

**POLSON CITY COUNCIL WORKSHOP MINUTES
CITY HALL COUNCIL CHAMBERS
MONDAY APRIL 14, 2008, 6:00 P.M.**

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

Meeting brought to order at 6:00 p.m.

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

Councilman Tom Jones asked where the City was with the Rural Fire interlocal agreement. **City Manager Jay Henry** replied that they were currently working on it, adding that the attorneys were working out the meaning of the different statutes. He expressed that he did not have the correspondence with him, but the Rural Fire Board was aiming for more control over the Fire Chief. He added that both the Fire Chief and himself were opposed to that. **Councilman Jim Sohm** asked if that would come before the Council for a vote. **City Manager Jay Henry** replied that it would be before the Council for a vote after a Council work session with the Fire Chief and the City Attorney. He expressed that he hoped they could come to an agreement because it had worked well for many years. He asked if the Council would like him to arrange a meeting. He tentatively planned the work session for Tuesday, May 6, at 6:00 p.m.

Councilman Tom Jones asked if there was still a Tree Board. **Assistant City Clerk Kala Parker** informed the Council that the Tree Board existed, but was not active because there were no members. She added that Parks Superintendent Karen Sargeant had attempted to recruit members last year for the Tree Board, but no one joined the board. **Councilman Tom Jones** suggested that the City advertise the Tree Board openings. **City Manager Jay Henry** asked the Council to consider having a survey done of the City's streets and alleyways because many of the right of ways were not clearly established. He noted that historically the Streets Department had taken care of offending trees on private ground. He added that conducting a survey of the City's right of ways prior to the Tree Board would help avoid the Tree Board dealing with the ownership of private or public trees. **Councilwoman Elsa Duford** pointed out there were many trees encroaching on the street in here neighborhood even though it was recently surveyed. She wondered if the cost of the survey would be worth it if people were still going to put trees outside of their right of way. **City Manager Jay Henry** communicated that he would contact TD & H and get an estimated cost of surveying the entire town. **Councilman Tom Jones** noted that TD & H had already surveyed a few parts of the City. **Councilwoman Elsa Duford** suggested that they only survey the problem areas because the entire City would be too much money. **Bruce Agrella** expressed that he would like the estimate for the entire City pursued. He commented that little by little they needed to survey the entire town to find out the property ownership.

Councilman Jim Sohm directed attention to the Polson zoning codes. He urged the Council to look at finding costs for an outside group to update the PDC. He added that he would like the tabled item of the 8-unit density issue brought back before Council. **City Manager Jay Henry** replied that the City Attorney's suggestion had been to address that issue when they redo the code. **Councilwoman Elsa Duford** asked if there had been a report back from Joyce Weaver on the Lake County Subdivision Regulation meetings. **City Manager Jay Henry** replied that he had not heard back on the subject, but that it was a priority. He explained that the codes needed revised, and the two places he felt they should begin with were engineering design standards, which TD & H had begun working on, and subdivision regulations in cooperation with Lake County. He expressed that he was very excited about working on design standards for the City. He added that the design standard would be a great relief to the City's building and planning department. **Councilman Tom Jones** asked who was following up on Vicwood Wood's final plat approval conditions. He pointed out the City should have some kind of checklist to give the developers so that when it comes before Council there is a criteria list that shows what conditions have been met. **City Manager Jay Henry** agreed and informed the Council that Tony Porrazzo was currently working with the City Engineer on making such a checklist. He suggested the Council adopt the checklist formally once it is complete. **Councilman Tom Jones** asked if there was any idea of how many properties existed within the Boundary of the City limits that had not yet been annexed. **Council President Mike Lies** mentioned that parts of Claffey, JB Drive and Rung Lane were not within the City limits. **Councilman Bruce Agrella** stressed that they needed to get a hold on the codes. He explained that the City/County Planning Board has a difficult time getting response from some developers on the direction the Board gave. He expressed that a black and white checklist with a criteria the developer would have to meet would be ideal for the City. **Councilwoman Elsa Duford** noted that clarity was very important for the Council and the Public so everyone understood the processes. **Councilwoman Bruce Agrella** commented that in the time he had worked with Planning Official Joyce Weaver he had seen how overwhelmed by paperwork the planning department had become. He stressed that the staff needed the Council to make those changes to get ahead of the projects. He commented that the City needed to gain control over the developments. He pointed out that redoing the codes needed to be one of the City's priorities. **Council President Mike Lies** agreed that the changes needed made as soon as possible. **Councilman Jim Sohm** asked if they had a timeline and cost estimate to redo the City codes. **City Manager Jay Henry** replied that they had a rough estimate of between \$60-80,000 for the entire codebook to be redone. He informed the Council that he had advised Joyce Weaver to begin work on an annexation policy when she has time. **Councilman Jim Sohm** suggested getting an actual estimate and looking into grants to help cover some of the cost. **City Manager Jay Henry** confirmed the Council's wish for him to look into finding an estimate from land use planning firms in the area to rewrite the Polson Development Code. He added that changing the code is a heavy undertaking with public meetings. **Councilwoman Elsa Duford** asked if the City would be working with the County for a consistent development code. **City Manager Jay Henry** replied that they were striving for consistency and that he would like to coordinate with the County. **Councilwoman Elsa Duford** asked if the County would

help to pay for the rewriting of the codes. **City Manager Jay Henry** replied that he would look into it.

Councilman Jim Sohm expressed that the Council should follow up on the resort tax. **Councilman Mike Lies** asked if the application for resort tax had been sent. **City Manager Jay Henry** replied that the application for resort city designation had been sent. He reported that the response had been that the Department of Commerce was coordinating with other State offices and the application was being worked on. **Councilman Jim Sohm** asked if there were any reason their application would not be approved. **City Manager Jay Henry** replied that he foresaw no reason it would not be approved. **Councilman Jim Sohm** suggested they schedule the resort tax workshop. **City Manager Jay Henry** asked if the Council would like the resort tax workshop to include the budget. **Councilman Sohm** expressed that they should include the budget with the workshop if time allows. He inquired about speakers from other areas that have already implemented resort tax. **City Manager Jay Henry** replied that the communities he had heard from were happy with resort tax. He pointed out his main concern was if the Tribe would be willing to collect the tax through their entities. He expressed that it would be problematic if they would not. He mentioned that Jules Clavadetscher was waiting for a response from the Tribe.

Councilman Jim Sohm inquired about road impact fees and mentioned he would like to see an evaluation process. **City Manager Jay Henry** replied that the City can legally charge road impact fees, but the City first needs a plan for the streets. He expressed that he would contact TD&H and Tischler-Bise to find out a cost. **Councilman Tom Jones** pointed out that would tie in with surveying the streets and alleyways.

Councilman Jim Sohm inquired if the personnel manual had been updated with the Council's input. **City Manager Jay Henry** replied that he had incorporated the input he'd received from the Council. **Councilwoman Elsa Duford** communicated that she had comments to turn into the City Manager and distribute to the Council. She expressed that she was pleased that the agenda was available earlier and provided to the newspaper, but she felt that the Council needed more notice when an executive session was scheduled. She expressed that she disagreed with much of the personnel policy. She commented that claims should be a regular item on the agenda and not a part of the consent agenda and they should include the total cost on the agenda. She felt the Council needed more informed on items coming up on the agenda. She added that the Council needs to know if any information they receive is confidential. **City Manager Jay Henry** replied that any information, save attorney client privilege information, was public even if the document was stamped "confidential". He advised that the consent agenda was a time saver. He added that any item on the consent agenda could be made a regular item by any member of the Council. **Councilwoman Elsa Duford** commented that the public was left out of what was happening. She asked if there was any way of tracking what expenditures would be coming to the Council for big projects. **City Manager Jay Henry** replied that the City's Capital Improvement Plan listed each department's upcoming capital projects with a description and estimated cost. He added that one of his goals was to flush out the plan more specifically while taking in depreciation. He

expressed that he had asked the City Attorney to draft a new purchasing policy. He said that each department head would be responsible for certifying that each purchase has been received. He pointed out that many City's set an expense limit that the City Manager can spend prior to Council approval. **Councilwoman Elsa Duford** commented that she felt that the claims should be brought to Council similar to how the cash report is brought before Council by the City Treasurer. **City Manager Jay Henry** suggested that perhaps each department list their total expenditures and any large unexpected expenditure. **Councilwoman Elsa Duford** informed the Council that she did not have faith in Ken Weavers advice and recommended that his advice be carefully scrutinized. She expressed that she was opposed to the City's Charter and commented that it was not written in favor of the residents.

Councilman Bruce Agrella warned that the City Streets department needed to use more markings or barricades when they were working in the streets. He advised that he had seen intersection work done with minimal markings and traffic did not have a clear direction on how to avoid the workers. He expressed that it was not safe for the workers or the public. **Councilman Fred Funke** agreed and mentioned that the water and sewer workers enter manholes without barricades and could be easily hit by traffic coming in or out of the manholes. He suggested there be flashing lights. **Councilman Jim Sohm** commented that for many events he had used the Street department's barricades and stipulated that using the safety equipment might need to be emphasized to the departments. **Councilman Bruce Agrella** mentioned that he was concerned for the City's liability if legal safety guidelines were not followed. **City Manager Jay Henry** informed the Council that he would follow up with the Streets and Water & Sewer departments for better use of safety equipment and barricades. **Councilman Fred Funke** noted that the old barricades had "City of Polson" written very small and they did not have reflectors.

Councilwoman Elsa Duford directed attention back to the planning department and wondered if it was possible to put a stop on accepting more subdivision plans until the issues were resolved. **Councilman Bruce Agrella** advised that having new codes that eliminated the gray area from development would alleviate pressure. He pointed out that developers that came from heavily regulated areas more readily built to the City's standards.

Councilwoman Elsa Duford asked if there were a list of the city lots and upcoming subdivisions that were in line for water hook ups. **City Manager Jay Henry** replied that there was a City ordinance that limited each development 30 hook ups per year. He added that the State of Montana and DEQ regulate and monitor water hook ups.

Councilwoman Elsa Duford asked for an update on the 15th Avenue well. **City Manager Jay Henry** replied that the drill had broke at about 200 feet and had not reached water. He explained that they were bringing in a groundwater hydrologist to figure out why they had not reached water between the two working wells. He informed the Council that the new Skyline booster station was scheduled to be tested April 30.

Councilman Bruce Agrella asked when work on the Super Wal-Mart would begin. **Councilman Jim Sohm** replied that Corporate Wal-Mart had met the previous day to evaluate their development projects nationwide. He informed the Council that the Polson Wal-Mart had been re-approved and they are planning to aggressively litigate on their Supreme Court ruling. He added that the project would probably begin quickly.

City Manager Jay Henry informed the Council that he had developed a city manager evaluation form that Mayor Marchello had approved. He advised that it was a 360-degree evaluation of him by the Council and department heads. He expressed that he had a list of possible City goals. He added that the most critical goal the City had was paying the staff an equitable rate. He expressed that the pay rates were not equivalent to the experience and education of many employees. He added that many department heads were nearing retirement age and recruiting qualified replacements would be difficult with the current pay scale. He advised that it was the Council's final decision, but he would be pushing for wage increases for the budget cycle. **Councilwoman Elsa Duford** replied that hourly wages do not include benefits, so the department heads total income must be available to the public. She expressed that wages in Polson could not be compared to places like Billings. **City Manager Jay Henry** replied that there was already a list compiled of all the employees income including benefits. He advised that Polson was in the same labor market as the big cities, and to bring in qualified employees Polson needed to have competitive wages. **Councilwoman Elsa Duford** commented that the economy of the area needed to be taken into account to determine wages. **City Manager Jay Henry** agreed, but he pointed out that the budget is in the millions of dollars and a good employee can save the City substantial amounts over the years. He commented that the differences in wages between hiring someone second rate compared to someone top rate were negligible compared to the budgets they manage. He added that the most important thing he will do for the City of Polson is to find the replacement department heads. **Councilman Jim Sohm** agreed with the City Manager. He added that revenue needed to be looked at as closely as expenses, and that's where some of the other sources of revenue including resort tax and road impact fee would help. **City Manager Jay Henry** informed the Council that he had been very critical of the expenses when he had come to Polson, but he advised that the department heads had done a good job of keeping their budgets reined in. He expressed agreement that alternative sources of revenue need to be looked into. **Councilwoman Elsa Duford** asked if anyone knew what items would be under the resort tax. **Councilman Jim Sohm** replied that they would find out options from the people who speak at the resort tax workshop. He added that it would be luxury items under the tax, but he was unsure of the specifics. **Councilman Tom Jones** informed the Council that the Daily Interlake had published an article recently listing the breakdown of Whitefish's resort tax revenue. He added that the article was probably on the Internet if any of the Council wished to read it.

City Manager Jay Henry reviewed the requests of the Council; to set up a meeting with the rural fire board Tuesday May 6, contact TD & H for an estimate of surveying alleyways, get a response from Joyce Weaver on the Lake County Subdivision Regulation meetings, report to the Council regarding working with Lake County on subdivision standards, report to the Council on a resort tax/budget workshop, look into

road impact fees, and talk to the streets department about better traffic control. He asked the Council where they would like to go with the draft personnel policy. **Councilmen Bruce Agrella and Fred Funke** expressed their approval of the personnel policy. **Council President Mike Lies** suggested the Council act on the personnel policy as soon as possible. **Councilman Bruce Agrella** expressed that he was not in favor of comp time. **City Manager Jay Henry** recommended that the Council address comp time at a meeting with the department heads to find something that works for both the Council and staff. **Councilwoman Elsa Duford** commented that it was unacceptable the City Manager be the sole judge of staff. **City Manager Jay Henry** acknowledged Councilwoman Duford's statement and replied that most department heads would prefer to work for one boss rather than seven. He advised that it puts staff on the spot to receive guidance from individual Council members. **Councilwoman Elsa Duford** expressed that it makes her uncomfortable to not be able to talk to staff. She stipulated that she asks employees questions and does not give them orders. She felt that it was stifling communication. **City Manager Jay Henry** replied that he had been on both sides of this sort of situation in the past. He advised that to a staff member an elected official asking a question could feel like a request. He pointed out that the Council as a group could reevaluate and change that, but he recommended against it. **Councilwoman Elsa Duford** expressed that she did not agree with Council not talking to employees. **City Manager Jay Henry** asked if it was inconvenient for Council to come to him with questions. He stressed that staff members feel the need to answer Council's questions immediately. He stipulated that not talking to staff at all was unrealistic, but he wanted to make sure that the staff was insulated from individual Council members. **Councilwoman Elsa Duford** commented that asking a question was not the same as giving an employee direction. **Councilman Tom Jones** noted that the employees, the City Manager, the public and the other Council members interpreted the questions differently. **Councilman Bruce Agrella** mentioned that he had worked for Lake County and expressed that employees give their superiors their full attention, no matter who they are on the chain. He expressed that having a City Manager in the chain of command was ideal. He commented that working for many bosses puts the employee in jeopardy. He stressed that going through the chain of command helped things run smoothly, it avoids individuals misconstruing anything. He commented that he likes how things are and knowing exactly who to talk to. **Councilwoman Elsa Duford** expressed her disagreement and commented that there was a distinct difference between orders and questions. **Councilman Jim Sohm** asked that the City Manager revise the draft of the personnel policy with the additional input and bring it back before Council.

The meeting adjourned at 7:40 p.m.

Mike Lies, Council President

Attest: Kala Parker, Assistant City Clerk