent action items.

Resolution 2018-7 Accepting the Settlement Agreement and Mutual Release of Claims in the Matter of John R. (Jack) Lien, Dawn Lien v. Timothy P. Redmond, Carol Marie Redmond, John Does 1-5 v. Lewis and Clark County v. Glenn and Leslie Van Dyke, DDV-2014-408. (Katie Jerstad)

Katie Jerstad, Deputy County Attorney, presented Resolution 2018-7 to accept the settlement agreement and mutual release of claims that has been tentatively reached between Jack Lien, Dawn Lien Timothy and Carol Redmond and Glenn and Leslie Van Dyke. This is the last component required to resolve the issue. Once this resolution is accepted and the settlement agreement is signed, the parties shall submit it to the Court along with a joint motion to dismiss the county's third-party complaint. This was originally an easement dispute between neighboring landowners and the county intervened due to plat restrictions and covenants on the property that the county thought would have an impact on existing easements. The county allowed the intervention and based on a staff report indicating further violations of the covenants filed a third-party complaint. Approval of this resolution would give Ms. Jerstad the authority to move to dismiss the third-party complaint along with resolving several other issues related between the Liens, the Van Dykes and the Redmonds. This will also put to rest a settlement agreement from 2009 between the county and the owner of this property on Holter Lake.

Ms. Jerstad gave a brief background on the issue. The County intervened in a 2014 lawsuit between a landowner (Weedens), easement holders, and the person who sold them the easements. Weeden did not approve of easement holders using a road on his property to access Holter Lake; he in turn reported to the county violations of the covenants by the easement holders. The violations were confirmed by multiple county staff; they observed violations of existing covenants, plat restrictions and the 2008 settlement agreement. The County intervened due to disregard of the restrictions; with the court granting the County's motion. The Court partially granted the opposing party's motion and denied the County's based on the tolling of the statute of limitations. Based on the Court's position, the County would only be allowed to present violations that occurred in the eight years prior to the filing of the third-party complaint. After the summary judgment decision and pending the trial date, Redmond indicated he paid to have the road altered significantly in 2005, making the violation outside the time frame the Court would consider, tying the County's hands. Because of this, the County Attorney's Office supported negotiating a settlement agreement, which is before you for consideration.

PUBLIC COMMENT -

Cherch Prezeau, 314 Last Chance Gulch, representing Jack and Dawn Lien, the initial plaintiffs in the case. They are happy with the resolution and the presentation by Ms. Jerstad and are glad to be moving forward.

A motion to Approve was made by Commissioner McCormick and seconded by Commissioner Good Geise. The motion Passed on a 3-0 vote.

Amended and Restated Interlocal Agreement Between Lewis and Clark County and Craig Water and Sewer District. (Nancy Everson)

Nancy Everson, Chief Financial Officer, presented the amended interlocal agreement with Craig County Water and Sewer District. The District was formed several years ago at approximately the same time as the approval of the Craig Resort Tax and the creation of the Craig Resort Area. The County is responsible for collecting the resort taxes, which are allocated 85% to the Water and Sewer District for the construction debt, operations and maintenance of the sewer system in Craig. The District has retained Bob Murdo as bond counsel to develop the financing mechanisms for the project. This interlocal agreement outlines the financing for the district. Part of that financing is a revenue bond that Craig will service through their operations and maintenance money; part of the funding is a general obligation bond. This agreement states that the County will be responsible for collection and administration of that general obligation bond money as well as the resort tax money.

No public comment was received.

A motion to Approve was made by Commissioner McCormick and seconded by Commissioner Good Geise. The motion Passed on a 3-0 vote.

Request for Approval to Pursue an Offer to Purchase Property. (Nancy Everson)

Nancy Everson, Chief Financial Officer, presented the request for staff to work with the McCabe family on an offer to purchase property owned by the McCabe family located at 200, 206, 214 and 218 Broadway Avenue in Helena, MT. In July of 2017, the McCabe family approached the County concerning these properties with an interest in selling the properties to the County and asked that the County share in the cost of an appraisal on the property; of which the County agreed. The appraisal was completed by Joe B Moore, IFAS, Certified General Appraiser on August 22, 2017. The cost of the appraisal was \$4,500 with the County paying half of the cost.

Ms. Everson stated that the appraised value of the property is \$497,700, and added that the County cannot pay more than the appraised value. There are advantages to the County purchasing the property. The main advantage is the proximity to the County Courthouse and Detention Center. The Courthouse has run out of space for additional employees and for the storage of records. The property would allow some departments to relocate and free up space in the Courthouse. This purchase would keep those departments closely located to the Courthouse where they need to conduct business daily.

The County anticipated the possibility of this purchase in fiscal year 2018 and appropriated \$1,000,000 from the Commissioner's capital project fund reserves. The appraisal plus expense to date and estimated closing costs will use approximately \$525,000 of that amount. However, using that money for the purchase of the property will decrease the amount of reserves available to allocate to the recently approved Detention Center remodel project. It is unknown at this time how much additional resources will be needed for that project.

Staff recommends that the Commission authorize proceeding forward with presenting an offer to purchase the Broadway properties from the Wanda Jean Kristofferson Living Trust. Owning the property fits in the long term plans of the County. At some point, an additional district court judge will be added to the Courthouse as well as an additional justice of the peace.

Eric Griffin, Director of Public Works, stated the basement of the courthouse is completely out of space and that purchasing this property would be a benefit to the County. Mr. Griffin added that the McCabes have been a pleasure to work with.

Commissioner Good Geise referenced the recently voter approved \$6.5 million bond for the remodel of the Detention Center and was concerned about using reserves that could be used for that project for the purchase of this property. Ms. Everson explained that at this time, the cost of the remodel project is unknown which means it is unclear how much in reserves the Commission may need to allocate to that project.

Commissioner Hunthausen noted a discussion has been held over the years that when properties in the proximity of the courthouse become available that the County consider the purchase of such properties.

PUBLIC COMMENT

Mike McCabe, 1733 Winne, stated his family has been in Helena since 1864. He would request that the record reflect this is the Kristofferson property and not the McCabe property. Other than the Fort, the assay office on this property was the first federal government building constructed in Montana in 1874. Mr. McCabe stated that he opposed the current location of detention facility when it was constructed, even though he was a justice of the peace because he knew it would decrease the values of the surrounding properties. He feels that the current appraisal is a bargain at \$497,000 even though it has been appraised in the past at \$650,000. Purchasing this property will protect and preserve a large piece of Lewis and Clark County's history. He encourages the Commission to proceed with purchase.

There was no further public comment.

Commissioner McCormick referenced the financial side of this purchase and emphasized the importance of the County's credit rating and being able to fund the purchase without acquiring debt. The purchase of this property is a big picture item and should be considered as it fits with long term planning. The voters have said no to relocating the detention facility and this would be

an opportunity to reuse and re-purpose buildings that are adjacent to the current facility and move forward in a direction that will have the least impact to taxpayers.

Roger Baltz, Chief Administrative Officer, stated that for clarification if this action is approved it would not come before the Commission again. The Commission will be authorizing staff to negotiate an offer with the seller. Mr. Baltz recommended that the County proceed with negotiations.

Commissioner Good Geise stated there are many factors in approving this but most importantly is that the funding for the detention center remodel project needs to be there. The remodel project is the priority for the Commission at this time.


A motion to Approve was made by Commissioner McCormick and seconded by Commissioner Good Geise. The motion Passed on a 3-0 vote.

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

Adjourn

There being no further business, the meeting adjourned at 9:47 am.

LEWIS AND CLARK COUNTY
BOARD OF COMMISSIONERS



Andy Hunthausen, Chair



Jim McCormick, Vice-Chair

ATTEST:



Paulette DeHart, Clerk of the Board

Susan Good Geise, Member