

CITY OF POLSON COMMISSION MEETING

Commission Chambers

July 18, 2016

7:00 p.m.

ATTENDANCE: Mayor Knutson, Commissioners Coutts, Donovan, Siler, Southerland and Turner, City Manager Mark Shrives, and City Clerk Cora Pritt

ABSENT: Commissioner Erickson

OTHERS PRESENT (who voluntarily signed in): Jennifer Cote, CPA, Elsa Duford, Joan Hart, Shari Johnson, Rick LaPiana, Bonnie Manicke, Lee Manicke, and Tony Porrazzo

CALL TO ORDER: (00:01) Mayor Knutson called the meeting to order. The Pledge of Allegiance was recited. Roll call was taken.

APPROVAL OF PROPOSED AGENDA (00:45) –**Commissioner Turner motion to approve the proposed agenda Commissioner Donovan second.** Commission discussion: none Public comment: none **VOTE: Unanimous Motion carried**

PUBLIC COMMENT ON SIGNIFICANT MATTERS TO THE PUBLIC **NOT ON THE AGENDA (01:14-none**

CONSENT AGENDA (01:41)-(a). Additional June 2016 claims, (b). July 1-13, 2016 Claims, (c). City Commission Written Summary Public Hearing Minutes July 6, 2016, (d). City Commission Electronic Public Hearing Meeting Minutes July 6, 2016, (e). City Commission Written Summary Meeting Minutes July 6, 2016, (f). City Commission Electronic Meeting Minutes July 6, 2016, (g). City Commission Written Summary Workshop Meeting Minutes July 7, 2016, (h). City Commission Electronic Workshop Meeting Minutes July 7, 2016. **Commissioner Siler motion to approve the Consent Agenda. Commissioner Coutts second.** Commission discussion: Commissioner Siler asked what the negative \$5,000.00 amount is on the Sandry claim. City Finance Officer Cindy Dooley explained that is the retainage that the City withholds on bid projects. The amount gets paid back at the completion of the project. City Manager Shrives explained this is the first pay request by Sandry Construction. Mayor Knutson made a correction to the Public Hearing minutes. The minutes read that the Mayor closed the Public Hearing at 6:33 p.m.. and should be corrected to read OPEN at 6:33 p.m. Public comment: Elsa Duford Ward II asked who the Municipality Representative for the City is in the Agreement Letter with the Tribe. City Manager Mark Shrives commented that he would be signing the final document. Elsa further commented that on the July 7 Public Hearing minutes it was disrespectful not to include the names of the persons who took their time to attend the workshop, and give public comment. These people made the effort to attend and none of their comments were in the workshop meeting. **VOTE: Unanimous Motion carried**

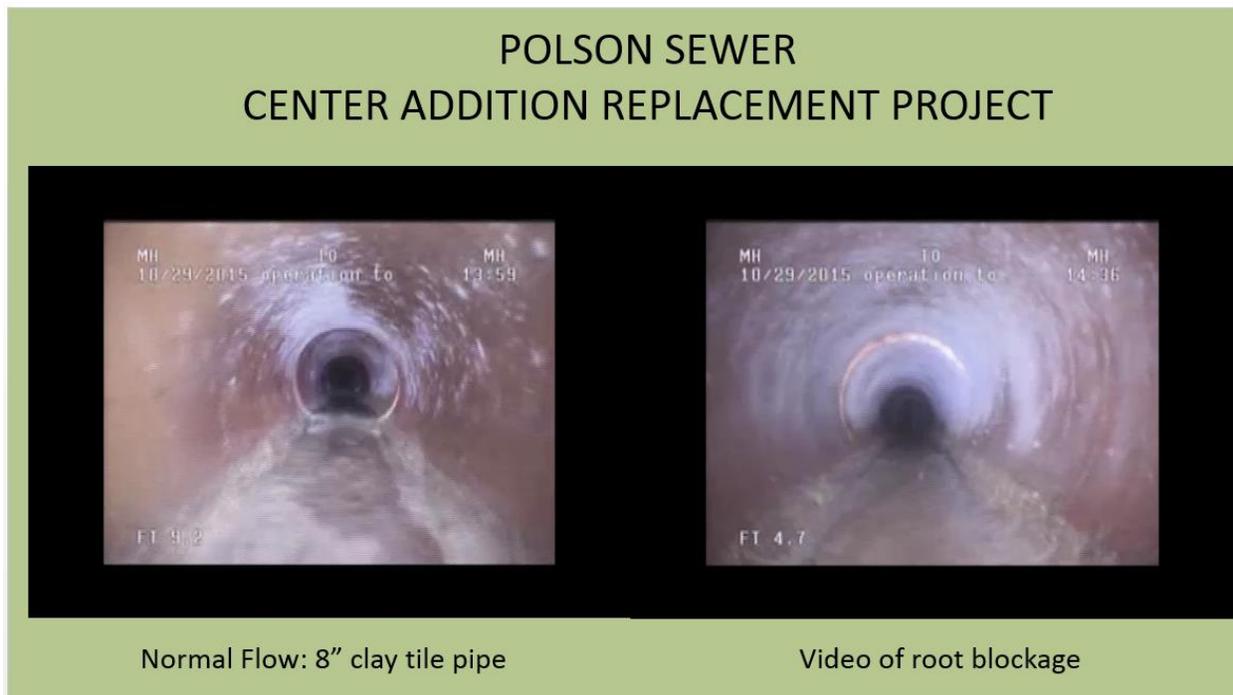
CITY MANAGER COMMENTS (08:49)-City Manager Shrives commented on the following: there will be a workshop on July 20th at 6:00 p.m. with the Commission & Economic Development Council to discuss the Resort Tax & Street Levy. Kevin Johnson reported that the design for the new wastewater treatment is almost complete. Once completed, it will go to DEQ (Department Environment Quality) for final approval. City Planner Kyle Roberts is working on the Growth Policy. The Growth Policy draft is to be completed by the end of July. August and September will be edits and the City County Planning Board will review at their October 11, 2016 meeting. There will be Public Hearings with the Commission

and then after that meeting the City hopes to adopt the new Growth Policy at the November 21st meeting. Budget meetings with the department heads are continuing. Would like to schedule a meeting with the Finance Committee, Commissioner Southerland, Turner and Mayor Knutson for either July 25 or 26th. At the August 15th Commission Meeting there will be a Public Hearing for the Preliminary Budget at 5:30 p.m. The final budget will be adopted at the September 7th Commission meeting. There will be a Budget Workshop with the Commission and the City Department Heads on July 28th at 6:00 p.m. City Manager Shrives asked City Police Chief Wade Nash to address the Commission. City Police Chief Nash commented that due to the recent incidents involving police, the local community has stepped up in demonstrating their support. Police Officer's meals are being paid for by anonymous people in the restaurants, care baskets and food are being dropped off for the officers. Even though the incidents haven't involved a local police officer, it still effects the local officers. Also, Chief Nash commented that during the recent meeting of the State of Montana Chief of Police Association, Chief Nash was voted in as Northwest Director for the State of Montana Chief of Police Association. The Polson Police Department sponsored Nicholas Cleveland in attending the State of Montana Junior Police Academy. Nicholas is the youngest child of the City of Polson late Police Officer William Cleveland. The graduation ceremony was July 16th in Helena, MT at the Police Academy. This was a great experience for Nicholas and will be a help in his future goals in life.

ADMINISTER OATH OF OFFICE & INTRODUCTION OF POLSON POLICE OFFICER

KEITH DEETZ.(18:17)- Mayor Knutson read a brief biography on Officer Deetz. After administering the Oath of Office, Chief Nash invited Officer Deetz's parents to join them at the front of the Commission Chambers to pin his badge on him. Officer Deetz's father, a former law enforcement officer, pinned the badge on his son.

CENTER ADDITION WATER & SEWER PROJECT UPDATE (22:08)-City Engineer Shari Johnson gave the following power point presentation.

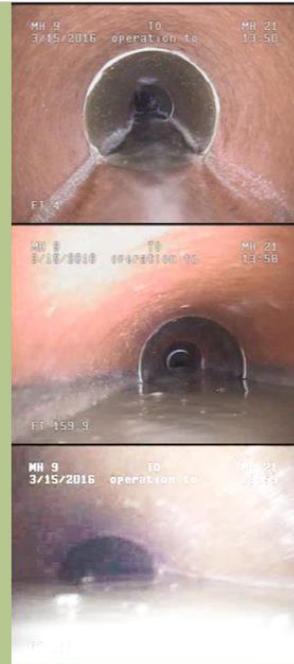


AFTER ROOT CUTTING



FLOW PATTERNS

Misaligned pipes due to settling, age, & installation



Same pipe! No additional flow

SEWER BACKUP COMPARISON REPORT FROM MMIA CLASS THREE CITIES & POLSON FY 2011 - 2015

City	Total Claims	Incurred Dollars	Incurred Dollars/1000 pop.	Claims/1000 pop.
Baker	NA			
Belgrade	3	\$ 3,777.00	\$ 510.41	0.41
Big Timber	3	\$ -	0	0.41
Boulder	2	\$ 8,022.00	\$ 6,685.00	1.67
Chinook	4	\$ 1,619.00	\$ 1,349.17	3.33
Choteau	3	\$ 457.00	\$ 268.82	1.76
Colstrip	11	\$ 29,335.00	\$ 13,334.09	5.00
Columbia Falls	1	\$ 4,672.00	\$ 994.04	0.21
Columbus	0	\$ -	0	0.00
Conrad	4	\$ 2,250.00	\$ 865.38	1.54
Cut Bank	8	\$ 46,065.00	\$ 15,884.48	2.76
Deer Lodge	0	\$ -	0	0.00
East Helena	14	\$ 88,840.00	\$ 44,420.00	7.00
Forsyth	9	\$ 3,344.00	\$ 1,857.78	5.00
Fort Benton	0	\$ -	0	0.00
Glasgow	22	\$ 36,705.00	\$ 11,122.73	6.67
Glendive	8	\$ 17,660.00	\$ 3,604.08	1.63
Hamilton	5	\$ 7,036.00	\$ 1,636.28	1.16
Hardin	3	\$ -	0	0.86
Harlem	3	\$ 1,088.00	\$ 1,360.00	3.75
Harlowrton	3	\$ 4,949.00	\$ 4,949.00	3.00
Laurel	14	\$ 5,220.00	\$ 779.10	2.09
Libby	1	\$ -	0	0.38
Malta	6	\$ 24,888.00	\$ 12,444.00	3.00
Plentywood	3	\$ -	0	1.76
Polson	10	\$ 131,204.00	\$ 29,156.44	2.22
Polson '11 - '16	17	\$ 198,975.00	\$ 44,216.67	3.78
Poplar	15	\$ 58,940.00	\$ 73,675.00	18.75
Red Lodge	4	\$ 2,301.00	\$ 1,095.71	1.90
Ronan	3	\$ 20,456.00	\$ 10,766.32	1.58
Roundup	0	\$ -	0	0.00
Scobey	0	\$ -	0	0.00
Shelby	4	\$ 2,726.00	\$ 801.76	1.18
Sidney	7	\$ 9,193.00	\$ 1,767.88	1.35
Thompson Falls	0	\$ -	0	0.00
Three Forks	2	\$ -	0	1.05
Townsend	0	\$ -	0	0.00
Troy	0	\$ -	0	0.00
WS Springs	1	\$ 4,646.00	\$ 5,162.22	1.11
Wolf Point	0	\$ -	0	0.00

Polson Sewer Claims FY 2000 - FY 2016

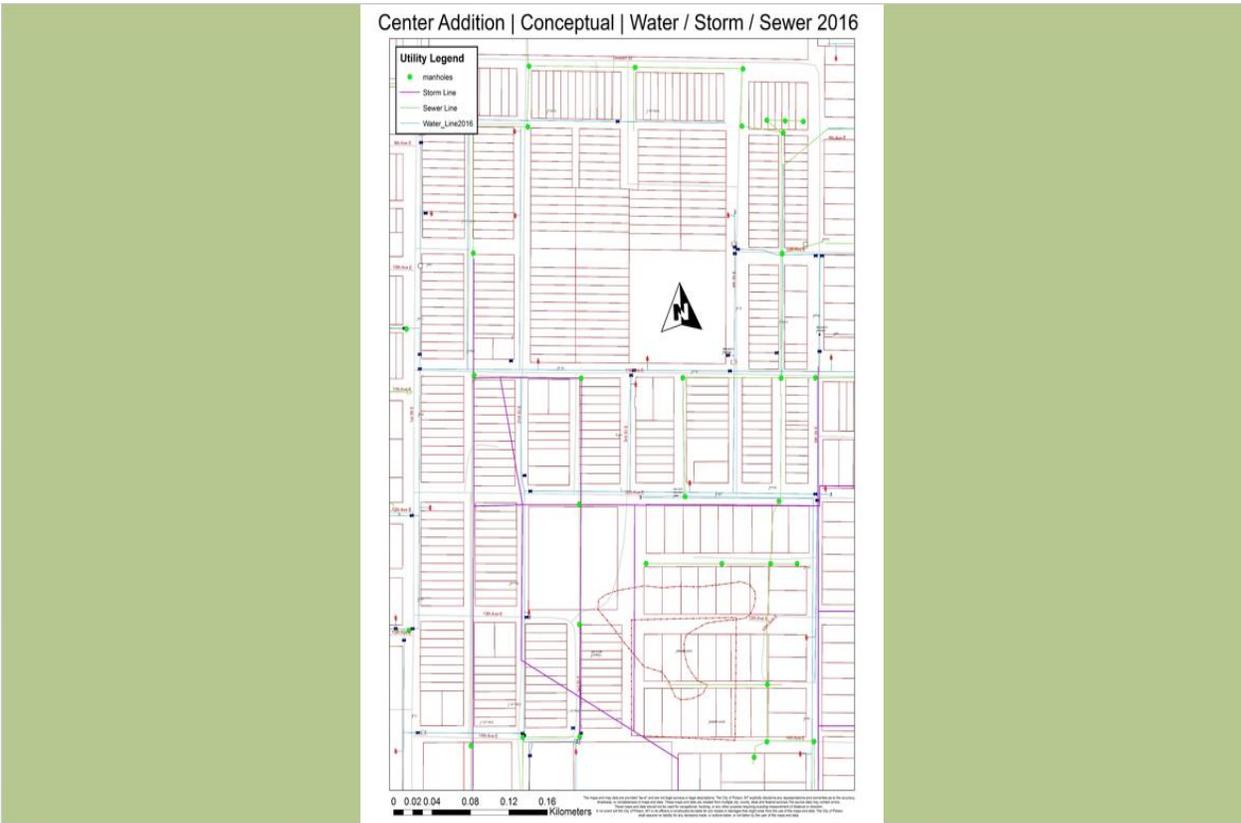
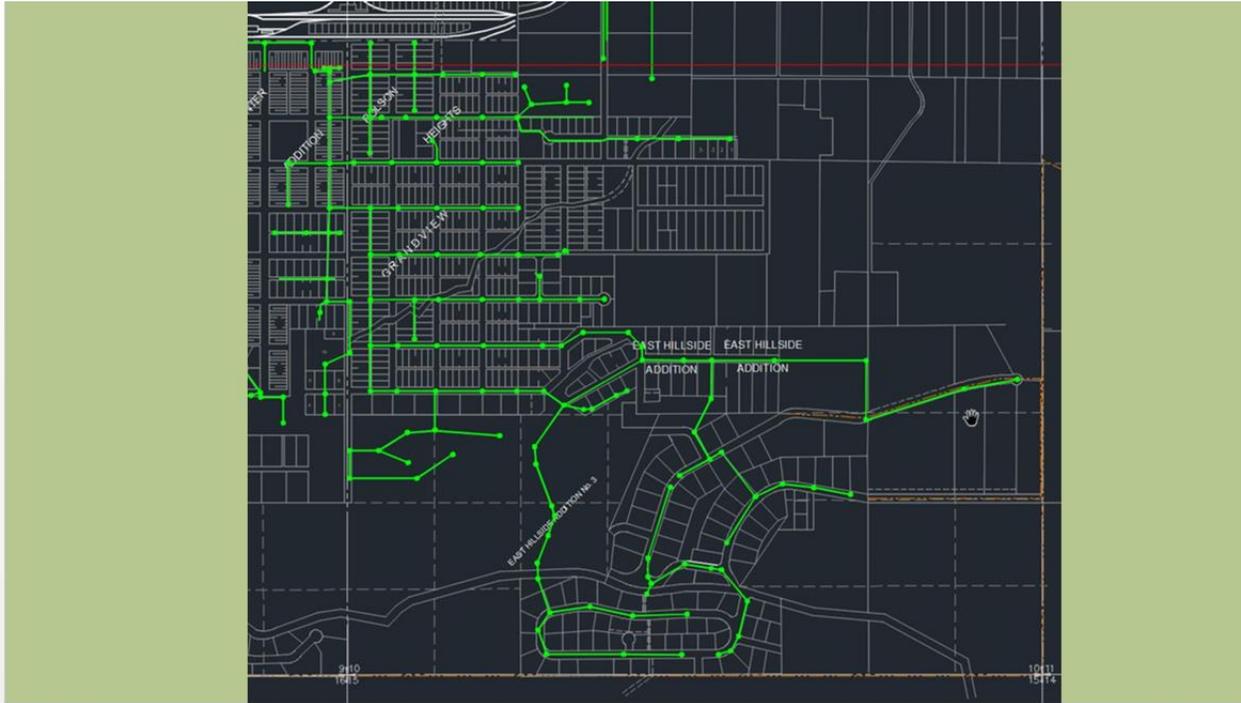
Fiscal Year	Sum of Incurred	Count of Incurred
2000	\$ -	1
2002	\$26,774.17	5
2003	\$ -	2
2004	\$43,901.07	2
2007	\$34,826.70	1
2009	\$11,222.08	3
2010	\$27,450.38	3
2011	\$4,663.54	1
2012	\$12,155.39	2
2014	\$950.00	2
2015	\$113,434.68	5
2016	\$68,520.93	7
Grand Total	\$343,898.94	34

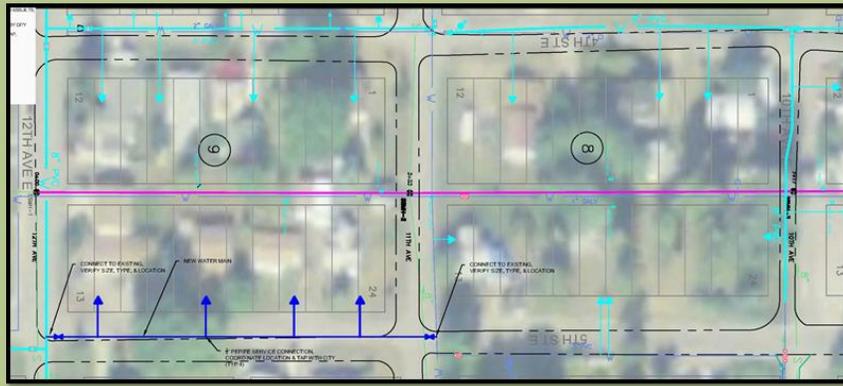
THIRD CLASS MONTANA CITIES

Polson ranks...
1st Place for Claim Dollars Paid
2nd Place for Number of Claims
3rd Place for \$\$/1000 people

POLSON PLAN OF ACTION

- 1. Formal City of Polson – Sanitary Sewer Maintenance Policy and Plan**
 - City was broken into **Four Zones** (each to be serviced in a 4 year cycle)
 - Camera and categorize
 - Perform Maintenance (sewer jet, root cut, replace, etc.)
 - Categorize mains into **Non-Problem, Problem, or Compromised** categories
 - Compromised is similar to the videos and at least 20 blocks fall into this category.
 - Record and document all in GIS data base
 - Problem lines will be maintained 3-4 times a year regardless of zone
- 2. Preliminary Engineering Report**
 - TSEP grant to provide for further analysis of the problem
 - Priority Evaluation
 - Pipe Replacement along with Lift Stations
 - All funding opportunities will be pursued
- 3. Replacement Projects when needed**
 - Center Addition Water & Sewer Main Replacement





Clay Tile Pipe: No bedding, 4 foot lengths, & minimal joint overlap



OUT WITH THE OLD



Separated Joints



Corroded, pitted, & leaking small diameter water mains



Roots blocking flow



IN WITH THE NEW!



Drop Manhole: accommodates deeper sewer



PVC Sewer Main: Large joint overlap w/ gasket, 20 ft lengths, & proper pipe bedding



Sewer Service: new to the ROW line



CENTER ADDITION – BUDGET SUMMARY

	Expenses	Notes	Pay Request 1
Original Contract Sewer	\$ 141,191.00	Sandry Construction	\$ 21,239.00
Original Contract Water	\$ 102,774.00	Sandry Construction	\$ 90,516.75
Change Order 1: Utility Conflicts	\$ 2,000.00	<ul style="list-style-type: none"> Future GIS efforts will help to eliminate City Utility Unknowns. May be additional costs as project progresses. 	\$ 639.97
Change Order 2: Water Services from existing mains	\$ 17,208.00	<ul style="list-style-type: none"> Not completed by City Excavation Contract as believed 	\$ 17,451.00
Fees Deducted: Dust abatement & live tapping fee	\$ (600.00)	<ul style="list-style-type: none"> Contractor had inadequate dust control & City Streets responded Live tap provided by City 	\$ (600.00)
Asphalt Removal & Replacement by City	TBD	<ul style="list-style-type: none"> City Streets performed asphalt removal work Asphalt to be contracted by City 	
Future Claims	TBD	<ul style="list-style-type: none"> Contractor has submitted \$17,700 in claims. Some duplication with CO1, but predominately denied per contract provisions. 	
Inspection by City: William Bonkowski	Staff	<ul style="list-style-type: none"> Water/Sewer has operated a man short. Full time inspection insures quality of work and patrolling of contract Notes will be used extensively in evaluation of claims 	
Engineering by City: Shari Johnson	Retainer		
TOTAL (@ 3.5 blocks = \$75k to \$80k per block)	\$ 262,573.00		Pay Request 1 (5% retainage withheld) = \$ 129,246.72

CITY OF POLSON FISCLA YEAR 2015 AUDIT REPORT (01:14:41)-This agenda item was presented by Jennifer Cote, CPA, Cote and Associates. Jennifer is the contracted auditor for the City of Polson. The big event in accounting world was that City/Towns had to show a proportionate share of their pension liability. The following was the City of Polson Pension Liability Report:

COTE & ASSOCIATES, CPA, PLLC

Phone: 406-543-8088
 Fax: 406-543-8088

1225 Cleveland, Suite 1
 P.O. Box 430
 Missoula, MT 59806

1. 2015 Financial Statements most significant addition: Net Pension Liability

From the New Pension Accounting by Stephen J. Gauthier of the Government Finance Officers Association (GFOA)

Types of Postemployment Benefits (page 1)

Benefit	Pension Benefits	OPEB
Retirement income	X	
Post employment health-care benefits		X
Post employment benefits other than healthcare provided through a pension plan	If accounted with pensions	If not accounted with pensions

Defined Benefit plans vs. defined contribution plans (page3)

	Defined Benefit Plan	Defined Contribution Plan
Employer promise	Agreed-upon future benefits	Agreed contributions to individual employee accounts
timing	During retirement	During employees active service life
Exposure to risk	Employer	Employee

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Types of multi-employer plans (page 5)

	Agent Plan	Cost-sharing Plan
Administrative function	Centralized	Centralized
Investing function	Centralized	Centralized
Assets	Each employer assigned proportionate share of total plan assets	Pooled
Liabilities	Specific to employer	Pooled
Contribution rates	Specific to employer	Sharing

2. The opinion on the financial statements is clean or "unqualified".
3. The report on internal control and compliance has not findings for fiscal 2015.

Fiscal Year 20145 received a Clean Opinion. This means that materially correct and the Internal Control & Compliance there were no findings. On the final page of the Audit Report there is the Findings from Fiscal Year 2014. Those findings have all been resolved. City Manager Shrives gave kudos to City Finance Officer Cindy Dooley for all her hard work. A clean audit is a rarity.

(01:31:41) Mayor Knutson asked if the Commission wanted full minutes or action minutes. The Commission determined that action minutes would suffice.

Adjourn. (01:31:59) Commissioner Coutts motion to adjourn. Commissioner Turner second.
Commission discussion: none Public Comment: none **VOTE: Unanimous Motion carried.**

ADJOURN: 8:32 p.m.

Mayor Heather Knutson

ATTEST: _____

Cora E. Pritt, City Clerk