

JOURNAL OF COMMISSION WORK SESSION
December 16, 2008

City Commission Work Session

Mayor Stebbins presiding

CALL TO ORDER: 5:30 p.m.

ROLL CALL: City Commissioners present: Dona Stebbins, John Rosenbaum, Bill Bronson, Mary Jolley and Bill Beecher. Also present were the City Manager, Assistant City Manager, Directors Community Development, Fiscal Services, Library, Park and Recreation, Planning and Public Works, the City Attorney, Fire Chief, Police Chief, and the City Clerk.

1. UPDATE ON WEST BANK

City Manager Doyon explained that City staff would be providing a team update discussion on West Bank, and provide the Commission an opportunity to ask questions regarding the status of the project. Mr. Doyon noted all the entities involved - the City, County, DOT, BNSF, Federal, private developers, DEQ and DOR.

Public Works Director Jim Rearden provided background information on the Federal Courthouse. There was a site selection in August, 2006; site design began in June, 2007; and, formal groundbreaking took place on July 9, 2007. Mr. Rearden explained the frustrating process with BNSF in getting a new crossing into the West Bank area. Staff began discussions with BNSF in July, 2006. A Construction and Maintenance Agreement was formally approved on November 19, 2008. In the final agreement, there were no additional requirements or costs, except for the cost of the crossing itself.

During that time, staff was looking at land transfers. Appraisals had been obtained. Mr. Rearden met preliminarily with the County, the Cowboy's Bar and Talcott Construction. Pat O'Connell is in the process of being hired to complete the land transactions. A meeting recently took place with County Commissioner Joe Briggs. A perpetual easement was obtained from BNSF for the crossing.

With regard to Phase I, Mr. Rearden reported that the County expended the available petro-funds for cleanup of the contaminated soil. The County is contesting that there is more than one release so there should be more than just one allocation of petro-funds available. Mr. Doyon added that there is an active lawsuit between the County and DEQ. Lyle Meeks explained the contamination cleanup of Phases I – IV and the financial ability to complete the cleanups. Mr. Rearden commented that it is fairly standard practice to remove contamination by trenching, and then paving over. There is also a water main that needs to be installed.

The City had local MDT roadway approval to proceed on 4th Avenue NW alignment as early as July, 2006. A consultant was involved, as well as MDT in Helena. In September, 2008, Talcott came in with his development plans. Through this process, Mr. Rearden believes 3rd Avenue NW fits the development better. MDT has concerns with traffic coming around the corner at 1st

Avenue NW and is still looking at that in the whole package.

Community Development Director Mike Rattray reported that Talcott went before the Design Review Board on December 8 and received conditional approval. He explained that it is an evolving project in terms of his Phase I, Staybridge Hotel, regarding landscaping and parking. Some of the decisions that have yet to be made will impact the parking and landscaping area. Talcott was issued a foundation permit. There is no impediment to his progress.

Fiscal Services Director Coleen Balzarini reminded the Commission that, with regard to the tax increment financing, there are two projects going on, the public improvements to get to the courthouse, and Talcott as the developer. The City Commission is taking action on both items tonight. The Talcott property will be a reimbursement so that once the structures are built and there is a demonstrated incremental increase, then there will be a reimbursement. At this point it is envisioned that it will be a note, which will be assignable.

To keep things on track and moving in the right direction, Mr. Doyon stated that he will meet weekly with Brad Talcott and the liaison for the courthouse. A meeting is scheduled tomorrow to discuss the land swap issues. Mr. Doyon stated that he was not optimistic about the issue of the clean up funds.

Commissioner Jolley asked if there was a Department of Revenue estimate for the tax increment. Ms. Balzarini responded that, based on what the City had for the taxable value, the incremental taxable value will cover the \$2 million dollars. The exact numbers will not be known until the project is finally done and DOR assesses the property.

Commissioner Beecher inquired about the timeline for the courthouse and was informed May 15th. He asked if, given what still needed to be done, that date was possible. Mr. Rearden responded that he thought it could be done, but depended on the weather as well. Mr. Meeks added that BNSF has scheduled its work for March.

Commissioner Beecher asked if a signal would be installed on 3rd. City Engineer Dave Dobbs responded that MDT stated it did not warrant a signal.

Mr. Doyon added that, at some time in the future, there may be a possibility for the Commission to consider a land swap, in lieu of cash, with Cascade County for a piece of property that is contiguous with the fairgrounds.

Commissioner Jolley asked for clarification regarding 4th Avenue N.W. Mr. Dobbs answered that it should be 3rd Avenue N.W.

ADJOURN

There being no further discussion, Mayor Stebbins adjourned the work session of December 16, 2008, at 6:20 p.m.