

# CITY OF POLSON

## CITY COMMISSION MEETING

Commission Chambers

January 21, 2015

7:02 p.m.

**ATTENDANCE:** Mayor Heather Knutson, Commissioners Campbell, Erickson, Morrison, Siler, Southerland, and Turner, City Manager Shrives, City Clerk Cora Pritt

**Others Present (that voluntarily signed in):** Elsa Duford, Rick LaPiana, Bonnie Manicke, Tony Porrazzo, and Andrew Speer

**CALL TO ORDER: (00:10)** Mayor Knutson called the meeting to order. The Pledge of Allegiance was recited. Roll call was taken.

**APPROVAL OF PROPOSED AGENDA (1:11)-Commissioner Turner motion to approve the proposed agenda. Commissioner Erickson second.** City Commission discussion: none Public comment: **Andrew Speer** questioned the placement of the Public Comment on Significant Matters to the Public Not on the Agenda. Mr. Speer's comment was that he felt it would be better served to put this item at the end of the agenda. **Elsa Duford** commented that when she looked up 2014ORD#005 on the City website there was no narrative. Mayor Knutson stated that that would be fixed. **VOTE: Unanimous Motion carried**

**PUBLIC COMMENT ON SIGNIFICANT MATTERS TO THE PUBLIC NOT ON THE AGENDA ( 4:47)-none**

**CONSENT AGENDA: (5:42) a. Claims January 1-14, 2015, b. City Commission Meeting Minutes January 8, 2015. Commissioner Southerland motion to approve the Consent Agenda. Commissioner Morrison second.** City Commission discussion: Commissioner Turner questioned the charge from Lake County Solid Waste for an annual fee. City Manager Shrives answered this is an annual fee that is a charge per dumpster. Public comment: Elsa Duford thanked Commissioner Campbell for clarifying the number of wells during the January 8, 2015 meeting. **VOTE: 1 abstain, 6 ayes Motion carried**

**CITY MANAGER COMMENTS; (9:41)** City Manager Shrives gave the following comments:

February 9, 2015 will be a work session to discuss the Planning Department fees. The meeting will begin at 6:30 p.m.

February 2, 2015 will be the next regular scheduled Commission meeting.

February 3, 2015 there will be a work session. The topic will be the Water Compact. The attorney for the Water Compact will be in attendance to explain the document. This work session will begin at 6:00 p.m.

On March 4<sup>th</sup> & 5<sup>th</sup>, 2015 the City Manager will be attending a City Manager/Mayor forum.

March 8-12, 2015 the City Manager has been asked to attend an insurance conference. This is in conjunction with his appointment to the Montana Municipal Interlocal Authority (MMIA) Board.

City Manager Shrives requested that the March 16, 2015 City Commission meeting be moved to March 23, 2015. The Commission approved this request.

Customers will soon be able to pay by credit card on-line. Currently credit cards must be paid over the counter. It will begin with Utility payments and then include other payments.

The new Heart & Soul plaque has been placed in the Commission Chambers.

City Manager Shrives read the following press release about Polson Bay Golf Pro Cameron Milton:

# WMCPGA YOUTH PLAYER DEVELOPMENT AWARD

## *Cameron Milton, PGA*

Cameron Milton is the PGA Head Golf Professional at Polson Bay Golf Course. Polson Bay is a 27---hole municipal facility with approximately 600 adult and junior pass---holders located in Polson, MT. Polson is a town of 5000 people located on the Flathead Indian Reservation and adjacent to the southshore of Montana's Flathead Lake.

Cameron has been selected for multiple reasons. First, he continues to expand his junior golf offerings, annually touching over 200 children of diverse ethnicity and socio---economic Backgrounds in rural Montana. Second for his being resourceful in attaining local grant funding for the programs he offers, keeping costs extremely affordable for his programs. Additionally, Cameron's funding of an annual \$1,500---\$2,000 high school scholarship through his Junior Master's Golf Tournament. Most importantly to the committee, Cameron showed a commitment in 2014 in developing and implementing programs that go beyond the "drop off" camps that most facilities offer...including Polson Bay prior to 2014. These programs promoted family golf experiences and transitioned Polson's juniors from the camps to the golf course. Highlighting Cameron's 2014 offerings were: **Polson Junior Camp**--- A FREE camp that touches up to 150 juniors, offering basic instruction to school age children in etiquette, full swing, chipping and putting. The camp culminates in a Drive, Pitch and Putt competition that includes medals and potluck BBQ for participants and their entire family. Camp participants also receive a certificate of completion and camp "Grip It and Rip It" t---shirt. **Polson Advanced Camp**---Offered to middle and high school aged juniors. The purpose of this camp is to refine the player's technique and improved course management skills for those players wishing to play competitively. The camp uses a variety of PGA Sports Academy curriculum and is funded through a grant from the Mission Valley Elks Lodge. **Tuesday Drop---In Lessons**--- Open to all players, including juniors. Instruction was offered from 6---7 pm every Tuesday evening in June for the nominal fee of \$10. **Sunday Afternoon Family Golf**--- An adult plays 9---holes with cart for \$15 as long as they are playing with children...kids play free. **Afternoon Driving Range Promotion**--- An adult and child Receive 2 medium buckets and 2 soft drinks for \$10 and is available daily from 1---5 pm. **Challenge the Pro's**--- An event pitting the PGA Professional staff against the 2014 Men's Match and Stroke Play Champions in a four---ball format. Through pledges enough money was raised to cover all expenses for PBGC's two junior entrants in the Drive, Chip and Putt Sectional qualifier At Kayak Point as well as the expenses for one junior who then qualified to compete in Salt Lake City. Clearly Cameron Milton is a leader in our Association in the promotion and implementation Of Youth Player Development Programs. His energy and enthusiasm for kids at Polson Bay GC is infectious and he has succeeded in creating a welcoming atmosphere of inclusion that promotes golf as a family activity in Polson, Montana. The committee is proud to forward Cameron Milton, PGA as our Youth Player Development Award winner and find it difficult to believe there could be another professional who accomplished as much in youth player development as Cameron in 2014.

Andrew Speer asked for clarification on the work session to be conducted February 3, 2015. Will there be representation from both sides of the subject matter present and will each side get to present. Mayor Knutson replied that yes both sides will have an opportunity to address the Commission and the public is welcome to attend.

**APPROVE AMENDMENT #6 TO THE AGREEMENT FOR ENGINEERING SERVICES BETWEEN THE CITY OF POLSON AND ANDERSON-MONTGOMERY CONSULTING, INC. IN THE AMOUNT OF \$14,390.00 BRINGING THE TOTAL CONTRACT AMOUNT TO \$239,290.00.** (17:02) City Manager Shrives presented this agenda item. The Water Department Looping

project will be going out for re-bid. This amendment is to cover the additional design work that will need to be done. Also, the Confederated Salish & Kootenai Tribe have granted an easement by the KwaTaqNuk to replace the large pipe that will be brought to Council at a future meeting. This task order is so the work by Paul Montgomery can be completed. **Commissioner Southerland motion to approve Amendment #6 to the Agreement for Engineering Services between the City of Polson and Anderson-Montgomery Consulting, Inc. in the amount of \$14,390.00, to bring the total contract amount to \$239,290.00. Commissioner Turner second.** Commission discussion: none Public Comment: Elsa Duford asked if there was a map that shows the location of the project. Mayor Knutson answered that the map was provided at a previous meeting. Mayor Knutson further explained that the area is the Salish Point area. **VOTE: Unanimous Motion carried**

**DISCUSS SALE OF ALL BEVERAGE LIQUOR LICENSE. (20:18)** Agenda item was presented by Finance Officer Cindy Dooley. At the December 15, 2014 meeting of the City Commission, the Commissioners unanimously approved a motion to declare the All Beverage Liquor License (ABL) as surplus property and to come back to the Commission with a plan for the sale of the license. The City Golf Course Enterprise Fund has held the ABL as an asset since 2002 and purchased it for \$55,000. The ABL has been used in the City's golf course restaurant and on course beverage cart since that time. The ABL allowed the City to provide liquor as well as beer, wine and other alcoholic beverages. Periodically the Department of Revenue updates Periodically the Department of Revenue updates their list of liquor license sales. The most recent sale of a Lake County ABL was approved on November 25, 2014 in Ronan for \$75,000.00. Montana is on a quota system for All-Beverage Licenses, Beer Licenses and Restaurant Beer and Wine Licenses. The number of each of these types of licenses allowed is based on the population of the incorporated city for cities and the county population less the city populations for licenses outside the city limits. Currently based on population the City can have 6 ABLs. The City currently has 10 ABLs, as licenses issued prior to March 7, 1947 are allowed to be renewed. So the City is at full quota which means an entity wanting an ABL must purchase that license from an entity that already owns one. Currently, the City's license is the only ABL license that would be for sale in the City that the staff is aware of. The City has several choices regarding the serving of alcoholic beverages at the Golf Course for the upcoming golf season. The City can continue to use the ABL up to the time of the purchaser receiving temporary operating authority; or use the ABL until the existing hard liquor inventory is gone and then put the ABL into non-use and immediately apply for an On-Premises Beer License with Wine Amendment. Even though the city of Polson is at full quota for Beer licenses, as a municipality the City itself can receive a beer and wine license for use at a golf course without quota restrictions. If the City "shelves" the ABL, then sales of liquor would be discontinued at that point. From the time that the City places the ABL in non-use, there is basically a period of twelve months to sell the license. There are several methods that can be used to sell the license. 1) The City can advertise the license for sale at a set price such as \$100,000. 2) The City can ask for sealed bids with a minimum bid or reserve of \$55,000 and award the license to the highest bidder or 3) The City can hold a live auction also with a reserve of \$55,000 and award the license to the highest bidder. All methods would include placing a legal advertisement in the local paper and running ads in the tavern association newsletters and other restaurant and bar publications. The entity that is awarded the license must then submit an application to the Department of Revenue for a change of ownership and change of location and be approved by the department prior to the sale being completed. After discussion with management, it is management's recommendation that the City hold a live auction with a reserve of \$55,000. Mayor Knutson asked about floating the license. Finance Officer Dooley answered that the City could float the license but only to an area that can accept a

float. City Manager Shrives comments that the other piece of this that needs to be considered is the golf course restaurant. Roger Wallace did run the restaurant this past year but the restaurant did lose money, not as much as in previous years but it did lose money. Bottom line, Roger will not see a profit from running the restaurant this coming year. One of the reasons is the City is paying \$62,000.00 for employees. The main focus is providing service for the golfers. If the City continues to run the restaurant, then the service will have to change. From a business point of view it will be the right thing to do, but from a customer service point of view it will not be a good thing. **Roger Wallace** stated that the operational model for the coming year, due to the payroll expense, a snack bar is being considered. The menu would be cut to six to eight items. Also, the catering of events would be stopped. If someone wanted to have an event at the golf course, they would have to bring in the food from an outside source. City Manager Shrives commented that there is consideration of bringing someone in that would want to run a restaurant. Commissioner Turner asked if a restaurant board had ever been considered. This board would be responsible for overseeing the running of the restaurant. City Manager Shrives replied that he would like to bounce these ideas off the golf board and get their input. The important thing is to provide the best service that we can. Commissioner Turner commented that he agreed with Roger about reducing the menu to just six items. This would assist in cutting some cost. Roger Wallace also commented that the other issue is that the fresh food product produces too much waste and therefore is too high of a cost. This will be cut out too. Mayor Knutson commented that this is a good direction to be moving in. Serving the individuals that come in on a daily basis, choosing the items that they would most likely want to eat and then provide for the walk-ins that is a good way to go. This should help in becoming more efficient in the operations. Commissioner Turner asked how many people are on staff during the summer busy season. Roger replied there are 3 cooks and 6 wait staff. Mayor Knutson then recapped the liquor license is to do an open auction with a reserve of \$55,000.00. Commissioner Turner asked about the areas that the license could get floated to. Finance Officer Dooley answered that it would be in markets located in eastern Montana such as the Town of Geraldine. A lot of those towns are smaller. Commissioner Campbell asked if Cindy recalled what year Polson lost the gaming. Commissioner Turner thought it was either 2006 or 2008. City Manager Shrives commented that the goal is to get at least what the City paid for the All Beverage License. That is why the reserve is being set at \$55,000.00. Mayor Knutson asked about the live auction. Would it also include on-line? City Manager Shrives stated that the individuals would need to be present at the auction. **Dennis Duty** asked to be heard. His comment was that it is important to get someone that is qualified to purchase the license. City Manager Shrives explained that that is the next part of this, looking at the pre-qualifications. Commissioner Turner stated that if someone is going to have to be pre-qualified then they should be able to bid on-line or over the phone. Mayor Knutson asked if someone wanted to bid, could they send someone to the auction to represent someone. City Manager Shrives answered that the City is not going to determine who can purchase the license. The Department of Revenue will ultimately determine who can purchase the license. **Andrew Speers** commented that the internet is an awesome tool and could bring a large amount of bidders. City Manager Shrives stated that the mechanics and logistics will be determined and we will move forward.

Mayor Knutson gave one final detail per the new format, the selection of agenda items that need more detail and which ones would be more action minutes. The audio recording will be made available on-line on the City's website. Per the Ordinance, the audio will now be the official minutes of our meetings. Commissioner Campbell requested agenda item numbers six and seven have more written detail. Mayor Knutson reminded everyone that since we are moving to the audio as our official minutes, it will be more critical to have anyone speaking come to the podium and state their name and which ward they reside in.

Commissioner Turner had one more comment on Agenda No. 7. Since the City is going to sell the All Beverage License, just start the new season selling only beer and wine. Mayor Knutson also commented on selling off the liquor inventory. Finance Officer Dooley replied that the liquor can only be sold to the public. The inventory could be sold as full bottles at the same cost as the liquor store. It cannot be sold to other establishments. The City would not want to hold on to the inventory.

**Mayor Knutson asks for a Motion to Adjourn. (52:34) Commissioner Campbell motion to adjourn. Commissioner Turner second. VOTE: Unanimous Motion carried.**

**ADJOURN: 7:55 p.m.**

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**Heather Knutson, Mayor**

**ATTEST:**

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**Cora E. Pritt, City Clerk**