

**POLSON CITY COMMISSION MEETING MINUTES
CITY HALL – CITY COMMISSION CHAMBERS
MONDAY MARCH 18, 2013, 7:00 PM**

ATTENDANCE: City Commissioners: Todd Erickson, John Campbell, Mike Lies, Stephen Turner, Dan Morrison, Fred Funke and Mayor Pat DeVries presiding. City Manager Todd Crossett, City Attorney James Raymond, City Treasurer Bonnie Manicke, City Clerk Cindy Dooley, Chief of Police Wade Nash, Street Superintendent Terry Gembala, Water & Sewer Superintendent Tony Porrazzo, and City Engineer Shari Johnson present. Others present (that signed in): Rory Horning, Paul London, Skyla London, Gerry Browning, Alice Oeschli, Rick LaPiana and Andrew Speer.

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

APPROVAL OF PROPOSED AGENDA: Commissioner Campbell moved to approve the proposed agenda, seconded by Commissioner Turner. Commission discussion: None. Public discussion: None. Motion carried unanimously.

CONSENT AGENDA:

A. MARCH 1 – MARCH 13 CLAIMS

B. APPROVE CITY LIQUOR LICENSE FOR SBI SETTLEMENT, INC. DBA 4 B'S RESTAURANT

Commissioner Funke moved to approve the consent agenda, seconded by Commissioner Campbell. Commission discussion: None. Public discussion: None. Motion carried unanimously.

COMMISSION MEETING MINUTES MARCH 4, 2013: Commissioner Lies commented that he had read the minutes and found no errors. Commissioner Lies moved to approve the City Commission meeting minutes of March 4, 2013 as printed, seconded by Commissioner Campbell. Commission discussion: None. Public discussion: None. Motion carried unanimously.

CITY MANAGER COMMENTS: City Manager Crossett gave a summary of ongoing projects and issues: The Skyline project will start construction the first week of April (update: mobilization will commence the first week of April with construction beginning the second week). The Heart & Soul project with the Greater Polson Community Foundation (GPCF) has completed about half of the neighborhood gatherings and City Manager Crossett encouraged folks to attend one of the upcoming gatherings. He said the GPCF is still in need of volunteers for the project if anyone is interested. Interviews are being conducted at the golf course restaurant and golf course green fees have been strong so far this month. City Manager Crossett said the City will look at private insurance carriers for Workman's Comp insurance and see how it compares to MMIA's rates. The Fireman's Ball is scheduled for Saturday, March 23rd and tickets can be purchased from Chief John Fairchild.

NEW BUSINESS

CITY TREASURER/CITY CLERK CASH REPORT PRESENTATION: City Treasurer Bonnie Manicke said she and City Clerk Dooley have been converting all of the financial data onto the Black Mountain Software system. She said they are currently finishing up on this project and she has prepared selected information for the Commission for this evening. City Treasurer Manicke said property tax collections are at 55% for the year thus far and is a good collection rate. The General Fund has \$221,500 with anticipated revenue from HB124 of \$142,247 for two more quarters and the second half of property tax

collections which are due May 31st. The Water Operating account has \$111,333 and the Water Replacement and Depreciation reserve account has \$867,139. The Sewer Operating account has \$515,981 and the Sewer Replacement and Depreciation reserve account has \$2,885,391. City Treasurer Manicke said the interest rate on the investments is very low at this time. Our repurchase agreement with Glacier Bank on overnight investment of funds is at .3% and the City currently has about \$3,000,000 invested there. There are two certificates of deposit (CD) – one matures on April 18, 2013 at a rate of .95% and the other matures on June 21, 2013 at a rate of .50% (Clerk note - interest is compounded quarterly). She said currently the State of Montana Investment Pool has a rate of .24% and the City does not have money invested there at this time. City Treasurer Manicke said interest rates will probably remain low with a recovery time frame in 2015 and loan demand remains low in the community which has created a large surplus for banks. She said local governments are obligated to invest in banks, U.S. Treasury, agencies of the U.S. government and the State of Montana Investment Pool. Mayor DeVries asked if the two CDs are at Glacier Bank and City Treasurer Manicke replied that they are with other local financial institutions. City Clerk Dooley said that at the next meeting she would present a bank reconciliation that comes from the Black Mountain Software system. She explained that City Treasurer Manicke does an “outside” reconciliation and that this will be an “inside” reconciliation and that the two must match up. City Treasurer Manicke said the reconciliations are approached in slightly different ways and provide internal controls for cash. Mayor DeVries commented that we would need to look at compensating controls if only the Black Mountain Software reconciliation is done in the future and both City Treasurer Manicke and City Clerk Dooley agreed.

APPROVE RESOLUTION NO. 1041 AWARDDING THE \$400,000 MUNICIPAL GOLF REVENUE REFUNDING BONDS, SERIES 2013: City Treasurer Manicke said Resolution No. 1041 was sent to Glacier Bank for their review and there has not been any comment back at this time. She said the \$400,000 is an amount low enough that it is comparable to just a real estate loan. City Treasurer Manicke said Glacier Bank was the low bid at 2.1% for the bonds and it will be for a four year term. She said there was a lot of competition for the bonds. City Treasurer Manicke recommended approval of the bond resolution as the closing date is set for April 1, 2013. The total amount due of \$530,000 (\$130,000 will come from the golf course bond reserve account) will actually need to be released to the paying agent on Friday, March 29th in order to be able to call the bonds on April 1st. Glacier Bank requires dual authorization for wire transfers so she and City Clerk Dooley will wire the money on March 29th. **Commissioner Turner moved to approve Resolution No. 1041, seconded by Commissioner Funke.** Commission discussion: None. Public discussion: None. **Motion carried unanimously.**

AUTHORIZE CITY MANAGER TO APPROVE GOLF COURSE FOOD/BEVERAGE MANAGEMENT AGREEMENT WITH LINKS MANAGEMENT, INC.: City Manager Crossett said that from previous Commission meetings it was decided that the City would continue to run the golf course restaurant. He said in an effort to lower the payroll expenses the model will switch to having floor supervisors as opposed to a manager and that Director of Golf Roger Wallace will directly manage the restaurant. To compensate him for the extra management duties, City Manager Crossett said Director of Golf Wallace would be paid 50% of the net profits, excluding any capital project expenses and prior payroll obligations. Mayor DeVries asked if the employees would be City employees. City Manager Crossett said yes they would be. He said that with the liquor license the City does not want to create a vendor relationship with Director of Golf Wallace and also that Director of Golf Wallace would need to be compensated for the cost of additional employees that he would hire under Links Management and he (Director of Golf Wallace) was not in favor of that. Commissioner Lies felt this was a good start and that the agreement could be tweaked at the end of the season. **Commissioner Lies moved to approve the City Manager Duty Delegation Agreement with Links Management, Inc., seconded by Commissioner**

Campbell. Commission discussion: Commissioner Erickson asked if Director of Golf Wallace would have sole discretion for employee training and other employee issues. City Manager Crossett replied that Director of Golf Wallace would have general supervisory authority but disciplinary issues would be the responsibility of the City Manager because they are the City's employees. City Attorney Raymond pointed out that page 2 item (e) of the agreement specifies the authority regarding employees. Public discussion: None. **Motion carried unanimously.**

APPROVE RESOLUTION NO. 1042 APPROVING AN ALTERNATIVE PROJECT DELIVERY METHOD OF CONTRACTOR SELECTION FOR THE RIVERSIDE PARK TO SALISH POINT WALKWAY AND WEST PIER REPLACEMENT PROJECTS: Ken Avison, Chairman of the Polson Redevelopment Agency (PRA) said that since the last City Commission meeting they have met and talked in more detail with Tom McDonald who works in resource development for the Confederated Salish & Kootenai Tribes (CSKT) about the proposed projects. Mr. McDonald said demolition of the existing City dock would need to commence while the water is low. Bond Attorney Bob Murdo prepared a time line for the project that is included in the packet that indicates a fairly tight schedule to prepare for the project. Mr. Avison said Bob Murdo prepared a resolution that would move the project along at a faster pace using a design-build option. Ken Avison turned over the presentation to City Engineer Shari Johnson to explain the design-build option.

Shari Johnson said on past projects the City has used the more traditional design-bid-build project. She said the design-build option was adopted in Montana in 2005 and after discussions with Bond Counsel, Mr. McDonald, the City Manager and the PRA it was determined that this model would meet the timeline for the project and could also provide some efficiencies and cost savings. Shari Johnson commented that in order to use the design-build model, the City Commission has to understand the project, have knowledgeable staff to handle the project, have no favoritism involved, competition cannot be limited, there must be time constraints involved, and there must be technical complexity that makes it practical to go directly to the builder for the design. Shari Johnson said there are not many designers that have more expertise than the dock builders themselves so it is better to go directly to the builders to get information on the scope of the project, what works on Flathead Lake and what the costs will be. City Engineer Johnson pointed out that the agenda packet includes drawings that were not in the agenda packet at the prior Commission meeting. She explained the process for the design-build model which includes as a first step, advertising for contractors to complete a Request for Qualifications (RFQ). Shari Johnson reviewed the draft RFQ in the agenda packet. The RFQ will be advertised on March 28th and April 4th in the Lake County Leader and will be due on April 8th. The RFQs will be evaluated by M&K Consulting Inc. to determine those applicants that are qualified to submit a Request for Proposal (RFP). Shari Johnson said those applicants would then prepare information for their project approach, costs, their team and structural engineer information. The applicants will need to agree to meet the City's timeline for dock board removal before the lake reaches full pool and then the remaining timeline could be more flexible according to City Engineer Johnson. She said the design-build project leaves the door open for creativity because teams can be put together in different ways. She said the PRA would come back before the Commission when a project scope and costs are known to approve award to the selected contractor subject to the bond sale and to pass a resolution for the sale of bonds.

Mayor DeVries asked Shari Johnson if she would be coordinating the project. Shari Johnson replied that she would qualify as the knowledgeable resource staff that is required for this model, and that other City employees, Tribal staff and the PRA would be part of a committee that would oversee the project. Commissioner Campbell asked if she would be the inspector. Shari Johnson replied that she can manage the project but she does not have structural expertise so someone will need to be hired to oversee

structural issues. Commissioner Campbell said that in this situation, you have contractors that are also doing the design and want to make a profit and someone needs to watch them. Shari Johnson said her expertise will be to make sure the contractors stick to the letter of the law and that they adhere to the project scope, price and budget, but structural oversight such as making sure something is welded properly, will need to go to a third party if she or the building inspector are not qualified to do that oversight. Commissioner Campbell said the specifications state that the West Pier will be identical to the East Pier dock, so he is wondering if as-builts (plans showing how a project was constructed) exist that can be shared with the City to facilitate the West Pier construction and the path construction. Shari Johnson was not sure if the City has as-builts or other plans. Tom McDonald said as-builts do exist for the East Pier dock and those will be shared with the City, he said however that the West Pier is different because it includes handicap access for fishing which the East Pier does not have. He said the lighting will also be different because it will be designed to match the lighting that will be used on the walkway.

Commissioner Morrison moved to approve Resolution No. 1042, seconded by Commissioner Funke.

Commission discussion: Mayor DeVries thanked Ken Avison and Shari Johnson for their presentation. Public discussion: Lee Manicke said the new drawings of the project indicate that the pathway near the bridge will be close to an exposed water line and he is not sure what potential problems that might create and that someone should look into this. He said the Polson Development Code (PDC) rewrite committee recently looked at standards that all development must comply with and the first two pages contain information about lakeshore protection. He said pathways, walkways and bridges are exempt from the PDC standards, but it states that these projects must comply with State, Federal and Tribal laws. He said the two projects presented have focused on complying with tribal laws but he previously cited MCA 75-7-202 & 211 at the last Commission meeting which indicates that the State may have jurisdiction for lakeshore protection and the Army Corp of Engineers has a 404 permit that may need to be obtained. He said the Corp of Engineers is fairly friendly about giving out permits, but if one is not obtained they can turn unfriendly rather quickly and it could be costly. He commented that the City needs to follow through and find out what the permitting process is and obtain the proper permits. **Motion carried unanimously.**

PRESENTATION OF PRELIMINARY WASTEWATER (SEWER PLANT) ENGINEERING AND FINANCE ANALYSIS: Water and Sewer Superintendent Tony Porrazzo said that a ten year upgrade to the Sewage Lagoons was done ten years ago and the lagoons are almost at the end of their useful life. He said there are compliance, growth and flow problems that need to be addressed. The City has been granted a 5 year extension on the permit in order to come into compliance with certain parts of the system. He said this was reviewed three years ago with the Commission at that time but the ideas for the type of plant and placement of the treatment plant did not get resolved so the project did not move forward. Water and Sewer Superintendent Porrazzo said tonight's presentation would bring this Commission up to speed on the project but would not be asking for any money or decisions this evening. He said this has to be looked at seriously now as time is running out. He said this is the time to keep our thoughts collected about what we want Polson to be – where do we see ourselves in 20 to 30 years which incorporates ideas from the recent strategic planning sessions. Water and Sewer Superintendent Porrazzo said the limits that the Environmental Protection Agency (EPA) is putting on the City now and will continue to implement in the future make the existing lagoon system non-workable. He said as more special events are held in the City and as more businesses and industry come to Polson it will create loading problems (how much waste is coming into the system). He said we need to address these needs and look at the different types of treatment options and determine which one will best fit the future regulations that the City will need to meet. He commented that the Flathead River is now recognized as a recreation body in the latest permit so the effluent that flows into the River needs to be as clean as

possible. Water and Sewer Superintendent Porrizzo said there are loans and grants available and that the Sewer fund has good working capital to get started on the project which will include a headworks facility first and then a new mechanical wastewater treatment plant. He said a design-build model could be used for this project for cost savings and to help meet the 5 year window for having the plant in place. He commented that Commissioner Campbell and City Manager Crossett will be involved with the project and he encouraged the other Commissioners to attend the workshops and tours that will be coming - as we need to move forward on a united front and get the project going. Mayor DeVries asked what a headworks facility is. Water and Sewer Superintendent Porrizzo replied that a headworks facility is the head of the system and is housed in a building that contains huge grinder pumps (affectionately called "muffin monsters") that take in the sewage first and remove all the trash and grit and dump it into a waste cart to be hauled off. He said the system currently has a pit with a screen and the staff currently rakes the screen into a trash can but it is getting to be much more work.

Ashley Walker, Assistant Superintendent, explained that the City currently has a 4 cell aerated lagoon system that works on a natural biologic process that stimulates bacteria "bugs" to eat the wastewater and purify it. At the point that it meets the standards the effluent is released into the Flathead River. He said the lagoons require special conditions which rely on weather and temperature to create the proper environment for the bugs to do their job. He said that the new classification of the River as a recreation body is going to require disinfection which has not been done before. He said the bottom line is that with the new regulations and the fact that a natural system is subject to many variables, the lagoon system will not be able to meet the requirements whereas a mechanical plant has totally controlled conditions which make it easier to manage the processes and meet the regulations. Commissioner Funke asked if there would still be open lagoons and Assistant Superintendent Walker said there would no longer be open lagoons since the system would be in a building. Commissioner Campbell said that since 1962 up to the current permit, the City could dump into the River with no disinfection because of a mixing zone classification that created a dilution factor of 2500 to 1 that allowed samples to be taken from the River itself to meet regulations, but the recreation classification for the River means the sample has to be taken at the pipe which means that the effluent now has to be disinfected in order for the sample at the pipe to meet regulations. He said the City has 5 years to meet this regulation and he feels the City does not want to do disinfection by chlorine or other chemicals (and have that go into the River) which would be required for a lagoon system; in a mechanical system ultraviolet light could be employed for disinfection. However, he said it is a lot of money to build it and operate it, there are still some chemicals involved and there is staff training that goes along with a mechanical system. City Manager Crossett said Bigfork has finished their wastewater membrane system recently; it has a small footprint and no odor. Commissioner Campbell said the City has been able to avoid the regulations up to now because our effluent is being dumped in the River as opposed to the Lake - so all of the towns and cities north of Polson have already had to meet the regulations.

City Engineer Shari Johnson began her presentation by saying "dilution is no longer the solution to the pollution". She said in order to have a viable treatment plant that supports community health and growth while maintaining regulatory compliance it needs three things: Capacity, Treatment Capability to meet regulations and Operations and Maintenance. If any one leg is not functioning the system will not work. She said the design capacity of the lagoon was .65 million gallons per day (MGD) when it was designed in 1981 and that the current average flow is .50 MGD which leaves .15 MGD. The already approved connections including Super Wal-Mart, the Aquatics Center and existing residential subdivisions and town lots will bring the lagoon system to capacity by the year 2021 under a delayed growth model. She said the City has to report existing capacity to the EPA as-well-as pledged capacity, so at this point the capacity has been reached. City Engineer Johnson reiterated that the lagoon has

uncontrollable factors such as weather inversions, unseasonable warm or cold weather, waste water concentration, algae and temperature that affect treatment. She said to increase capacity and/or bring the lagoons up to standard would be costly and includes new aeration equipment, pond liners, larger lagoons, basin covers for biological treatment control (which could cost \$2 to \$4 million dollars), headworks/screening and disinfection. She said the City has an extension until 2017 to comply with the disinfection for E-coli regulations because the EPA acknowledged that the City was moving forward towards a new system, but she does not expect that there will be another 5 year extension. City Engineer Johnson said originally the City had to do monthly sampling for effluent which then evolved into weekly sampling and is now composite sampling. Composite sampling requires taking samples over a 24 hour time period in 4 hour increments to equal one weekly sample. The new permit requires testing not only for BOD (biochemical oxygen demand), TSS (total suspended solids), pH and Flow but also Ammonia, E-coli, Nitrates and Phosphorus which was not required previously. She commented that any entity that currently discharges into surface water is in the same situation as the City because lagoon systems do not process nitrates and phosphorus well and probably won't be able to meet the new standards. City Engineer Johnson said in addition, TMDL (Total Maximum Daily Load) has been approved for Flathead Lake. This is a national project to protect the watersheds by limiting the loading into the lakes and rivers that will restore water quality. She said it is being administered by DEQ (Department of Environmental Quality) and even though the City's permit comes through the EPA with CSKT input, the EPA has stated that it will likely follow the same format as DEQ on the TMDL. She said the Montana League of Cities and Towns (MLCT) Nutrient committee (of which she is a member) has been able to get the DEQ to postpone rulemaking on the TMDL until sometime in 2013, but she is not sure if they will be able to get it postponed any further. The MLCT was also able to negotiate the 5 year variance for meeting regulations. City Engineer Johnson said the City has received a \$40,000 fine from EPA recently due to 39 effluent violations over the last three years. She said the lagoon system makes it difficult to meet the effluent standards because of uncontrollable conditions brought on by weather. She said the penalty could have been as high as \$177,500 but the penalty was lower because the EPA acknowledged that the City is working toward a new treatment process. She and Water and Sewer Superintendent Porrazzo will be meeting with EPA on Wednesday, March 27th to go over the current fine and how to avoid future fines until the new treatment plant is in place. Commissioner Campbell asked if the TMDL includes the River. City Engineer Johnson said the TMDL is currently in place for Flathead Lake and that the Flathead River will be next. She said the additional regulations mean facilities like Bigfork have not been built to meet standards for the next twenty years and they already have to make modifications. City Engineer Johnson said the City's loan period on this project would be 20 – 30 years and we need to be assured that the system will meet regulations for that time period without modifications. She concluded by saying that we will need to invest money either in the lagoon system or a new facility so it would probably make sense to invest in a new system that will be viable for the long-run. Water and Sewer Superintendent Porrazzo added that as commercial growth continues and if it were to balloon in the next few years, the lagoon system just will not work without change or modification. City Engineer Johnson reviewed the timeline included in her handout that shows how the City has progressed on this project since 1998. She said the City has been doing their homework on the project, but now it time to hire designers and build the headworks facility and treatment plant to meet the 2017 deadline. She said the grant cycle is every two years and the City will apply next year for a grant of about \$750,000 for the wastewater treatment plant but the total project cost is about \$10 to \$12 million. Commissioner Erickson asked if the CSKT could set higher standards than the EPA and City Engineer Johnson replied that is possible and that the EPA is very sensitive to giving the CSKT what they need. Mayor DeVries thanked City Engineer Johnson for her presentation and said it was very helpful.

City Clerk Dooley said she was asked by Water and Sewer Superintendent Porrazzo to come up with a model that can be used to make the financial forecasts that will be necessary to fund the project. She said the current rate structure has a base rate of \$6.43 for the first 1,000 gallons with a usage rate of \$2.79 based on gallons of water used during the winter months. The rates are the same for both residential and commercial. Those sewer connections that have no water connection have a flat monthly rate of \$17.19. She said the average monthly charge per connection is \$25.32. City Clerk Dooley included a Utility Survey done by the MLCT in her handout that shows that Polson ranks number 5 among 3rd class cities in population but the base and/or flat rate is much lower than those other entities. She pointed out that Polson does have a sewer connection fee of \$316 and a Sewer impact fee which is now 20% of the maximum fee of \$1,533 (amount is now \$306) to help fund the impact of growth on the City. City Clerk Dooley said that developing a model is like putting a jigsaw puzzle together – the elements need to be evaluated and pieced together so that they form the basis for a good forecast. The elements in this model include forecasting operations and maintenance expenses, adding in the capital improvement project costs, forecasting population growth for revenue generation, determining the level of revenue required and maintaining sound cash flows. City Clerk Dooley outlined the assumptions for the model which include a 3% inflation rate on operation and maintenance expenses, design and engineering costs calculated at 15% of the project cost, population growth at 1% through FY15 and 2.3% thereafter, interest rate on debt of between 2.5 – 5% and interest rate on investments at a slow growth of .5% for 3 years, increasing to 1% for several years and then 1.5% thereafter. She said the revenue growth from the population assumptions shows that new connections onto the system will be about 12 for FY13 and then anticipating about 24 connections in FY14 based on information known at this time. She said in FY16 the number of connections increases to 57 for that year based on the increase in population growth of 2.3% and then increases at that rate thereafter. City Clerk Dooley then reviewed the projected revenues based on the Sewer Fees that would be generated from growth only and the additional fees for the system which include sewer permits and impact fees. She said the grant revenue for the treatment plant would generate about \$750,000 to \$825,000. She said the headworks facility could probably be completed just out of the current repair and depreciation reserve that the Sewer Fund has but in order to keep the reserves at a level necessary to match grant revenue, the headworks facility would probably need to borrow between \$200,000 to \$300,000. City Clerk Dooley said the treatment plant will cost about \$12,000,000 and will need to be almost entirely debt funded. She reminded everyone that these are just scenarios that will be refined as more information becomes known. City Clerk Dooley then reviewed the revenue requirements which look at the operating and maintenance costs, administrative transfer, capital improvement projects and debt service related to those projects. Based on this information, City Clerk Dooley said the model forecasts a significant shortfall in revenue and cash flows starting in FY16 that cannot be cured without a change in the rate structure. She said the rate structure change could come through a combination of an increase in the base rate, increase in the usage rate, different rates for commercial and residential, different ways to calculate usage, an increase in connection fees and reinstating the sewer impact fees to a higher percentage. She said some entities have created a Sewer Maintenance District where tax money is generated to fund the system. She then showed the effects of an increase in sewer fees of \$20 per month which would bring the average monthly charge to about \$45 per month. Under this model, she said the sewer fee revenue would go over \$1 million per year starting in FY15 and would provide enough revenue to pay the operating and maintenance costs and the debt service over the next 25 – 30 years. She said the reserves would still decline for a period of time but starting in FY25 the reserves for replacement and depreciation would start rebuilding. She said the model has been designed so that any number of variables can be plugged in and the forecasts will be generated automatically. City Clerk Dooley concluded by saying that we are not alone and displayed an article from the Cutbank Pioneer Press newspaper where sewer rates were recently raised 95% to

cover the costs of a future wastewater treatment plant. Mayor DeVries thanked City Clerk Dooley for her presentation.

Water and Sewer Superintendent Porrazzo said the information presented this evening is not written in stone, but things will proceed at a fairly quick pass from here on. He said there is a lot of work to do and the staff will be bringing lots of information to the Commission and different scenarios for them to review. Commissioner Campbell asked when the last rate increase occurred. Water and Sewer Superintendent Porrazzo said it has been awhile since the sewer rate has increased – the last rate increase was for water in 2009. Commissioner Campbell asked how to go about increasing the rates and if there is a cap on the increase. Water and Sewer Superintendent Porrazzo said the last attempt at a rate increase was not correct because it was not based on need, but just based on a cost of living increase. This increase will be based on need. He said the next step in the process will be to put out requests for engineering services. He thanked the Commission for hearing the presentation.

City Manager Crossett asked and was granted his request to be excused.

APPOINTMENT OF CITY MANAGER SEARCH COMMITTEE: Mayor DeVries said an ad was placed in the Lake County Leader for two weeks to solicit applicants for the search committee. She said there was one applicant, Jane Irwin, that had sent a letter but we are not sure where it ended up so her name is being added to the list of applicants. Mayor DeVries asked the other Commissioners how they wanted to make the appointments – either by having a committee of Commissioners review the applications and make a recommendation at the next meeting or let each Commissioner do their own review of the applicants. Commissioner Campbell asked for clarification of the wording “nomination by slate” contained in Resolution 974 which authorizes the search committee. City Attorney Raymond said it means to appoint them all at once and the Resolution is not specific as to how that happens. Commissioner Lies suggested that each Commissioner appoint one applicant. Mayor DeVries said there could be problems with that if Commissioners wanted the same applicant. Commissioner Funke suggested putting all the names on a ballot and then voting. Commissioner Turner said the Resolution allows five to seven members for the committee and he felt that five members would be sufficient. **Commissioner Turner moved to have the search committee consist of five members, seconded by Commissioner Erickson.** Commission discussion: Commissioner Erickson clarified that each Commissioner will choose 5 members to be on the committee and the Commission agreed. Public discussion: Gerry Browning said that she noted there were several City employees among the applicants and asked if that was “kosher” to have City employees on this committee. Mayor DeVries said the Resolution allows for one City employee to be on the committee and noted that it would be important for each Commissioner to only choose one City employee when completing their ballot and it would then be the City employee with the most votes that would be on the committee. Gerry Browning asked if the committee is required to have one City employee. Mayor DeVries said the Resolution does not mandate that a City employee be on the committee, but there can be no more than one. Mayor DeVries said the letters of interest are in the agenda packet and encouraged people to contact their Commissioners if they have certain individuals they would like to see on the committee. Commissioner Lies asked if the committee members must be City residents. Mayor DeVries said they must be City residents and registered voters. City Clerk Dooley said she will check with the elections office to make sure all of the applicants are registered to vote. Mayor DeVries said that at the next meeting each Commissioner will get a ballot and the ballots will be tallied at the meeting. Water and Sewer Superintendent Porrazzo commented that a City employee should be on the committee to have a voice in selecting who their boss will be and he is fine with having only one on the committee. Mayor DeVries said that she hopes that as

the committee progresses there will be plenty of opportunity for public input as-well. **Motion carried unanimously.**

PUBLIC COMMENT ON SIGNIFICANT MATTERS TO THE PUBLIC NOT ON THE AGENDA:

None.

Mayor DeVries closed the public meeting at 8:45 p.m.

EXECUTIVE SESSION

PERSONNEL/LITIGATION: Mayor DeVries brought the executive session to order. Matters of litigation and personnel were discussed. Mayor DeVries re-opened the meeting, and there being no further business, the meeting was adjourned.

The meeting adjourned at 10:15 p.m.

Mayor Pat DeVries

Attest: Cindy Dooley, City Clerk