



PUBLIC MEETING

July 10, 2018
MINUTES

The Lewis and Clark County Commissioners Public Meeting was held on Tuesday, July 10, 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 Susan Good Geise was present. Commissioner Jim McCormick was out of the office. Others attending all or a portion of the meeting included Roger Baltz, Nancy Everson, Nicho Hash, Peter Italiano, Kellie McBride, Lindsay Morgan, Sam Neill, Jocelyn Olsen, Joyce Evans, Sandy Caudill, Bob Caudill, Susan Hemmer, Leah Norberg, Calvin Mertes, Bob Utick, Alison Munson, Trina Filan, Charles Nemfakos, Mike Hughes, Doug Peterson, Colin Tobin, Jesse Sallin, Ramone Brown, Terry Davis, Stephen O'Brien, Valerie Jaffe, Jerry Lyle, Ray Hemmer, Steve Utick, Jesse Whitford, and Nadine McCarty, Recording Secretary.

Pledge of Allegiance

Everyone recited the pledge.

Consent Action Items

There were no consent action items.

Resolution 2018-56 Relating to Higher Education Revenue Refunding Bond (Carroll College Refunding Issue), Series 2013B. (Nancy Everson)

Nancy Everson, Chief Financial Officer presented the resolution to refund a 2008 energy performance bond and to also revise the interest rate on the 2013 bond that was issued for campus housing. The County lends Carroll College their tax exempt status according to statute which helps the college to obtain a lower interest rate. Staff recommends approval of the resolution.

Ms. Everson explained that the County is not liable for any of the debt. It is just a way to help out not-for-profit entities by lending the County's tax exempt status.

Lori Peterson, Vice President of Finance at Carroll College stated the relationship with the county is long standing. In 2003 it was the Trinity Hall bonds and in 2008 the energy performance bonds. In 2013 refinanced Trinity Hall and the apartments which has afforded the students great opportunities in different types of housing.

No public comment was received.

improvements and \$149.70 per lot annually for ongoing road maintenance and saving for a future chip seal. Staff recommends approval of the resolution.

No public comment was received.

A motion to Approve was made by Commissioner Good Geise and seconded by Commissioner Hunthausen. The motion Passed on a 2-0 vote.

Resolution 2018-55 Intention to Create the 4x4 Rural Improvement District 2018-01.
(Planner: Sam Neill)

Sam Neill, Planner I presented the resolution of intention to create a Rural Improvement District (RID) along the 4x4 Road in Lincoln, Montana. The area is south of Montana Highway 200. Staff received a petition to create the RID for the purpose of soil stabilization and dust control. Within the RID the Department of Natural Resources and Conservation (DNRC) and Lewis and Clark County own property. The process to create an RID occurs when a resolution of intention is adopted followed by a protest period and subsequent hearings to consider resolutions to create the District and adopt a levied special assessment.

Upon approval each property within the RID will be assessed an equal amount for improvements and maintenance of 4X4 Road based on the costs of maintenance pursuant to MCA 7-12-2151(d). The total estimated cost is \$9,695.19. There are timing disconnects between the proponents desire for the road treatment to occur now and the fact that the County will not receive the assessment revenue until well into 2019. In order to expedite the requested road treatment to occur this summer, the first year of assessments would be double the normal planned ongoing annual rate. This allows the fund to accrete by \$161.59 per benefited property rather than the regular ongoing annual rate of \$72.21. The first years accelerated rate will allow the County to reimburse itself for the frontloaded road treatment necessary to help the proponents achieve the desired outcome. If the RID is formed, Public Works will regularly review the District's finances. If a change occurs in the number of benefited properties the assessments will be recalculated. The maintenance levy also may change due to future projected costs. Legal notice of the meeting was published and mailed to all property owners within the proposed District and as of the morning of July 10, 2018 several protests were received. The proposed RID encompasses four subdivisions and a few unplatted properties. There are 120 properties with 96 owners within the District.

Mountain View Estates Subdivision is the only subdivision that has waived their right to protest and has seven properties within the District. The most current number of written protests is at five and one of the protests lie within the Mountain View Estates Subdivision bringing the number of protests to four.

If adopted a 30-day protest period will be legally noticed and opened. After the protest period closes a public hearing will be held regarding consideration of a resolution to create the district.

Commissioner Good Geise asked if the publicly owned parcels are in the District and Ms. Neill noted at this time they are in the District.

Peter Italiano, Director of Community Development and Planning, stated at the moment both parcels, the DNRC's and the County's would be levied the same as the other properties, but could be discussed if the Commission desired.

Commissioner Good Geise noted not all of the property owners reside in the area year round and because of that it is difficult to get the 60% of signatures on a petition to form a district as is normally required by County policy.

PUBLIC COMMENT -

Mr. Italiano note that statute allows the review of the assessed valuation of each parcel, the square footage, and the lineal footage of frontage. They do become complex and costly which is why the decision was made to keep the cost down resulting in the equal approach.

Commissioner Good Geise noted if this goes forward a 30-day comment period would be opened and that the comments heard today would be carried forward into a future public record.

Mr. Hash recommended that the 4x4 Road RID be on the agenda for the next Lincoln Gov't Day meeting and noted it would be for the 30-day protest period with other public comment also accepted.

Commissioner Hunthausen stated public comment will be taken again on the Lincoln Gov't Day scheduled for Friday, August 3, 2018.

Commissioner Good Geise would like to see as many public meetings and decisions made as possible to occur in Lincoln.

A motion to Approve was made by Commissioner Good Geise and seconded by Commissioner Hunthausen. The motion Passed on a 2-0 vote.

Amended Subdivision Improvements Agreement. Northstar P.U.D. Subdivision, Phase VI-B. (Applicant: Northstar Development, LLC) (Planner: Lindsay A. Morgan)

Lindsay Morgan, Planner III presented the proposed amendments to the Subdivision Improvements Agreement (SIA) for the Northstar P.U.D. Subdivision, Phase VI-B located north of Valley View Road, west of and adjacent to North Montana Avenue.

In 2005 preliminary approval of the Phased Subdivision was granted with the final Phase VI-B granted final approval subject to a SIA in 2013. As part of the SIA Northstar Development, LLC financially guaranteed the conditions placed on the subdivision including: installation of three turn lanes on North Montana Avenue at Valley View Road, Star Road, and Guthrie Road; improvements to Valley View Road bringing it to county standards; completing an asphalt seal coat or chip seal for Phase VI-B. All Phases were required to have an asphalt seal coat and it has not been completed for any of the Phases with only Phase VI-B having a financial guarantee.

The Applicant requested elimination of the three left turn lanes on North Montana Avenue, reduction in the length of the required road improvements on Valley View Road from North Montana Avenue to just west of Eagle Drive, and revision of the prior imposed requirement of the asphalt seal coating for Phase VI-B with a requirement to provide for the initial asphalt seal coating of the internal road network for all of Phases II through VI-B.

Ms. Morgan provided further background on the turn lanes, improvements to Valley View Road and the asphalt seal coating of internal roads. Comments were received from two of the three utility providers with no objection. Five public comments, two of which were received just prior to the meeting and were in objection to the proposal.

Staff recommends approval subject to the following conditions: the Applicant, its successors and assigns shall at no cost to the County enter into an amended SIA with the County, within 30 days of the approval, that includes all requirements under the current SIA, as well as the requirements as noted: elimination of left turn lane requirements on North Montana Avenue at Valley View Road, Star Road, and Guthrie Road; reduction of the required length of improvements on Valley View Road, between North Montana avenue to just west of Eagle Drive, and construct the balance to the Lewis and Clark County Public Works Typical Section No. 2; replacement of the asphalt seal coat requirement for Phase VI-B with a requirement to provide for the asphalt seal coating of the internal road network for all Phases II through VI-B; the Applicant, its successors and assigns, at no cost to the County, shall cause the asphalt seal coating of all internal road

A motion was made by Commissioner Good Geise to table the item to July 12, 2018 and seconded by Commissioner Hunthausen. The motion Passed on a 2-0 vote.

Creation of Boundaries for Proposed Special Zoning District No. 50. (Tabled 6-26-18)
(Planner: Lindsay A. Morgan)

Lindsay Morgan, Planner III, presented the request to create Special Zoning District No. 50 that was heard on June 26, 2018 in a public hearing. This is a citizen initiated district that would be located south and adjacent to Tea Road and east of and adjacent to Ferry Drive.

Ms. Morgan gave an overview of the three step process involved in the establishment of a citizen initiated zoning district. If the decision is to create the district a 30-day protest period would be begin from the date of the decision. In order to protest all landowners with an interest in the property must sign the protest. Landowners with multiple properties the protest applies to all parcels owned. If landowners representing fifty percent of the titled property ownership in the district protest within the 30 days the district cannot be established. If the proposed district is not protested out the Commission will consider adopting a resolution to create the boundaries for the district.

Ms. Morgan explained that the Commission establishes the boundaries and if that occurs step two and three the neighborhood plan and regulations for the district involve the Planning and Zoning Commission.

Ms. Morgan stated when the proposal is initiated the citizens come forward with an idea on regulations and a boundary; the boundary does have a protest period. Under citizen initiated zoning there is not a protest period associated with the adoption of the neighborhood plan or district regulations. Ms. Morgan gave an overview of adjacent Special Zoning District No. 49 and the citizens' petition to create a large district with minimum 20 acre lot sizes, the covenants listing 5 acre minimums, and the updated growth policy listing 10 acre densities in rural growth areas, which was established for that district. The proposed district covenants also list 5 acre minimums. It is understood that the petitioners for Zone 50 are proposing similar lot sizes, regulations, etc. as in Zone 49.

Nicho Hash, Deputy County Attorney, discussed a letter received from one of the landowner's attorney and that the letter was based upon the statutes that involve County initiated zoning or Part 2 not Part 1 zoning being discussed at this time. The case mentioned in the letter also dealt with Part 2 zoning.

Ms. Morgan noted a subdivision application proposal has been received and is currently in the sufficiency review process with the most recent information submitted on July 5, 2018. If an application is deemed sufficient for review it is to be reviewed under the current regulations and pertains to both subdivision and zoning. Ms. Morgan explained if there is no zoning for the area and a sufficiency review is received prior to step 3 of the process being completed the design of the project would not be subject to the zoning regulations. Once the zoning is adopted the land would be subject to zoning, but the project would be allowed to be created.

PUBLIC COMMENT –

Bob Utick, owns one of the parcels, stated from what he heard the comments were about the one lot he is subdividing. Mr. Utick submitted the application and immediately after the zoning proposal was filed. He believes the zoning is being submitted to prevent him from subdividing the lot. When they sold other property in the area it was in 20 acre parcels with a 5 acre minimum lot size per lot and has been in effect for 25 years. Mr. Utick personally went through the covenants with each property owner informing them the lots could be divided into 5 acre lots. Zoning for what it is designed for is good, but is this proposal the proper use of zoning.

Staff recommends the following appointments: the reappointment of Kammy Johnson to the City-County Board of Health representing the professional with environmental, biological, chemical or engineering experience to a second term that expires June 30, 2021; the reappointment of Jenny Eck to the City-County Board of Health as an At Large Member in the City to a second term that expires Jun 30, 2021; Justin Murgel to the City-County Board of Health as an At Large Member of the County to a term that expires June 30, 2021; Branden Watts to the City-County Parks Board to complete the term that expires September 30, 2019; Erin Dey to the Lincoln Solid Waste Board to complete the term that expires June 30, 2020; Eric Seidensticker to the Transportation Coordinating Committee as the County Citizen At Large non-voting member to a term that expires December 1, 2020.

No public comment was received.

A motion to Approve was made by Commissioner Good Geise and seconded by Commissioner Hunthausen. The motion Passed on a 2-0 vote.

Public Hearing. Lewis and Clark County's Budget for Fiscal Year 2019. (Nancy Everson)

Nancy Everson, Chief Financial Officer, presented the 2019 preliminary budget and reviewed the revenues, expenses. The budget is reflective of four goals: develop and maintain a culture of customer service; engage in effective long range planning; improve communication between departments, community partners and the public; efficiently and effectively manage public resources. The total revenue is \$79,782,113 with the largest category of taxes and special assessments. About a 15% increase in total revenue is mostly due to the successful passage of the detention center operations and remodel. There is a net decrease in reserves of a little over \$18 million due to long range planning and the use of excess reserves and capital reserves that have been saved. Overall expenditures are \$97,897,157, increase of about \$15 million due to the detention center remodel, new programs, purchase of the Law & Justice Center with the largest category being operations and maintenance. The all-purpose fund is the generating operation fund with a total revenue of \$11,673,191 with the largest category being taxes and special assessments. Expenses in the amount of \$13,562,150, an increase of \$945,000 due to new positions, an increase in operating transfers to capital. In compliance with the Governmental Accounting Standards Board (GASB) the budget is maintained in fund types with: the general fund about 14% of the total budget; special revenue funds are funds dedicated to a specific purpose such as the levied funds; debt service funds are at 2%; capital projects are at 19%; enterprise funds are to be funds that operate like a business in that fees are charges for provided services and includes the fairgrounds, solid waste operations and the county landfill; internal service funds about 12% are dedicated to serving other departments, the health insurance funds, liability and property coverage, building maintenance, county shop, IT & S Department. There is a 2.1% matrix adjustment for personnel in FY19 with steps included, and a \$300 increase in health insurance premium. There are several proposed new positions in the budget. Operations and maintenance retains all current services and programs. The priorities of the Commission are the remodel of the detention facility, purchase and remodel of the Law & Justice Center, flood mitigation and contingency and capital funding. Capital improvement fund, departments transfer in money based on their capital improvement plan is at \$2,528,647 with budgeted capital expense at just over \$6 million that includes RID projects, detention center remodel, federal grant projects, road and bridge projects.

The year-end operating and capital reserves are about 26.5 % of budgeted expenditures or almost \$26 million. In revenues a 3.32% tax revenue growth has been budgeted, growth in the county is estimated at 2.5%, inflationary growth factor about .82%. The tax bills will include new taxes related to the new operations levy and the restorative justice services levy. The decrease in county reserves is due to open space projects, maintenance districts, capital reserves, and operating cash reserves.