

**BUDGET COMMITTEE OF THE WHOLE
CITY COUNCIL CHAMBERS
140 WEST PINE STREET
MISSOULA MONTANA
June 23, 2010 2:05pm**

Members present: Ed Childers, President; Marilyn Marler; Stacy Rye; Renee Mitchell; Pam Walzer; Jason Wiener; Dick Haines; Roy Housemen; Dave Strohmaier; Bob Jaffe.

Members absent: Jon Wilkins; Lyn Hellegaard.

Others present: Mayor John Engen, Bruce Bender, Brentt Ramharter, Matt Leech, John Hendrickson, Dee Andersen.

I. Administrative Business

A. Approve committee minutes dated: [June 9, 2010](#) approved as submitted.

B. Public Comment on items not listed on the agenda-None

II. Regular Agenda

A Review and make recommendations on a proposal to create two City-wide districts for the purpose of funding a portion of the costs to provide public roads and park services ([memo](#)). Regular Agenda (Bruce Bender) (Referred to committee: 06/21/10) **REMOVE FROM AGENDA**

Motion: The committee recommends the City Council set a public hearing on July 12, 2010 to consider a [resolution](#) declaring it to be the intention of the City Council of the city of Missoula, Montana, to create a special district as authorized by Title 7, Chapter 11, Part 10 MCA, more specifically a city-wide road district entitled "City of Missoula Road District Number 1" to establish an annual tax levy and provide for a method of assessments for the purposes of funding and/or financing costs associated with providing services including but not limited to: (1) maintenance, repair, replacement, upkeep, installation, improvement, operational enhancement, construction, reconstruction and/or (2) implementation of measures required to maintain public health and safety or meet legal or regulatory requirements, and/or (3) purchasing, replacing, and/or maintaining equipment, tools or vehicles used to carry out the functions described herein, and/or (4) any other functions and/or labor, supplies and/or materials necessary for management and maintenance of city-owned facilities, lands and equipment under the responsibility and care of the City of Missoula Public Works Department's Street, Engineering, and Vehicle Maintenance Divisions including but not limited to: streets, alleys, driveways, alley approaches, sidewalks, curbs and gutters, medians, boulevards, lighting, parking lots, support facilities, public amenities, storm water facilities, traffic control inclusive of traffic signals, signs, and pavement markings, and other public facilities located in the public right-of-way and/or within public easements; and providing for other matters properly relating thereto.

Motion: The committee recommends the City Council set a public hearing on July 12, 2010 to consider a [resolution](#) declaring it to be the intention of the city council of the city of Missoula, Montana, to create a special district as authorized by Title 7, Chapter 11, Part 10 MCA, more specifically a city-wide park district entitled "City of Missoula Park District Number 1," to establish an annual tax levy and provide for a method of assessments for the purposes of funding and/or financing costs associated with providing services including but not limited to: (1) maintenance, repair, replacement, upkeep, installation, improvement, operational enhancement, construction, reconstruction and/or (2) implementation of measures required to maintain public health and safety or meet legal or regulatory requirements, and/or (3) purchasing, replacing, and/or maintaining equipment, tools or vehicles used to carry out the functions described herein, and/or (4) any other functions, labor, supplies or materials necessary for management and maintenance of city-owned facilities, lands and equipment under the responsibility and care of the city of Missoula Parks and Recreation Department including but not limited to: public parks and

park areas (as described in the Master Parks and Recreation Plan for the Greater Missoula Area), recreation facilities, trails, open space (as defined in the City of Missoula Urban Area Open Space Plan), urban forest, medians, boulevards, pathways, sidewalks, public easements and other facilities located in the city and/or owned by the city; and providing for other matters properly relating thereto.

Bruce Bender, Chief Administrative Officer, provided a Special District Comparison [handout](#) and explained why the changes were made with the new referral. There is state legislation that can help fund and bond improvements. There is the potential to raise \$500,000 to defray road and park expenses in FY2011 and address ongoing district requirements through a perpetual annual tax levy. He explained that the proposed districts will be a very similar means of funding to what Missoula County has. The parameters will remain the same.

Ed Childers clarified that the committee was now discussing the new referrals for park and road Districts and needed to table the Park District that was sent back to committee 6/21/10 and the Street Maintenance District that was held from last week. The intention under the new referral is to have them heard together so a single notice can be sent out for both districts.

Mr. Houseman moved to table the Street and Park Maintenance Districts that Mr. Childers mentioned above.

Ms. Mitchell expressed concerns about being able to vote on each district separately.

Mr. Childers clarified that all we are doing is tabling the previous referral.

Upon a voice vote to table the previous week's referral, the motion passed unanimously.

The committee began discussing the new park and road districts.

Ms. Marler asked if one park and road district is for the whole City, or can it play the role of an SID. She said she is hearing from people in Ward 6 and they are asking why they should they pay for parks when they don't have parks in their neighborhoods, but perhaps they would be more accepting of park districts if the park districts could fund and establish parks in their area.

Mr. Bender said this is a City-wide district. If you wanted to build a road or build a park you would be better off creating an improvement district.

Ms. Marler asked if the road maintenance would include curb and sidewalks.

Mr. Bender said yes, and listed all the specific maintenance that the resolution outlines.

Mr. Childers said it appears to him that the specific improvements could become part of the budget process.

Mayor Engen agreed, and said this is a tool to finance specific improvements that Council has an interest in.

Mr. Strohmaier asked if any other communities in Montana are using these districts.

Mr. Bender replied no, they already have this old street maintenance districts in place. Since we are coming in late in the game we can take advantage of this legislation.

Dick Haines asked how the projects are going to be selected and how we will we all agree on the specifics within these districts.

Mr. Bender discussed the CIP review process and suggested it may be a way to score and prioritize the improvements.

Stacy Rye asked how much of an increase will this be per property owner.

Mr. Ramharter said based on a \$225,000 property about \$13 total; \$8.00 for road and \$5.00 for parks.

Ms. Rye expressed concerns about the inequity built into this proposal, as certain parts of the City don't have trails, open space, playgrounds or parks. Parks by virtue of their existence already have an advantage. She stated that as Council members they are hemmed in by the wards they represent; yet need to see the greater good for the whole community and wants the Council to recognize that in terms of a political economy, many citizens will be paying for what they don't have access to in their own neighborhoods.

Mr. Housman asked how much revenue would be generated from this.

Mr. Bender said we are currently working on that and will have the numbers in the next month.

Ms. Mitchell asked if the County can provide a breakdown on the City taxes.

Mr. Ramharter said they will break it down similar to an SID.

Ms. Mitchell said she has requested information on Parks expenditures and have never received it.

Mr. Engen said if she emailed him, he would gladly get that to her.

Ms. Walzer asked if the district can be used for purchasing land, and doesn't see it in the resolution and wants to make sure this is an option for park land.

Mr. Bender agreed and said it will be amended.

Ms. Walzer moved to set a public hearing for July 12 and amend the resolution to include the purchase of land and right of way for road and park districts.

Ms. Mitchell requested the motions be separated.

Mr. Strohmaier asked if the revenue from the road and park assessments can retire bonds.

Mr. Bender replied not previous bonds.

Mr. Strohmaier asked if there would be any tax relief for people already paying on park or street SID

Mr. Ramharter said going forward but not back ward.

Mr. Wiener said he supports the motion and commented that the main points of contention are politics and governance. He called the question.

Upon a voice vote to call the question, it passed unanimously.

Mr. Childers called for public comment on the park and road districts.

Public Comment:

John Hendrickson, MBIA stated that he had the following questions:

Mr. Childers reminded Mr. Hendrickson that it is not a question and answer period.

Mr. Hendrickson proceeded with his questions.

- Are storm water facilities covered under the sewer funds?
- Are these levies in perpetuity?
- Are the state and government buildings and the University a part of these levies?
- Exhibit A&B have no maps, when will they be provided.
- When will the notices go out?
- Can the districts be split up into different districts and why not go that route?
- Has the City considered the commercial and residential?
- If the \$500,000 does not include those 400 parcels not currently taxed, is there is a potential for raising a million dollars?

Upon a voice vote to set a public hearing on July 12 for Parks District Number 1, the motion passed with Mitchell and Haines voting nay.

Upon a voice vote to set a public hearing on July 12 for Road District Number 1, the motion passed unanimously. Mr. Childers requested they both be put on committee reports to keep them together.

Mr. Houseman asked for the comparison he requested last week.

Mr. Bender said he will be sending it out by end of day.

III. **Held in committee**

- A. Update on the quarterly budget report ([memo](#)).—Regular Agenda (Lyn Hellegaard) (Referred to committee: 04/26/10)
- B. Ordinance amending Chapter 12.44 Missoula Municipal Code entitled "Cemeteries" repealing section 12.44.070 entitled "Reserve Funds." removing the requirements relating to the deposit of certain cemetery revenue into reserve funds ([memo](#)).—Regular Agenda (Marty Rehbein) (Referred to committee: 06/14/10) **FOR DISCUSSION 7/7/10**
- C. Ordinance amending Missoula Municipal Code Chapter 1.20 entitled "General Penalty" amending section 1.20.010 entitled "Designated" and section 1.20.020 entitled "Fine payment" to establish a minimum fine of \$30.00 for violations of city ordinances unless specifically provided for elsewhere in Missoula Municipal Code ([memo](#)).—Regular Agenda (Marty Rehbein) (Referred to committee: 06/14/10) **FOR DISCUSSION 7/7/2010**
- D. Review and make recommendations on a proposal to create two City-wide maintenance districts for the purpose of funding a portion of the costs to provide public street and park maintenance ([memo](#)).—Regular Agenda (Carla Krause) (Returned from council floor: 06/21/10) **TABLED 6/23/10**

IV. **Adjournment**

The meeting was adjourned at 3:25pm

Respectfully submitted,

Dee Andersen
Administrative Secretary