

**POLSON CITY COUNCIL WORK SESSION MEETING MINUTES
CITY HALL COUNCIL CHAMBERS
MONDAY, FEBRUARY 25, 2008, 5:30 P.M.**

ATTENDANCE: Councilmen Bruce Agrella, Jim Sohm, Tom Jones, Mike Lies, Elsa Duford, Fred Funke. Mayor Lou Marchello presiding. City Manager Jay Henry absent. City Attorney James Raymond absent.

Mayor Lou Marchello called the meeting to order.

APPROVAL OF PROPOSED AGENDA : Motion made by Councilman Funke, seconded by Councilman Agrella, to approve the proposed agenda. Motion carried unanimously.

COUNCIL WORK SESSION TO COMMUNICATE COUNCIL GOALS AND OBJECTIVES TO CITY MANAGER: Mayor Marchello said he wanted to use this opportunity to have department heads provide their department's wish list for the coming budget year and talk about what is going on in their departments. Since City Manager Jay Henry could not attend this meeting due to a death in his family, he will review the information from this meeting and use it to get a direction to follow the Council's goals and objectives for him.

Street Department – Rod Hanson: Street Superintendent Rod Hanson stated that the expenditures for street maintenance is paid out of the gas tax fund which received a revenue of \$99,300 last year. He hopes it will be higher this year because they use up all the funds available each year which leaves no reserve funds. Capital outlay items they hope to budget for next fiscal year are: a storage tank for deicer fluid, approximate cost \$2,500 plus a platform; replace the 1989 Chevy pick up which has 100,000 plus miles on it, for an approximate cost of \$20,000. The street department needs additional funds to rebuild streets either through grants or resort tax revenue or impact fee implementation. Councilman Sohm asked how much they would need to better maintain the streets. Rod Hanson replied that he doesn't know but with their staff and equipment they can only do minimal maintenance of the streets and do asphalt overlay to extend the life of existing streets. They are not equipped or have manpower to do road construction with curbs, gutter and sidewalks, which he felt should be contracted out for the many streets that need paving. He noted that this year the city streets are breaking up more than other years and he noticed that the clay is coming to the surface on some streets requiring more maintenance. Councilman Jones asked how much is budgeted for snow removal and how they decide which streets to plow first. Rod Hanson replied that they do the main arterial streets first and then branch out to the other more frequently used streets. The street department staff is paid out of the general fund and the equipment and supplies are budgeted in the gas tax fund. He would like to see a street board established made up of citizens for guidance on issues related to their department. Councilwoman Duford asked and Rod Hanson replied that it cost about \$3,000 per block to do an asphalt overlay. It takes 10 tons of asphalt per 100 feet and each block is 350 feet. These estimates are variable depending on the condition of the existing road surface.

Ron Melvin – Building Department: Building Inspector Ron Melvin stated that the building department revenues are sufficient to take care of the department's expenses and fund 2394 has a current reserve of \$89,000. He suggested contacting Ticschler & Bise to prepare a proposal to implement impact fees for streets, which was done in Missoula. Total impact fees collected this year were \$250,000 and over time the street department would be able to accumulate funds to do major projects. Development projects continue to be presented to the building department, including Watermark, which will bring in \$89,000 in impact fee revenues. Mission Bay, Timberwolf, Diamond Horseshoe, 29 lots in Ridgewater and Super Wal-Mart are subdivisions that are in the approval process.

Revenues from these development projects will show a significant increase in building permit fees and impact fees into water, sewer, parks, fire departments and administration fees into the general fund. **Mayor Marchello** noted that there is a need for additional staff in the building and planning department especially with Joyce Weaver's recent medical issues. **Ron Melvin** mentioned that Ardrene Sarracino was hired to work half time in their department and they are in the process of training her to provide additional support. He would help out the planning department depending on how long Joyce Weaver is out on sick leave. He had numerous complaints from developers regarding the engineering fees that TD&H are charging for work that was previously done by Bob Fulton and in house staff. This engineering service is adding as much as \$7,000 to \$20,000 to the developers' costs. He suggested that a chart of fees for these services be prepared by TD&H and provided to the developers along with their initial application forms. TD&H bills the City for these services and the City bills the developer whose permits would be held until these engineering fees are paid back to the City. DEQ requires engineered review of plans for water and sewer lines. **Tony Porrazzo** clarified that the TD&H's retainer fee is for engineering services provided to the city departments and not for services provided to the developers. **Councilman Agrella** asked about the building department's code enforcement policy. **Ron Melvin** replied that he inspects construction projects for footings, foundation, sheet rock installation when each item is completed but he rarely issues a certificate of final inspection because he has already done the individual inspections. The electrical and plumbing inspections are done by the state, and compliance is indicated by tags left on site, so there isn't much else to inspect.

Tony Porrazzo – Water and Sewer: **Water and Sewer Superintendent Tony Porrazzo** stated that the recent sewer report indicates that the city's sewer facility is adequate and the City has time to plan for expansion of its sewer facility. He and the City Manager Jay Henry are researching alternatives by contacting engineers and going on field trips to view other sewer facilities. Some upcoming maintenance projects he has planned are the lift station at Sacajawea Park and the lift station at Boettcher Park. In the water department they are progressing with the water reservoir on Mission View Drive and will connect to the existing lines and be on line by the beginning of May. Then they will place fire hydrants on Mission View Drive. To date they have replaced half of all the meters and three quarters of the broken meters with radio read meters. They are currently working on replacing the Hillcrest reservoir and constructing a new tank on Mission View Drive, which is a major job. The TSEP grant will be used to construct a larger tank on Mission View Drive and then refurbish the existing tank. A lot of water and sewer infrastructure will be paid for with the impact fees that will be collected. They plan to upgrade six to eight inch lines and remove cast iron lines at the same time that street improvement projects are done. The estimate for the Main Street water project is \$375,000 and the street and water departments will work together and share the cost of the road improvement. The Water Rights meeting will be held soon and once a compact agreement is signed they will look into using the lake as a water source, which he estimated would take at least five years to implement. He noted that the new well under construction is now at 154 feet. The impact fees are estimated revenues and they have a number of years to accumulate the funds for larger projects. They plan to replace cast iron lines throughout the city that are particularly bad in some areas. **Councilman Jones** asked and **Tony Porrazzo** replied that the City of Polson's water rates are lower compared to other cities' rates. The annual consumer index cost of living increase in water rates along with the current sewer fee will qualify the City to be in the acceptable utility rate range to apply for grants. He assured that the pressure would not be a problem when the booster pump is installed.

John Fairchild – Fire Department: **Fire Chief John Fairchild** stated that right now the fire season looks good because of adequate moisture content. In 2007 the fire department had 10,000 man-hours at the fire station with 312 total runs consisting of with 138 city calls and 174 rural calls. This compares to 512 calls per year in Helena and includes EMS calls. The ladder truck needs repair and

they hope to replace it with a used truck, which would cost approximately \$400,000, while a new truck would be \$1.6 million. They are also looking for a used 2,000 gallon water tender which they need to transport water in case of water supply failure. Other items they need to budget for are four (4) turnouts, which follows the annual replacement schedule. Flow tests need to be performed on the SCBA's which will cost approximately \$2,000. He wants to implement a required stress test for the volunteer firemen who are over 50 years old, which he believes is a good preventative measure. The cost of fuel and repairs have increased and will need to be increased in this year's budget. His main goal as fire chief is to find avenues to recruit and retain volunteer firefighters. When Polson becomes a second-class city the fire department will have to have seven to eight paid personnel. He is always looking for ideas and ways to keep and attract volunteers. He built his department's program around the 41 volunteers and aims to keep them interested and active. He feels it has been effective because he currently has a waiting list to join the fire department. He doesn't have specific plans for spending the impact fee revenues as yet. Polson currently issues propane tank location permits and fireworks permits which generates revenue into the general fund. He would like the city to implement a business license and strict adherence to issuing occupancy permits which he feels is critical to all of us for safety issues and would also generate revenue. He is currently working on grants for fire clothing gear, a DNRC grant and others he has in progress. **Councilwoman Duford** asked if the fire hydrants were tested since last year. **John Fairchild** replied that the water department staff usually conducts the tests on the 400 hydrants throughout the city. They are working on installation of locks on all fire hydrants to provide security, which is required on grants. Fire hydrants in new subdivisions are being tested when they are installed. .

Doug Chase – Police: **Police Chief Doug Chase** commended all the City departments including fire, water, sewer and streets, for their good work and cooperation between departments. During his many years of work experience working in other cities he has often seen poor relations between departments. The police department had over 8,000 calls this year, and are struggling with overtime due to turnover, injury and mandated school attendance which all makes scheduling difficult especially during special events. They considered hiring another officer to cut down on overtime but the benefits are ongoing and would be a significant cost compared to paying overtime. The payroll budget is in the red and they are constantly looking at avenues to stay within the budget. The cost of having officers at court trials, maintaining shift strength and extra duties with special events, make overtime unavoidable. It helps when sponsors of events like Kerr Radio and Mission Valley Cruisers make a donation for their services but there seem to be more events each year that require additional police coverage. They have benefited from the safety levy allowing them to hire a new officer and purchase a new vehicle and purchase air cards for the vehicles. Having the additional funds from the municipal levy is a lifesaver for his department since the police department cannot charge impact fees. The police vehicles' miles are rising and although they purchase a new vehicle each year at \$26,000 they are not able to keep up with replacing the vehicles that have over 100,000 miles. In the past they purchased three vehicles per year through a lease purchase plan and have also borrowed money through intercap loans to purchase vehicles. Due to maintenance costs they took a 1999 police vehicle out of service because it had 125,000 miles on it and are using it for parts. They really need to purchase more than one vehicle this coming budget year. The vehicles put on 40,000 to 50,000 miles per year and idling time adds to the wear of the vehicle. The high fuel costs are having a big effect on the budget line for fuel and will need to be increased for next year's budget. They also need to budget to purchase another computer for the officers. They would like to furnish each vehicle with two rifles. The police department currently has three reserve police officers must pass the Lake County Reserve test at their own expense. The city pays the reserves \$150 per year for uniforms. He tries to provide the equipment they need while on duty and need to purchase two new tasers for them. He asked to increase the training budget line in the general fund to \$7,500 since the Police Academy now costs \$1,500 for certification training and the sergeants are being sent to leadership training. With his pending

retirement sometime in the next few years he feels that the department sergeants are qualified to take over and it would provide a fluid transition. He is confident that they have the necessary qualities to lead the police department and don't need outside staff to fill the supervisory positions but training is essential. The comparison for clothing allowance in Missoula is \$3,000 and Lake County is \$2,000 where neither provides bulletproof vests or firearms, with the City of Polson giving \$550 and do provide bulletproof vests and firearms although some officers prefer to use their own guns. In the past the city has been able to apply for grants to pay for bulletproof vests, which has helped. He aims to provide as much safety for the officers on duty as possible and considers it the utmost importance in budgeting. Overtime scheduling is difficult because the officers are burnt out on overtime and want to be with their families. The reason for turnover in the past has been the difference in pay rate between the Lake County Sheriff's Department and the City Police Department, which they have been working to equalize. The city has been growing lengthwise which creates more miles on vehicles. When there is only one officer on duty they rely on the Lake County Sheriff's department, Tribal Officers and the Highway Patrol when necessary. Since the municipal safety levy was in place the city has eleven sworn and authorized officers, which is more than in prior years but still below the national average of 2 to 2.5 per 1,000 population. During shifts having only one officer on duty, he has kept his radio on because he feels there is always a higher risk that an officer needs back up. He does it without compensation but if he were to ask other officers to do so they would expect to be paid. **Councilman Agrella** asked if they looked into reconditioning the older police cars. **Doug Chase** replied that he had experience with doing that in Missoula and the cost is two thirds of a new car but with metal fatigue they only last three to four additional years. **Councilman Agrella** stated his support to hire another office to avoid overtime hours. **Doug Chase** noted that the use of tasers has reduced eighty percent of confrontations. They have spent \$24,000 in overtime hours so far this year. Statistically if the City loses an officer within the first three years it loses \$85,000 to \$100,000 in overall related costs. He feels that continued training is very important for the officers. **Councilman Jones** stated that he appreciates what Police Chief Chase has done for the City of Polson Police Department since he was hired.

Mayor Marchello asked the Council what their thoughts are on giving City Manager Jay Henry direction on what he should do. **Councilman Sohm** asked that a budget workshop be held and a resort tax workshop with experts from other cities like Whitefish present, to relate their experience on how the property tax was reduced in their city. **Mayor Marchello** noted that officials from other cities have mentioned that their second attempt at putting the resort tax levy on the ballot usually passes. **Councilman Lies** noted that the ballot application is due by April which doesn't give us much time. **Councilwoman Duford** emphasized that the retired residents of Polson who are on social security benefits with earnings from \$20,000 to \$80,000, pay the same amount for Medicare part B. The council should consider how the few extra dollars of revenue to the city, impacts the people in that financial situation and how the resort tax is applied. **Mayor Marchello** clarified that the resort tax would be on luxury items only. **Councilwoman Duford** stated that it is important for the public to know the details. **Mayor Marchello** noted that the street department for sidewalks and streets and the details can be communicated to the public prior to the vote. **Councilman Jones** noted that they are under a timeline crunch to complete the application, which designates a certain area. **Councilman Lies** clarified that the city needs to implement the resort tax before it reaches a population of 5,500. In other cities the property taxes were reduced by 25% and the revenues were distributed to streets, parks, police and other departments. **Mayor Marchello** noted that the Mayor of Red Lodge stated that when they implemented the resort tax they gained five times more in revenue than the amount of the tax reduction they gave through the resort tax. **Councilwoman Duford** asked that the deadline for agenda items be moved to an earlier time to allow a summary of the council meeting agenda to be published in the newspaper. Council agreed that the deadline for agenda items be Monday noon prior to the council meeting. **Councilman Jones** suggested that City Manager Jay Henry continue with the

policies and procedures document. **Councilman Agrella** suggested that the city do away with comp time. **City Clerk Aggi Loeser** stated that there are only a few employees who have accumulated comp hours and suggested the budget include payout for accumulated hours annually. **Councilman Lies** suggested that comp time be used in the same week and that having approval for overtime is important. **Councilman Jones** questioned the need for the number of respondents on fire calls. **Councilman Funke** questioned the number of city staff that respond on fire calls during city time. **Councilmen Jones and Agrella** felt there was too much response of police and fire vehicles to accidents and that there should be a policy to control the number of responders. They should send crews as needed but should have others available if other incidents should occur. **Councilman Funke** asked that the cost of calls and lost city work hours be considered. **City Clerk Aggi Loeser** commented that the fire and police departments are regulated by state policy and are trained in emergency situations and respond accordingly. She questioned if the council can regulate the number of responders but they could ask them to cut costs in their department. **Councilman Jones and Agrella** said that the Building and Planning Department needs to hire additional staff to take care of the large workload. **Mayor Marchello** noted that City Manager Jay Henry is working on updating the city municipal code book and an update on the impact fee and the possibility of outsourcing large plans because City Planner Joyce Weaver is overworked. **Councilman Agrella** noted that serving on the City County Planning Board was the hardest work he has done because the developers are constantly testing the planner and the board and setting the codes firmly would make their job easier. He felt that Joyce Weaver has a very tough job as the planning official. **Mayor Marchello** informed Council that Bryan Seidita who has the management contract for the Golf restaurant has asked to sublet the breakfast service. He felt that primarily the restaurant should serve the golfers needs and they don't need a full breakfast menu and that he didn't want to run the beverage carts on the golf course, which is also part of Bryan Seidita's management contract. Recently they took liquor inventory and the grease smell and grease stains on the carpet were unacceptable. **Mayor Marchello** noted that he was told there was a petition by the neighborhood residents around O'Malley Park, against the proposal to place the Boys & Girls Club there. They contend that the Fish, Wildlife and Parks Grant the City received in 2001 prevents the City from placing another structure on site or changing the use of any part of that property. **Councilwoman Duford** informed Council that the deed for O'Malley Park states that the park is a gift to the public and not for a specific recreation purpose. She asked how the City could deny similar requests by other groups, if they approve the Boys and Girls Club's request. **Councilmen Agrella , Funke and Jones** stated that they felt it was a good fit and that the youth and adults are also a member of the public. **Mayor Marchello** agreed they should have the City Attorney look at the deed. **Councilman Agrella** asked that the City manager look into parking issues throughout the city especially the recreational vehicles, which are parked on city streets an extended period of time. He also asked that the city's sign ordinances be more strictly enforced.

Meeting adjourned at 8:10 p.m.

Lou Marchello

ATTEST: _____
Aggi G. Loeser, City Clerk