

**POLSON CITY COUNCIL MEETING AGENDA
CITY HALL COUNCIL CHAMBERS
MONDAY, MAY 1, 2006, 6:30 P.M.**

ATTENDANCE: City Council: Bruce Agrella, Mark MacDonald, Jules Clavadetscher, Mike Lies, Tom Corse, Fred Funke. Mayor Randy Ingram presiding. City Attorney James Raymond absent. Others Present: Bill Wilkins, Margie Hendricks, Robert Lajoie, Elsa Duford, Tim McGinnis, Rory Horning, Tony Porrazzo, Doug Chase, Rick Lapiana, Lee Manicke, Nadine Clayton, Marc Vergeront, Todd Erickson, Carl Sheetz, Dick Schulz, Ellen Schulz, Carol Jones, Murat Kalinyaprak, Pat DeVries, Rod Hanson, Bonnie Manicke.

PUBLIC HEARING - JENSEN & WILKINS ZONE CHANGE FROM RURAL RESIDENTIAL ZONING DISTRICT (MRZD) TO LOW RESIDENTIAL ZONING DISTRICT (LRZD) - POLSON DEVELOPMENT CODE AMENDMENT: City Planning and Zoning Official Joyce Weaver clarified that there is no RRZD zoning classification within the City limits and needs to be changed. The LRZD zoning is the most similar in City zoning designation, which is being proposed. She provided the same staff report as she provided previously for the annexation request with changes or additions marked by three stars. She informed Council that the City County Planning Board voted unanimously, 8 to 0, to recommend that Council approve the proposed zone change. Mayor Ingram asked for comments.

Robert Lajoie recommended that the developers not propose and that Council not allow any dead end roads or cul de sacs in their development.

Elsa Duford expressed her concerns regarding sufficient water for these subdivisions. She asked if the agreement with the developers regarding no development until the City finds another water source is verbal or in writing. Mayor Ingram replied that the agreement is part of the annexation approval.

No further comments were made. **The public hearing was closed at 6:35 p.m.**

7:00 P. M. - CITY COUNCIL MEETING

CONSENT AGENDA:

- A. CITY COUNCIL MEETING MINUTES APRIL 17, 2006/X**
- B. ADVERTISE VACANCY – GOLF MAINT. SUPT. LARRY NEWLIN RESIGNATION 5/15/06**
- C. APRIL 2006 CLAIMS**
- C. LITA FONDA - ADMIN. ASST. CONFERENCE - JULY 13th MISSOULA – \$199.00/X**
- E. PERMANENT STATUS-STEVE KENDLEY-POLICE OFFICER +\$1.00/HR./X**
- F. PURCHASE COUNCIL CHAMBERS PA SYSTEM-APPROXIMATE COST \$1500.00**
- G. MARK EVERTZ-BOARD OF ADJUSTMENTS MEMBER APPOINTMENT/X**
- H. NEW BANNERS ON LIGHT POLES-CHAMBER BEAUTIFICATION/X**

Motion made by Councilman Clavadetscher seconded by Councilman MacDonald, to approve the Consent Agenda items A through H. Councilman Lies asked that item A, the minutes of April 17th, be clarified that Bob Fulton's statement was not correct. He explained that he did not tell DEQ representatives that the City didn't have enough water. He spoke with others who attended that meeting who verified that they discussed the infiltration system, the effect on wells and where the sewer lines would be hooked up and did not say anything about water at that meeting with DEQ. **Motion carried unanimously.**

ORDINANCE #619 FIRST READING - JENSEN & WILKINS REQUEST FOR ZONE CHANGE - FROM RRZD TO LRZD – POLSON DEVELOPMENT CODE AMENDMENT: Motion made by Councilman Corse, seconded by Councilman Funke, to approve the first reading of Ordinance #619, a zone change from Rural Residential Zoning District to Low Residential Zoning District for Jensen and Wilkins property adjacent to Skyline #3 Addition, as proposed. **Motion carried unanimously.**

RESPONSE LETTER TO DEPARTMENT OF ADMINISTRATION FOR FY 04/05 AUDIT - INTERNAL CONTROL OVER FINANCIAL REPORTING OF LIBRARY

INVESTMENTS: Jackie Gran represented the Library Board of Trustees and provided a letter with a historical timeline of the Polson City Library's donated private funds. Their intentions are to produce as much interest revenue as possible from donated funds. The Library Board of Trustees and the Polson Public Library Memorial Foundation discussed their options and as a result of that meeting a subsequent vote was taken by the Library Board on April 25, 2006, to use the current Polson Public Library Memorial Foundation for the monies. Arrangements are currently being worked out between the two boards. Councilman Clavadetscher asked if that would resolve the auditor's concerns and if the City needed that confirmation. City Treasurer Bonnie Manicke noted that the memorial foundation was in place when the audit was performed and the auditor did not question the funds in that foundation. **Motion made by Councilman Lies, seconded by Councilman Agrella, to approve the Library Board's recommendation and response to the auditor's exception regarding internal control over financial reporting of the library investments; to transfer those funds into the Polson Public Library Memorial Foundation, with the auditor's approval. Motion carried unanimously.**

EXTEND PRELIMINARY PLAT APPROVAL OF MISSION BAY VILLAGE TO 5/17/2012 – DENNIS DUTY: Dennis duty representing Mission Bay Village, asked the Council to approve an extension of the preliminary plat approval of Mission Bay Village to May 17, 2012, with 30 hook ups per year as per the agreement presented to Council by Mission Bay. He noted that the agreement would be null and void if the land is transferred as stated in item 6 of the agreement. **Motion made by Councilman Corse, seconded by Councilman Funke, to approve the agreement to extend preliminary plat approval for Mission Bay Village to May 17, 2012, as proposed. Motion carried unanimously.**

DIAGONAL PARKING AT 201 3rd AVENUE EAST & 2nd STREET EAST - RICHARD & ELLEN SCHULZ: Ellen Schulz requested Council approval of diagonal parking on 3rd Avenue East and 2nd Street East in front of their building located at 201 3rd Avenue East. She noted that it would alleviate some of the parking problems by expanding the available parking spaces. Street Superintendent Rod Hanson stated that the Schulz's also plan to install curbs and gutters and their department was planning to overlay 2nd Street East this year and other property owners on that street should be contacted. They agreed that the streets are wide enough both on 2nd Street and 3rd Avenue East to allow for diagonal parking. Water and Sewer Superintendent Tony Porrizzo noted that there is a service line from the south and the curb stop should be moved before paving. Dick Schulz verified that that he has plans to replace the sidewalks along their building. City Treasurer Bonnie Manicke asked Council to contact Coldwell Banker and have them replace their unsafe sidewalk. Bob Lajoie asked that any potential safety issues be addressed by the City Engineer. **Motion made by Councilman Agrella, seconded by Councilman Lies, to approve installing diagonal parking on 2nd Street East and 3rd Avenue East, next to 201 3rd Avenue East, upon the City Engineer's approval and coordination with the Street Superintendent, as requested by Richard and Ellen Schulz. City Engineer Bob Fulton clarified that the existing boulevard would be removed from the sidewalk. Motion carried unanimously.**

COUGAR RIDGE PHASE 2 - REQUEST FOR 30 WATER HOOK-UPS - MIKE MADDY: Mike Maddy informed Council that the engineering phase for Cougar Ridge Phase 1 was \$70,000 in 2005 and he wanted to have Council approval for thirty water hook ups for Phase 2 before he had the engineering reports done for that phase. He clarified that when the engineered plans are ready then he would be asking Council for preliminary plat approval for Phase 2. Council previously granted preliminary approval for Phase I along with thirty water hook ups. He noted that Mission Bay follows this same approval process. **Motion made by Councilman Corse, seconded by Councilman Clavadetscher, to approve thirty water hook ups for Phase 2 of Cougar Ridge subdivision for 2006.** Elsa Duford asked why Phase 2 is being approved for water hook ups before Phase 1 is completed, also if 15th Avenue is proposed as an access for either of these phases. Mayor Ingram replied that the conditions of approval for Cougar Ridge stated that there would be no access to 15th Avenue. Mike Maddy confirmed that there are no plans to connect to 15th Avenue East. Murat Kalinyaprak asked if the developers could have approval for more than 30 hook ups per year since they are approved ahead of time. Mayor Ingram replied that is a hypothetical question and he couldn't answer it. Rory Horning asked if the water agreement allows banking water hook ups and what advantage it is to allow 30 per year if they are not used. Mayor Ingram replied that he didn't agree with the term "banking", and the ordinance states that the developers are allowed 30 hook ups per year. Elsa Duford asked if the City has sufficient water supply for 60 hook ups. Margie Hendricks expressed her concern about

the lack of fire flow, the negative pressure in some areas of town and felt it is a dangerous precedent to allow banking water and sewer hook ups. Murat Kalinyaprak questioned why Mike Maddy is asking for thirty water hook ups before the engineering report is completed for Phase 2 and before the preliminary plat approval is granted. Councilman Corse explained that the ordinance was developed to avoid a request by developers for 200 to 300 water hook ups at one time, which is what would happen without the ordinance limiting each developer to 30 hook ups per year. He felt it is understandable considering the large investment of the cost of the engineering, without being assured of water connections to develop the lots. Mike Maddy explained that he is expecting DEQ approval of Phase I by mid month. The engineering for Phase 2 would take approximately three months and some of the lots will be available by early next year. Margie Hendricks questioned if the traffic study was redone for Phase 1, as she understood was required by the Highway Department. Also, Council did not ask for proof of the required easement for the emergency access onto Claffey Drive. Mayor Ingram replied that those issues are part of the conditions of approval and that information will be required to be provided when the preliminary plat is submitted for approval, therefore it is off topic tonight. Margie Hendricks said she felt that Phase 1 and 2 should be null and void. Mike Maddy stated that he has the easements that are needed and the letter from MDOT regarding the traffic issue is also available. It was clarified that no lots can be sold until the final plat approval for the subdivision. **Motion carried unanimously, to approve thirty (30) water hook ups for Phase 2 of Cougar Ridge subdivision for 2006, as requested by Mike Maddy.**

HILLCREST SEWER EXTENSION PAYBACK - \$2,500 PER HOOK-UP -PLUS \$100.00 PER YEAR AFTER THE FIRST YEAR: Water and Sewer Superintendent Tony Porrazzo informed Council that the committee met last week to discuss the payback for the sewer extension on Hillcrest Drive. They recommended a \$2,500 fee per hook up for the first year, in addition to the current permit fee at the time of hook up and hook ups after the first year would pay \$2,500 and an additional \$100 for each year thereafter, plus the current permit fee at the time of hook up. Councilman Funke asked if it would make sense to extend the service extensions off the main line to avoid tearing up the road each time. Tony Porrazzo replied that the cost of the project would triple if they included that cost. Councilman MacDonald suggested that the increased cost per year be higher than \$100. Tony Porrazzo replied that the committee felt a higher cost would be counterproductive. Councilman Lies asked and Tony Porrazzo replied that 52 letters were sent out but there could be additional hook ups to this sewer main line extension if it is the most cost effective for the property owners. Although the area of potential connections would be limited by the topography of the land in that area. City Engineer Bob Fulton clarified that the revenue from the 52 hook ups would more than cover the cost of the project including the engineer's cost and allow for contingencies. City Treasurer Bonnie Manicke asked that it be clearly specified that the connect fee or permit fee to be charged would be what is in place at the time of hook up. She asked if the Cougar Ridge Subdivision will be part of this project and that the area it will serve be defined specifically by property descriptions. Tony Porrazzo replied that the topography will determine the area that the sewer extension will serve. Connections for the Cougar Ridge lots will most likely go toward the highway. This sewer extension will serve the lots on the south side and the north side of Hillcrest Drive and then extend north toward the highway. Councilman Clavadetscher stated that a specifically defined border would be less likely to lead to a legal challenge. Tony Porrazzo replied that the committee felt that the topography of the land will define and limit the boundary. Councilman MacDonald suggested that if a boundary is defined anyone outside that area would have to pay the permit fee and the extension fee to hook up. Councilman Lies suggested that some specific area be set to make sure all the potential properties hook up. Bob Fulton noted that the committee defined 52 properties some of which could be subdivided and each lot would be required to pay the \$2,500 extension fee and would generate more revenue. Councilman Lies suggested they could use the square foot of each lot to determine the payback method. Bob Fulton replied that they considered all the various SID methods and the committees' recommendation allows for some mechanism for future subdivisions. Tony Porrazzo stated that eight people have already indicated their interest in hooking up. Councilman Lies expressed concern about the potential for future subdivision of the 52 estimated lots. Councilman Corse clarified that the committee's reason for setting an arbitrary boundary for hooking up to the sewer extension was logical because each lot that is subdivided would pay the same fee of \$2,500 fee plus \$100 each year after the first year, plus the permit fee. The lots would hook up to whatever main line was the most economical, thereby defining its own boundary. **Motion made by Councilman Corse, seconded by Councilman Agrella, to approve the Hillcrest Sewer Extension Payback of \$2,500 for the first year and \$100 in addition for each year thereafter, plus the current applicable permit fees, which are**

hook up fees and lift station or capital improvement fees. Councilman Clavadetscher clarified that any new lot created would have to pay that fee. Rory Horning felt the proposal penalized those having existing septic tanks. Without a cap it would penalize people, which is not the way laws should be set up. Elsa Duford asked if there are sufficient hook ups available before the proposed improvements are made to the sewer lagoons and before the City's sewer and water system reaches their capacity. Mayor Ingram replied that the City is currently using its reserve funds and applying for grants to make the recommended improvements. Councilman Clavadetscher noted that the recent engineering studies indicate that the City has sufficient sewer and water capacity based on a 3% population growth. Margie Hendricks stated that a 5% growth rate was used by John Campbell when the water moratorium was put into effect. Councilman Clavadetscher replied that the Bureau of Census report shows a 1.3% to 1.4% actual growth in Lake County over the past 4 years. Margie Hendricks noted that five years ago a \$30,000 incentive was given by the City toward the Claffey Drive sewer extension project and the hook up fees were excused, in order to encourage hook ups in the Wellhead Protection area. She asked that the hook ups for this project also be given a break. **Motion carried unanimously, to approve the Hillcrest Sewer Extension Payback of \$2,500 for the first year and \$100 in addition for each year thereafter, plus the current applicable permit fees, which are hook up fees and lift station or capital improvement fees.**

RESOLUTION #922 -ANNEXATION OF 1500 HILLCREST DRIVE - DALE GILLESPIE AND RESOLUTION #923 - ANNEXATION OF 1613 & 1615 HILLCREST DRIVE - RICHARD & JOYCE NORMAN: Mayor Ingram noted that until Hillcrest Drive is annexed these agenda items should be deferred. **Motion made by Councilman Lies, seconded by Councilman MacDonald, to table Resolution #922 and Resolution #923 annexations of properties on Hillcrest Drive. Motion carried unanimously.**

DEVELOP SITE AND FINANCIAL PLAN FOR GOLF CART STORAGE UNITS : Councilman Corse explained that the Golf Board recommended approval of a proposal to build one story golf cart storage units along the north fence line of the maintenance yard and offer a five year rental fee of \$1,250. Additional units could be built as needed. Council asked that a site plan be provided for their approval. **Motion made by Councilman Corse, seconded by Councilman Funke, to approve developing a site and financial plan for construction of additional golf cart storage units pending Council's review of the site plan. Motion carried unanimously.**

GOLF BOARD RECOMMENDATION TO REPLACE SIDING AT POLSON BAY GOLF COURSE – (PRO SHOP/RESTAURANT) CLUBHOUSE BUILDING: Councilman Corse asked Council approval of the Golf Board's recommendation to replace the siding at the Golf Course Clubhouse with a cement concrete siding which was quoted at \$6,275. Their long term plan is to improve the deck and extend it around the pro shop and make other cosmetic and structural improvement with the available funds in the reserve account. **Motion made by Councilman Corse, seconded by Councilman Funke, to approve the bid from Kent Ludtke for \$6,275 to take off the existing siding and apply new siding on the Golf Course Clubhouse as proposed. Motion carried unanimously.** Rory Horning asked if the project was advertised for bid. Councilman Corse replied that a number of other contractors were contacted.

COUNCIL COMMITMENT TO LONG TERM PLANNING BY GOLF BOARD: Councilman Corse informed Council that the Golf Board is willing to spend the time to develop a long term plan to improve the Golf Course facility. They would determine the most cost efficient way to improve the appearance of the Clubhouse if Council would consider their recommendations. The Golf Board discussed moving the clubhouse closer to the driving range after the bonds are retired when they would have more funds to work with. They want to make the Golf Course a high class place to play. Murat Kalinyaprak questioned why they would want to make it high class when a public golf course should be affordable to the general public. Tim McGinnis stated that the appearance of the golf course is more like a mobile home and he doesn't think there's anything wrong with making the Golf Course a pleasant place to take guests. Council agreed that they would consider the Golf Board's long term plan proposal.

REQUEST TO RAISE STREET CUT BOND TO \$2,500 & HOLD FOR 3 YEARS - ROD HANSON: Street Superintendent Rod Hanson asked Council to approve raising the street bond required by the City to cut into City streets, from \$1,000 to \$2,500 and that the bond be held for three years instead of one year. They are finding that the streets are not being repaired properly

and are sinking and fall into disrepair after one year. The current bond was established thirteen years ago and the cost of materials have gone up since then. City Engineer Bob Fulton recommended that the bond be held for three years. Other cities are charging \$5,000 and the increase being proposed is not out of line. Bob Lajoie suggested that they look into using lean crete like MDOT does. It was mentioned that the frost heave is a problem with lean crete and would only be a temporary solution. **Motion made by Councilman Agrella, seconded by Councilman Funke to approve a change in the City's street bond requirement to be \$2,500 and held for three years. Motion carried unanimously.**

OTHER PUBLIC COMMENTS NOT ON THE AGENDA : Greg Hertz noted that on Thursday at 7:00 p.m. in the Polson High School Auditorium, Jeff Milkin from Bozeman will be giving a presentation on Community Economic Development and encouraged everyone to attend.

Carl Sheetz said he and Todd Erickson are residents of Shoreline Drive and would like to express their concerns about the construction equipment using that road. There has been a dip in the road since the water project five years ago and acts as a reverse speed bump. There has been little maintenance of the road since then and the weeds are encroaching and the sides are wearing away. The condos being built will increase the traffic that is already busy with that construction traffic and the Horseshoe Restaurant, now Raleigh's, traffic. He asked that Council consider restricting commercial traffic on Shoreline Drive and that a barrier be placed at the access to the parking lot for the Raleigh's Restaurant. Councilman MacDonald noted that he believes the City did not abandon the road in that parking lot, and is part of Shoreline Drive. Carl Sheetz asked that Council consider placing a barrier at the parking lot to avoid the inebriated drivers using the road and the contractors' traffic which has damaged the road. He came to Council because he didn't get a return call from the street department.

Rory Horning asked that Council treat the public with respect when commenting on the census. It is done every ten years and the information being used is from the 2000 census. He felt it is understandable that the public would perceive that the growth rate projections have changed when a number of the contractors in the area are ten years out on their construction projects. He asked that there be mutual respect shown.

Murat Kalinyaprak commented about the Golf Course being high class. A lot of things in Polson are not high class, the streets, library and he could just as well say that City Hall looks like a trailer. We all want better things than we can afford and Polson cannot afford anything better than it has now. The Golf Course is a public asset, a part of the City and is subsidized by the City. Only those using the golf course benefit and the rest of the citizens are subsidizing the facility. The fees should be the minimum that they could charge. He considers the Golf Course the same as the City Parks facilities, which is free to the public and feels it is morally wrong to make a public golf course into a high class golf course for the benefit of a few elite.

Bob Fulton said he would like to publicly complement Joyce Weaver for her work on this very controversial and somewhat challenging issue of the Super Wal Mart proposal. Her report was thorough and thought provoking and thanked her for the work she has done. He encouraged everyone to read the lengthy reports that she prepared.

Elsa Duford asked if Council has decided that there is adequate water by their vote to approve thirty water hook ups for the Cougar Ridge Phase 2 subdivision. Councilman Corse replied that he believes the City has plenty of water, enough for 3,000 hook ups, based on the engineering reports.

Meeting adjourned at 8:30 p.m.

Randy Ingram, Mayor

ATTEST: _____
Aggi G. Loeser, City Clerk