

# CITY OF POLSON

## COUNCIL MEETING

Commission Chambers

February 3, 2014

7:00 p.m.

**ATTENDANCE:** Mayor Heather Knutson, City Commissioners: John Campbell, Todd Erickson, Dan Morrison, Ken Siler, Stephen Turner, City Manager, Mark Shrives, and City Clerk Cora Pritt.

**ABSENT:** Commissioner Jill Southerland

**Others present (that voluntarily signed in):** Elsa Duford, Dennis Duty, Mark Evertz, Lita Fonda, Margie Hendricks, Rory Horning, Sam Jacobson, Paul London, Bonnie Manicke, Dick Smith, Andrew Speer, Gordon Zimmerman.

**1. CALL TO ORDER**

Mayor Knutson called the meeting to order. The pledge of allegiance was recited.

**2. APPROVAL OF PROPOSED AGENDA**

Mayor Knutson noted the correction on Agenda Item #8-the item should read City/County not City/Council. Commissioner Campbell motioned to approve the Proposed Agenda. Commissioner Erickson seconded.

**3. APPROVAL OF CITY COMMISSION MEETING MINUTES JANUARY 22, 2014-**

Commissioner Erickson motioned to approve the City Commission Meeting Minutes January 22, 2014. Commissioner Turner second. Commission Discussion: none Public Discussion: None  
**VOTE-** Mayor Knutson Abstained Unanimous Motion passed.

**4. CONSENT AGENDA-JANUARY 15-29 CLAIMS-Commissioner Turner motion to approve the Consent Agenda. Commissioner Siler second. Commission Discussion: None Public Discussion: None VOTE: Unanimous motion carried**

**5. CITY MANAGER COMMENTS-**City Finance Officer Cindy Dooley clarified the report that was given on the Golf Restaurant during the January 22, 2014 City Commission meeting.

City of Polson  
 Preliminary Golf Report  
 2013 Golf Season (Jan - Dec 2013)  
 6-Jan-14  
 Prepared by Cindy M Dooley, CPA Finance Officer

	Jan - June	July - Dec	Total
Sales	56,873.52	98,277.93	\$155,151.45
Cost of Good Sold	(24,184.94)	(37,360.81)	(61,545.75)
Gross Profit	32,688.58	60,917.12	93,605.70
Operating Expenses	(42,778.64)	(47,360.17)	(90,138.81)
Operating Profit (Loss)	(10,090.06)	13,556.95	3,466.89
Capital Outlay	(4,000.00)	(4,587.50)	(8,587.50)
Net Profit (Loss)	(14,090.06)	8,969.45	(5,120.61)

Preliminary calculation of Profit Sharing to Links Management:	
Net Loss	(5,120.61)
Add back capital outlay	8,587.50
Add back wages prior to June 1, 2013	<u>6,874.67</u>
Net Operating Profit per Management Agreement	10,341.56
50% to Links Management	5,170.78

Net Loss after Profit Sharing (\$10,291.39)

Commissioner Campbell asked about the unknown back wages if those were always January – December. Finance Officer Cindy Dooley answered that yes, per the contract. Commissioner Erickson asked if this causes any conflict. Finance Officer Cindy Dooley replied that this is only for calculating the profit sharing. The remaining is on Fiscal Year.

City Manager Mark Shrives reported on the partnering that will be occurring between the City and the Polson School District with regards to the recent grant the school district was awarded. The City will be working with the school district in constructing the sidewalks, curbs, and gutters on 4<sup>th</sup> Avenue East. This may also be coordinated with the City Water Department project. There will be a meeting with the school district next week.

### NEW BUSINESS

**6. CONFEDERATED SALISH & KOOTENAI TRIBES ROADS PROGRAM UPDATE-**This was presented by Confederated Salish Kootenai Tribes (CSKT) Roads Program Manager Michael Brown. Mr. Brown explained that each Reservation has to do an inventory of every public road located on their particular Reservation. The CSKT public road inventory includes such roads as Highway 93, all of Ronan, Polson, Sanders County, and Lake County just to give an example. As a result, CSKT receives funding for the inventory. There are two types; the first one is construction. There is 1.3 million to use towards improvements. St. Ignatius was a recipient of assistance with funds. The monies may be used towards building sidewalks, walking paths, anything in the name of transportation. The CSKT tribal council decides who receives assistance and how much. They could grant part or all of the funding for a project. The other type is Maintenance. There is \$170,000 in that fund. This is used primarily to maintain the 17 home sites for the Tribal Council in plowing the snow. The CSKT would like to partner with the schools, cities on projects. There is a safety program in place too, Safe On All Roads (SOAR) that is partnered with the State of Montana. Mr. Brown commented that the main purpose of appearing before Council was to invite the City to consider being a co-sponsor on projects. There is a Transportation Improvement Program that the Tribal Council puts together. Currently there are no projects within the City of Polson. Any project that is related to Transportation could be added to the projects. Commissioner Campbell questioned if a SID improvement would work. Mr. Brown answered that yes, that would work. One has never been done, but it would be eligible. City Manager Shrives asked about the 1.3 million if it could be used toward rebuilding. Mr. Brown explained that about 25% of the 1.3 million has to be used for maintenance otherwise it is open. The project on 4<sup>th</sup> Ave. East was mentioned. Mr. Brown said that would be a good project. There's the safety issue that the Tribal Council is always concerned about. Commissioner Erickson mentioned some of the discontinued sidewalks downtown. There is some area where there is sidewalk, and then the sidewalk ends and people are forced to walk into the streets. Mr. Brown commented that would be a great project to do. Again, there's the safety issue that would be taken into consideration as well as the construction. Mr. Rory Horning asked if there was a tribal preference for construction contractors. Mr. Brown answered that the projects have to be bid out. There is an Indian preference but bottom line, the project goes to the lowest bidder. Mr. Brown also advised the Council that the Tribal Council is requesting a Speed Study to be done on Highway 93 from Wal-Mart to Ronan. The Tribal Council is requesting the speed be lowered to 45 MPH when approaching the curve traveling towards Memory Lane. There is a process that will be followed, first there has to be a letter to Montana Department of Transportation requesting the study. There will be a request made to the City for any comments regarding this proposal.

**7. APPROVE THE FOLLOWING BOARD APPOINTMENTS; MR. DAVE COTTINGTON TO A 2 YEAR TERM AS CITIZEN AT LARGE TO THE GOLF BOARD. MS. ARLEEN LONG, 2 YEAR TERM AS WARD 1 REPRESENTATIVE TO THE PARKS BOARD, MR. KEN AVISON, CITIZEN AT LARGE TO THE POLSON REDEVELOPMENT AGENCY-4 YEAR TERM, MS. PATRICIA DEVRIES AND MR. MARK EVERTZ-BOARD OF ADJUSTMENTS-3 YEAR TERM.**

–City Manager Mark Shrives presented this item. There were advertisements requesting applications for the Boards. The names mentioned were the applications that the City received.

**Commissioner Dan Morrison motion I move to approve the following Board appointments. Mr. Dave Cottingham to a 2 year term as Citizen at Large to the Golf Board. Ms. Arleen Long, 2 year term as Ward 1 Representative to the Parks Board. Mr. Ken Avison, Citizen at Large to the Polson Redevelopment Agency-4 year term. Ms. Patricia DeVries and Mr. Mark Evertz-Board of Adjustments-3 year term. Commissioner Turner second.** Commission Discussion: None Public Discussion-Sam Jacobson asked if there would be a quorum for the Board of Adjustment. City Manager Mark Shrives answered no. There are still positions for the Board of Adjustment that need to be filled. Rory Horning asked for the definition of Citizen at Large. City Manager Mark Shrives explained that means the person is appointed not elected. Mr. Horning asks about the TIF area sunset and the PRA. Finance Officer Cindy Dooley explains that the TIF can go 15 years if there is no debt. If there is debt, then they are extended until the debt is paid off. Mr. Horning asked that the newly appointed Board members be advised of Resolution No. 1066. **VOTE: Unanimous Motion carried**

**8. CITY COMMISSION TO APPOINT 4 CITY/COUNTY PLANNING BOARD (CCPB)**

**MEMBERS: TWO MEMBERS SHALL BE “OFFICIAL” MEMBERS APPOINTED BY CITY COUNCIL; TWO MEMBERS SHALL BE “CITIZEN” MEMBERS APPOINTED BY THE**

**MAYOR**-City Building/Planning Official Joyce T-Weaver presented this item. There are 4 positions and 5 applications. One of the applicants, Mr. Mark Evertz, was just appointed to the Board of Adjustments. There are 2 Official members and 2 Citizen appointment's for just one year. Montana Code Annotated (MCA) 76-1-201 refers to the City/County Planning Board and how the members are to be appointed. The City of Polson CCPB consists of 9 members; 4 appointed by County Commissioners, 1 Conservation Board appointment, and 4 City. Mayor Knutson appoints Mr. Samuel Jacobson Jr. and Mr. Dennis DeVries to serve the Citizen Member 1 year appointments. Commissioner Turner nominates Mr. Gordon Zimmerman. Commissioner Siler nominates Mr. Mike Lies. **Commissioner Campbell motions to appoint Mr. Gordon Zimmerman and Mr. Mike Lies as two-year members of the City County Planning Board. Commissioner Turner second.** Commission Discussion: none Public Discussion: Margie Hendricks commented that she wished to reiterate the discussion that occurred by Council during the September 3, 2008 Council meeting regarding elected officials being on any of the Boards. Mayor Knutson reminded Margie that there were no current elected officials appointed to any of the Boards.

**VOTE: Unanimous Motion carried**

**9. CITY COMMISSION APPROVAL OF A 1-YEAR TIME-EXTENSION ON THE CITY COUNCIL 2006 PRELIMINARY APPROVED 3-LOT MINOR SUPER WALMART**

**SUBDIVISION; 03/28/2014 TO 03/28/2015.** City Building/Planning Official Joyce T-Weaver presented this item. Walmart is requesting an additional year in which to complete their project and bring the project back before Council to final. There were 40+ conditions that had to be met. Mr. Dick Smith, PacLand surveyor for the project is present and available to answer any questions you may have. CLC was the agent for Super Walmart from 2005 to 2013. There has been a turnover in their agent, so they are requesting the additional year extension. Per MCA code 76-3-610, governing bodies may grant a time extension upon a time agreed by both parties. **Commissioner Morrison motion to approve the 1-year time-extension from March 28, 2014 to March 28, 2015 on the Preliminary Super Walmart 3-lot minor Subdivision as presented. Commissioner Siler second.** Commission Discussion:

Commissioner Erickson asked Mr. Smith if he was at liberty to discuss the issues. Mr. Smith stated that he is not at liberty to discuss the details. He could give some information of why and why the request for the extension. Mr. Smith addressed Council as to what has occurred with the project. When the economic downturn occurred, CLC & Associates went into Receivership and left a number of the consultants holding the bag on several of the costs of the project. That in turn incurred a lot of delays and PacLand took over the project and resolved the problems. We are trying to move forward with the project. Commission Discussion: none Public Discussion: none **VOTE: Unanimous Motion carried**

**10. AUTHORIZE CITY MANAGER TO SIGN THE DEPARTMENT OF ADMINISTRATION LOCAL GOVERNMENT SERVICES BUREAU STANDARD AUDIT CONTRACT FOR THE AUDIT PERIOD COVERING JULY 1, 2012 TO JUNE 30, 2015**-City Manager Mark Shrives

presented the item. There was a Request for Proposal (RFP) published and the City received 6 proposals. The Audit Committee Review scored each proposal, and selected the top 2. References were checked, and the committee recommends Cote & Associates, located in Florence, MT. They came back with very good reviews' and the lowest proposer. Commissioner congratulated the City Manager on the amount of savings the City would have. City Manager Mark Shrives commented that it would be roughly \$9,000.00 saving over the previous auditor contract for the first year. Commissioner Campbell also congratulated City Finance Officer Cindy Dooley on her work on the project. Commissioner Erickson asked if there were any protection on any errors they may make. City Manager Shrives answered that the firm is recognized by the State and carry all of their Errors and Omission Insurance. They have a good track record. Commissioner Erickson stated that he was wondering because when he read the contract there was protection for them and he wondered about the protection for the City. Mayor Knutson commented that the firm also audits other cities. City Manager Shrives commented that the firm also audits the City of Hamilton and the City of Ronan. One of the questions that was asked was how many cities do they try to audit. They don't try to over extend themselves. They have a small staff, but they base their audits on the number of staff. They are concerned and try to do good audits, not just get business. **Commissioner Morrison motion to authorize City Manager to sign the Department of Administration Local Government Services Bureau Standard Audit Contract for the audit period covering July 1, 2012 to June 30, 2015. Commissioner Erickson second.** Commission Discussion: Commissioner Siler asked that the approval date be changed to read February 3, 2014. City Manager Shrives commented that the date will be changed as requested. Public Comment: None **VOTE: Unanimous Motion carried**

**11. PUBLIC COMMENT ON SIGNIFICANT MATTERS TO THE PUBLIC NOT ON THE AGENDA-** **Rory Horning** commented on the last meeting he requested the confidential letter from the former City Attorney be made public. Some of the new people on Council have also not been made privy to reading this letter from the former attorney. Mr. Horning is asking one more time that the letter be made public. **Elsa Duford**-commented on the problem of not being able to hear what is said during the Council meeting. Elsa requested that the Mayor wear the lapel microphone and that the Commissioners please speak into their microphones. To take the time to attend a meeting and then not being able to hear conversation is very frustrating. **Rory Horning** inquired if the public wished to wait until the Executive Session was over, would the public have to wait in the cold? Mayor Knutson advised him that the Commissioners would be recessing to the Fire Hall and that the public is welcome to wait in the council chambers.

Mayor Knutson asked City Manager Mark Shrives if the Commission wanted to go in to Executive Session. City Manager Mark Shrives answered yes. Mayor Knutson asked if this was litigation between two governmental agencies. City Manager Shrives answered no. Mayor Knutson then asked does the discussion of this legal matter in open meeting have the potential to adversely affect the City if the strategy to defend the matter is disclosed. City Manager Shrives answered that as the Chief Administrative Officer of the City of Polson he believes that the City's strategy in litigation should not be disclosed and it would adversely affect the City if it were disclosed. Mayor Knutson then stated that based upon the

representations of the City Manager, she finds that the Commission should close its meeting into executive session so that they may discuss the litigation strategy of pending, threatened or actual litigation. She further commented that she believed that the Commission will be discussing this matter for approximately 30 minutes. Thereafter, we will reconvene the meeting only to adjourn the meeting.

**12. RECESS**

**13. EXECUTIVE SESSION**

**14. RECONVENED AT 8:54 P.M.**

**Mayor Knutson requests a motion to adjourn. Commissioner Campbell motion to adjourn. Commissioner Turner second. Commission Discussion: none Public discussion: none  
Vote: Unanimous Motion Carried**

**ADJOURN: 8:55 P.M.**

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Mayor Heather Knutson

ATTEST:

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Cora E. Pritt, City Clerk