

**POLSON CITY COUNCIL MEETING MINUTES
CITY HALL COUNCIL CHAMBERS
MONDAY MARCH 17, 2008, 7:00 P.M.**

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

Pledge of Allegiance and meeting brought to order at 7:00 p.m.

APPROVAL OF PROPOSED AGENDA: Councilman Sohm moved to approve the proposed agenda, seconded by Councilman Funke. The motion passed unanimously.

CONSENT AGENDA

- A. CITY COUNCIL MEETING MINUTES MARCH 3, 2008**
- B. CITY COUNCIL WORK SESSION MINUTES FEB. 25, 2008**
- C. CITY COUNCIL EXECUTIVE SESSION MINUTES FEB. 20, 2008**
- D. STREET CLOSURE – SALISH POINT FESTIVAL OF THE LAKE – FUND RAISER SATURDAY, JUNE 21, 2008 6 A.M. TO 5 P.M. – KOOTENAI AVENUE ACCESS FROM MAIN STREET, FIRST STREET EAST AND SECOND STREET EAST**
- E. CLAIMS – MARCH 1 THROUGH MARCH 17**

Councilwoman Duford moved to approve the Consent Agenda, but to discuss each item separately. Councilman Lies seconded the motion. Councilwoman Duford brought up item E and asked why a survey had been done of the O'Maley Park at the City's expense. Mayor Marchello replied that it was necessary for the City to know the boundaries. City Manager Jay Henry noted that the parks superintendent, Karen Sargeant, had come to him for approval for the survey. He added that the Park would need to be surveyed regardless because it was encroaching on the neighboring property. Councilwoman Duford referred to item C, the executive session, in which she had voted in favor of the motion. She communicated that she disagreed with what was done, having participated in protest against Westana subdivision. She expressed that she wished to officially change her vote to oppose the motion made at the executive session February 20, 2008. The motion to approve the Consent Agenda items A through E passed unanimously.

VICWOOD CONDOMINIUM COMMUNITY SUBDIVISION – FINAL PLAT

APPROVAL – CARSTENS SURVEYING: Planning Official Joyce Weaver informed the Council that the Vicwood development was a 12 unit 6-structure condominium subdivision applying for final plat. She pointed out that the applicants had paid all the fees and met the conditions of preliminary approval. Councilman Funke moved to approve final plat of Vicwood Condominium Community subdivision, seconded by Councilman Sohm.

Councilwoman Duford expressed concern over the storm water drainage capability. Marc Carsten informed the Council that Long Engineering had designed the storm water management plan, and had been scrutinized by public hearings as well as DEQ representatives.

Councilwoman Duford expressed that she wanted the neighbors to be assured the storm water would not cause damage to their property. Marc Carsten explained that he would have had a

Long Engineering representative attend the meeting to explain the logistics if he had known of the concern. He informed the Council that the soil had been tested to a depth of twenty feet and DEQ personnel had checked the area. **Councilman Lies** pointed out that there were piles of dirt left on the development property and felt they should be removed as they caused dust. **Marc Carsten** replied that the dirt piles were a matter of construction and would be removed in due process. **Councilwoman Duford** asked if the hammerhead turnaround was adequate for emergency vehicles. **Marc Carsten** replied that the plan had been submitted to the Rural Fire Department and subject to their approval. He commented that the hammerhead was a single lane space designed for emergency vehicles to turn around. He added that it took up less surface area than a cul-de-sac would have which caused less of an environmental impact. **Kathy Randle** expressed safety concern in regards to the dead end of the hammerhead. She stipulated that so far there were no drainage problems, however she recalled that the drainage system was meant to be maintained by the Homeowner's Association. She asked who was currently maintaining the various needs of the drainage system. **Marc Carsten** replied that there would be no Homeowner's Association until after it was filed after final plat. He added that at that time responsibility of the maintenance would be turned over to the Homeowner's Association. **Fred Sego** asked if the storm drain system had been completed. **Marc Carsten** replied that the engineer had signed a statement to that effect. **Fred Sego** commented that there was a closed basin pond in the original plan, and he had gone to the site and found no evidence of its construction. He asked what changes there had been that would eliminate the need for the pond. **Marc Carsten** responded that the preliminary design had been subject to subdivision review by the DEQ. He added that it was typical for the preliminary plans to change and that it was likely replaced by another process by DEQ. **Fred Sego** commented that he was appalled by the catch basins on the subdivision, which run down into a corner above the neighbors. **Joyce Weaver** advised that they had a letter from DEQ stating that the specifications were approved, and there was also a letter from the Civil Engineer certifying that all specifications were constructed. **Councilwoman Duford** asked if they had a letter from DEQ stating what had been changed. **Marc Carsten** replied that he did not have anything that specific from DEQ, as Long Engineering had done the drain system. He added that it was not unusual for the design to change. **Fred Sego** commented that he was puzzled that no one knew what happened to the pond. **Mary Sale** commented that 27 conditions were attached to subdivisions approval. She added that she would appreciate the Council looking over all of the conditions before approving it. **Kathy Randle** asked that the Council be sure that the drainage system was being properly maintained until there is a Homeowner's Association. She added that Missoula had problems with complicated drain systems that were not properly maintained. **Councilwoman Duford** asked who was responsible until the Homeowner's Association came into being. **Marc Carsten** replied that the Homeowner's Association would exist as soon as they filed the final plat and then it would maintain the system. **Councilwoman Duford** asked where they would stack snow when plowing the streets in the subdivision. **Marc Carsten** replied that there was a snow area in the original layout, it had been considered and was part of the DEQ review. **Councilman Jones** pointed out condition #23, which stated that headlight screens would be in place, and wondered if they needed to be completed before final approval since they were not installed yet. **Joyce Weaver** replied that all items should be completed by final plat or bonded. **Marc Carsten** advised that the condition was to install screens where applicable or effective, and he was not sure if that had been determined. He added that he would look into it. **Councilman Jones** commented that when the hammerhead was approved, he thought that was the purpose for the

headlight screens. **Marc Carsten** communicated that the topographic relief had shielded headlights. He added that if they reconvened on the subdivision he would request a representative from Long Engineering to come answer questions. **Joyce Weaver** mentioned that the letter in the packet from DEQ was what was required for approval. **The motion for final plat approval for Vicwood Condominium failed by seven votes opposed and no votes in favor.** **Councilman Sohm** suggested that Marc Carsten and Joyce Weaver meet with the City Manager to go over verification for all of the conditions.

ROTARY FOUNDATION REQUEST DONATION OF TWO 2009 ANNUAL GOLF PASSES – GOLF BOARD RECOMMENDED APPROVAL: **Councilman Jones** moved to approve the donation of two 2009 annual golf passes to the Rotary Foundation, seconded by **Councilman Agrella**. **Councilman Lies** warned that giving out the passes may set precedence for future organizations to ask for passes. **Councilman Jones** explained that at the last golf board meeting, they had discussed a limit to the amount of passes available per year for donation. **Tom Corse** informed the Council that the golf board had experienced similar concerns, and he presented the Council with a draft of the policy for donations which limit six passes to be donated per year. He explained that any donation must directly benefit the City of Polson, and projects that benefit local youth are to be given priority. He stated that recipients must be a service organization with 501C 3 status. He expressed that the golf board felt donations were a productive way to support community projects. He added that the passes donated to the Rotary Foundation would raise money for a rock wall at the middle school. **The motion passed with five (5) votes in favor, Councilwoman Duford opposed and Councilman Lies abstained.**

PLEDGE SECURITY ADDITION – FIRST INTERSTATE BANK \$900,000 – FEDERAL FANNIE MAE SECURITY: **Treasurer Bonnie Manicke** informed the Council that the pledge security at First Interstate Bank would have an additional \$750,000 along with the \$900,000 because they had taken the bid investment on March 12. She added the total package for the pledge security was \$1,650,000 and the investment total was at First Interstate Bank at \$1,750,000. She pointed out the first \$100,000 was covered by FDIC insurance. She explained that the pledge security was an agency of the U.S. Government Fannie Mae notes with a 4.125 coupon and a due date of 2/4/2013. She added that the maturity dates were the same for both pledge securities. **Councilman Lies** moved to approve the pledge security addition from **First Interstate Bank at \$1,650,000 in the Federal Fannie Mae Security.** **Councilman Jones** seconded the motion. **The motion passed unanimously.**

PUBLIC FUNDS INVESTMENT MARCH 12, 2008: **Treasurer Bonnie Manicke** informed the Council the maturity date was 12/18/2008 for 281 days at \$750,000 from First Interstate Bank at 3.61% APY, 1st Citizens Bank at 3.57%, Glacier Bank at 2.82% APY, Mountain West Bank at 2.01% APY, and Community Bank had given no quote. She advised that the purchase was negotiated at 1st Interstate Bank. She communicated the comparisons of a Treasury Bill Yield at 1.864% Yield to maturity and an Agency of the U.S. Government at 2.471% Yield to maturity. She added that the C/D special rates from the local bank were 3.46% 13-month term at Community Bank, 3.35% 9-month term at 1st Interstate Bank, and a 3.20% 10-month term at Mountain West Bank. **Councilman Lies** moved to approve the public funds investment on **March 12, 2008 of \$750,000 in a 281 day certificate of deposit from First Interstate Bank at**

3.61%, yield to maturity on 12/18/2008, seconded by Councilman Agrella. The motion passed unanimously.

FEBRUARY 2008 CASH REPORT: Treasurer **Bonnie Manicke** informed the Council there was a debt service of \$17,302 from the general fund for a fire truck semi annual note payment, and a \$6,499.15 golf cart semi annual payment. She stated the total cash value for the City of Polson was \$5,152,386.45 as of February 29, 2008. **Councilman Lies moved to approve the February 2008 cash report as presented by City Treasurer Bonnie Manicke, seconded by Councilman Funke. The motion passed unanimously.**

AVAILABLE DEBT SERVICE FUNDS WITH STATE OF MONTANA AGENCIES:

Treasurer Bonnie Manicke advised the Council that she had attended a money-funding workshop on March 5th, 2008. She communicated that there were 3 different categories for funding; grants, loans and straight loans. She stated there was a federal economic development grant that would give up to \$1,000,000 without requiring a match. She added that there was another grant for a federal and state community development block grant, which was an annual competitive maximum \$750,000 per project with a 25% local government match for low-income areas. She advised that the TSEP grants were competitive and funded by legislation, a maximum of \$750,000 with a 50% match. She added that the water/sewer department currently has a \$750,000 TSEP grant. She pointed out there was an EPA grant and a federal water resource development act grant. She mentioned there are USDA grant and loan combination funds available with 30% grant and a 70% loan. She added that interest rates were based on low-income population. She advised that there was a state renewable resource grant and loan program, with up to \$100,000 with no maximum for 20 years. She added that there are state water pollution control and drinking water loans from the State revolving fund with a payment schedule of 20 years or less. **Mayor Marchello** asked what the maximum loan was for the State revolving fund. **Bonnie Manicke** replied that she would further research the loans.

Mayor Marchello informed the Council that the MMCT & FOA conference for clerks and elected official would be held May 7-9 in Billings, and if any of the Council were interested they could talk to the City Clerk about signing up.

CITY MANAGER COMMENTS: **City Manager Jay Henry** informed the Council that water & sewer superintendent Tony Porrazzo had set up a grant workshop with Anderson Montgomery March 26 at 11 a.m. He also advised that he would like to facilitate a proposed schedule for evaluating the City Manager. **Mayor Lou Marchello** felt the evaluation should take place in June. **Councilman Sohm** asked to see a copy of the evaluation format. **Councilwoman Duford** asked if the Council could look at copies of the contracts. **Jay Henry** replied a copy of the contract was available to any of the Council who wished to see it. **Mayor Marchello** asked that the Council finish up reading through the draft of the employee manual. **Councilman Jones** expressed that he would like to see work sessions quarterly and felt that they were a great tool for the Council and the City Manager. **Councilman Lies** suggested having a meeting every other month. He also informed the Council he had gone to the water board meeting the previous week. He expressed disappointment in the State representatives, mentioning they seemed unprepared and had talked in circles. He mentioned they'd presented a unitary bill, which all other

reservation agreements have a bi-lateral agreement. **Councilman Sohm and Mayor Marchello** expressed agreement with Councilman Lies.

PUBLIC COMMENT: **Murat Kalinyaprak** commented that he could not figure out why less information was better, and wonders why the sign in sheet was not used like it had been. He stated that there are some reasons why the seating arrangement must be reconstructed, like in the case of a TB outbreak. He asked that someone who is responsible in the area, such as the police chief, explain why less information is better. He said that statement would satisfy him. He asked that the Council circulate the sign in sheet. **Rory Horning** commented that at the March 3, 2008 meeting he had asked if the same policy for questions was in place. He stated that tonight's meeting demonstrated the policy was changed because they had allowed several questions. He commented that he hoped they are not discriminating against certain people especially in America today.

The meeting adjourned at 7:25 p.m.

Lou Marchello, Mayor

ATTEST: _____
Kala Parker, Assistant City Clerk