

**POLSON CITY COMMISSION MEETING MINUTES
CITY HALL – CITY COMMISSION CHAMBERS
MAY 3, 2010, 7:00 P.M.**

ATTENDANCE: Commissioners: Ron Boyce, John Campbell, Judy Preston, Mike Lies, Elsa Duford, Fred Funke, and Mayor Pat DeVries presiding. City Manager Todd Crossett present. City Attorney James Raymond absent. Others present: Ken Siler, Gary Kapp, Dennis LaBonty, Murat Kalinyaprak, John Swenson, Dave Sheesley, Ken Avison, and Berle Tiskus

APPROVAL OF PROPOSED AGENDA: Commissioner Lies moved to approve the agenda as proposed, seconded by Commissioner Boyce. The motion carried unanimously.

CONSENT AGENDA:

- A. CITY COMMISSION EMERGENCY MEETING MINUTES 4-15-10**
- B. CITY COMMISSION MEETING MINUTES 4-19-10**
- C. APRIL 15-30 CLAIMS**

Commissioner Funke moved to approve the consent agenda items A-C, seconded by Commissioner Boyce. Commissioner Duford commented that at the April 15th meeting there were no members of the public present. She added that in the April 19th meeting her comments in regard to the Boys & Girls Club purchase of the Meridian Building had included correspondence and minutes beginning in July 2007 through December 2007. On the last page of the minutes part of her comments were misquoted and stated by Margie Hendricks. She had commented that Roger Noble and Scott Anderson did not list the same number of wells. **The motion carried with 6 in favor, Commissioner Campbell abstained.**

CITY MANAGER COMMENTS: City Manager Crossett invited everyone to the Farmer's Market grand opening at the new Third Avenue West location on Friday, May 7th at 8:45 a.m. He noted that Jackie Cripe and Ken Avison from the PBC had worked hard to bring the farmer's market to the new location. The market would be open from 9:00 a.m. to 1:00 p.m. every Friday May through October.

The parks' bathrooms would be open on the weekends, but not daily until May 15th when the staff would be available for maintenance. Parks Superintendent Karen Sargeant had gone to Missoula to interview forestry interns for a tree inventory they had received a grant for. That project would be undertaken during the summer.

Tally Duford and Jackie Cripe had been working with the City to build a staircase at Riverside Park. They would begin raising money, which would be deposited into a separate fund set up by the City. They had a design prepared, and once they had the funds they would put the project out for bid.

The planning department had held the first public medical marijuana meeting. There had been a very productive discussion, the greatest concern being whether or not to allow the dispensaries in the City at all. The second meeting would be held Friday, May 7th at 6:00 p.m. on the third floor at the Courthouse.

The City hired 1 of the 2 street department positions that are available due to retirement. Bill Smith started that morning. The second position would be hired in June, due to budgetary constraints. He noted that there had been many qualified applicants for the position.

He had attended meetings for the highway alignment and transportation plan steering committee. The City had budgeted \$8,000 in the current year for the project scope, but the expenditure would not occur until the following year. Those funds will have to carry over to the next fiscal year in addition to the other portion the City was obliged to pay for a total of \$17,000, which is 50% of the total cost of the project scope that would be split between The City of Polson, Tribes, and Lake County; and the remaining 50% would be paid by MDOT.

The TIGR grant steering committee would be reviewing the RFQ's from contractors pre-approved by MDOT, throughout the week.

The previous week's golf board meeting had been productive. The board seemed to be going in a good direction and was engaged. Compliments on the condition of the greens had been given. The restaurant had opened on May 1st for a big tournament. They had received good feedback on the menu and the restaurant was off to a good start and they had hired Pam Perry as the assistant food and beverage manager. He added that he would like to hear feedback from anyone who visits the restaurant.

The bid package for the Main Street project was wrapping up. They were considering moving forward in late August on the 2 blocks outside of the main business district, however he stressed they needed the full support of the downtown businesses to begin construction before Labor Day. The rural fire stakeholders' meetings had been productive, the next one would be held May 19th at 7:00 p.m. at the Fairgrounds Fire Station.

The airport board had asked the City to help finalize a lease for the tribally owned property at the airport. The previous lease had expired without being renewed. Once the contract was signed they would begin discussing a land swap with the Tribe.

Commissioner Campbell inquired if Mr. Crossett had met with Lita Fonda. City Manager Crossett replied that he had a conversation with her on a matter involving permeable and impermeable surfaces. He noted that it brought to light a gray issue within the City code, and there are other parts of the current PDC that are unclear. Information they receive from the residents is useful for the development code rewrite.

APPOINT 1 MEMBER TO GOLF BOARD FROM WARD 3 – TOM CORSE; APPOINT 1 MEMBER TO GOLF BOARD WARD 1 – DOUG MORIGEAU & ROBERT KELLEY:

Commissioner Funke moved to appoint Tom Corse to the golf board representing Ward 3.

Commissioner Duford expressed that she had questions about Mr. Corse not residing in Polson for the winter. She asked for the other Commissioners opinion on the matter. Commissioner Preston felt that being present through the winter meetings mattered. Golf Board President Dave Sheesley commented that they had a valid point, however he had been in close contact with Mr. Corse throughout the winter and he provided a great deal of information and history to the issues the golf board faces. He added that Mr. Corse had also volunteered to step down if a replacement were available. Commissioner Lies felt that they should have a full time member, adding that important meetings took place in the winter. Mayor DeVries suggested that they could recruit from the Ladies League. Commissioner Duford felt that a full time member was important. She added that she did not feel comfortable seconding the motion. Commissioner Preston wondered if they could have absent members Skype into meetings. **The motion died for lack of a second.** Commissioner Funke inquired if they would advertise again. Mayor DeVries pointed out that they had already advertised and she encouraged the Ward 3 Commissioners to contact possible volunteers within their ward and present their names at the next meeting. Murat Kalinyaprak commented that at one time Mission Bay residents had been

over represented on the golf board, hence the change that a member to represent each ward. He felt that the at large positions could still make it so that the City was not equally represented and the Commissioners should be allowed to arrange the board, as they like. **Commissioner Campbell moved to appoint Doug Morigeau to the golf board representing Ward 1, seconded by Commissioner Boyce. The motion carried unanimously.**

MONTANA DEPARTMENT OF REVENUE – ON PREMISES CONSUMPTION OF BEER AND WINE – LICENSE NO. 15-860-3784-301 – LUCKY LIL’S CASINO – KEVIN KENNEALLY & MICHAEL KENNEALLY: Commissioner Campbell moved to approve the on premises consumption of beer and wine license no. 15-860-3784-301 as presented, seconded by Commissioner Funke. The motion carried unanimously.

MONTANA DEPARTMENT OF REVENUE – ON PREMISES CONSUMPTION OF BEER – LICENSE NO. 15-860-3700-101 – MAGIC DIAMOND CASINO – THOMAS F. KENNEALLY, THOMAS P. KENNEALLY, MARY ANN KENNEALLY, JAMES M. KENNEALLY, KEVIN KENNEALLY & MAUREEN KENNEALLY: Commissioner Funke moved to approve the on premises consumption of beer license no. 15-860-3700-101 as presented, seconded by Commissioner Boyce. The motion carried unanimously.

WAIVER OF IMPACT FEES – LA VISTA DRIVE: Gary Kapp advised the Commission that prior to his purchasing of the property on La Vista Drive, he had done his due diligence and the only recorded easement across the property was La Vista Drive. He had closed the path after his purchase to avoid possible liability. Later it became known that Carl Seifert had installed a sewer main line through the property without having it properly recorded when it was still county property. He offered the City to trade the property, along with the easements for the sewer line and cart path, in exchange for a waiver of his impact fees. He felt it was a fair solution, the impact fees were calculated at \$5,700 total, and the property value had been estimated by Cindy Willis between \$5,300-\$6,000. He added that he planned to subdivide the other lot; thereby creating two more lots the City could receive impact fees for once they were developed. He had also extended the sewer main line down through the property at his expense. Mayor DeVries commented that she had spoken to many people on the matter and it was presumed the easement was missed because at the time it was cemetery property. She felt the City should not get involved in a legal dispute. Commissioner Lies felt that the City did not need that piece of property. He suggested they knock off ¼ of the total cost of the impact fee in trade for the sewer easement, and not accept the property. Commissioner Campbell commented that it wouldn't cost the City to accept the proposal. Gary Kapp added that it had the potential for two other pieces of property to pay impact fees to the City. Mayor DeVries expressed that she was in favor of the exchange, but she was concerned about liability on the path. City Manager Crossett pointed out that it was possible to use the path for an emergency egress with breakaway barriers. He added that the liability issue would be the same as all the other City Parks trail systems. Commissioner Lies noted that La Vista Drive is a cul-de-sac, and after 15 homes are built on a cul de sac the developer must put in an emergency egress. He commented that Mr. Kapp's property was the 16th, and if he developed the property he would be required to put in the emergency egress. Commissioner Campbell mentioned that if they gave the credit of ¼ of the value of the impact fees, Mr. Kapp would also receive about \$1,500 credit for the extension of the main line he had installed. Gary Kapp commented that that would not work for him. He

could not subdivide with a road running through the property, as the road was. He expressed they need a solution that was acceptable to the City and himself. Commissioner Boyce expressed concern about the emergency egress and wondered which solution would benefit Mr. Kapp the most in the long run, if he would not be able to meet the subdivision requirements without the property for the egress. He suggested they table the item. Mayor DeVries felt they should consult with the City Attorney. Gary Kapp expressed that he did not want to be involved in legal issues with the City, and the City had insisted upon annexation. Commissioner Lies noted that to receive water and sewer services annexation is required. Commissioner Boyce felt that they could work the issue out beneficially and fairly for the City and Mr. Kapp. He felt the best way to do this was to table it, and be sure that it was done correctly. **Commissioner Preston moved to table the waiver of impact fees until the following Commission meeting, seconded by Commissioner Boyce. The motion carried unanimously.**

MEMORANDUM OF UNDERSTANDING TO MOVE FARMERS MARKET TO 3RD AVENUE WEST: City Manager Crossett explained that the MOU provides stipulations on the exact location and times of operation and street closure for the market. The farmers market would be open from 9-1, with an hour for setup before and after. The MOU allowed for bus parking for some of their vendors, and it laid out the responsibilities of the vendors. The MOU would last until 2012, however if there were health or safety problems the City could revoke it. **Commissioner Lies moved to approve the memorandum of understanding to move the farmers market to 3rd avenue west, seconded by Commissioner Funke.** Ken Avison commented that the downtown businesses had been under the impression the street would be opened again at 1:00 p.m. He was concerned that leaving the parking unavailable until 2:00 p.m. would hurt the businesses located in that area. Commissioner Preston opined that the Cove would receive increased foot traffic when the market is taking place. Mayor DeVries was concerned about having a multiyear lease. Commissioner Boyce agreed that he would like the ability to look at the lease after one year. City Manager Crossett suggested that they recess for a few minutes so that he could contact Parks Superintendent Karen Sargeant to see what suggestion she had for those dilemmas they mentioned. **Mayor Devries recessed the meeting at 8:30. The meeting was called back to order at 8:40 p.m.** City Manager Crossett relayed that based on her conversation with the farmers market reps, they would be unwilling to change their time of operation. She suggested that they add a clause in the MOU stating that the cleanup of the market could last until 2:00 p.m., but the street was required to be reopened by 1:30 p.m. Ken Avison expressed that he supported that suggestion. City Manager Crossett continued that it was important to the farmers market to have a commitment for the location. Mrs. Sargeant had suggested adding a clause for an annual review to address any issues. **Commissioner Lies moved to amend the motion to include that the street must be opened by 1:30 p.m. and to add a clause for an annual review. Commissioner Funke seconded the amendment. The motion carried unanimously.**

APPROVAL OF PLEDGED SECURITIES: City Treasurer Bonnie Manicke advised the Commission that the following pledges were as of March 31, 2010. The amount deposited at Glacier Bank in collatorized checking was \$1,116,130.19, and their total pledging including FDIC insurance was \$1,886,261.89. The total Certificates of Deposit and a small savings account at 1st Citizens Bank was \$3,110,668.63, and their total pledging including the FDIC insurance, was \$3,154,360.37. The total of the Certificates of Deposit at 1st Interstate Bank was

\$1,625,000, and their total pledging including the FDIC insurance was \$1,850,000. The total of the Certificates of Deposit at Community Bank was \$550,000, and their total including the FDIC insurance was \$565,210. The total amount the City had deposited was \$6,401,798.82, and the total pledges from the financial institutions was \$7,455,832.26. **Commissioner Lies moved to approve the pledge securities as presented, seconded by Commissioner Funke.** Commissioner Preston inquired how real estate loans worked. City Treasurer Manicke explained the process of the real estate loans and noted that the banks could not pledge with properties that had gone into foreclosure. This was processed by the bank examiners, but she personally checked all of the loan balances. **The motion carried unanimously.**

CITY OF POLSON PROCLAMATIONS – 1)MAY BIKE AND WALK MONTH; 2) MAY 21ST BIKE AND WALK TO WORK DAY: Malinda Lais explained that she had sponsored the previous years bike and walk to work day through the school system and it had been very successful with 300 participants. This year’s class with the most participants would be receiving a pizza party from Stageline Pizza. Assistant Police Chief Stevens noted that the police department would be holding its annual bike auction Saturday May 8th at 1:00 p.m. Murat Kalinyaprak commented that it was a great idea, but thought perhaps part of the effort should be to encourage people to keep their dogs from running loose on the bike paths, as some people were afraid of them. Mayor DeVries read the proclamation aloud and declared May bike and walk to work month and May 21st bike and walk to work day.

PUBLIC COMMENT ON MATTERS OF SIGNIFICANT INTEREST TO THE PUBLIC NOT ON THE AGENDA: Murat Kalinyaprak commented that at the last golf board meeting the condition of the course was referred to as ‘pristine’. He felt that was due in part to under use of the course. He commented that Polson was not proportionate to Whitefish’s course in rounds played or the fees in proportion to the average income. He suggested that Commission give the message to the golf board that they can sacrifice a ‘pristine’ course to provide more golf enjoyment to the public.

John Swenson inquired when there would be a Polson Development Code rewrite or update. City Manager Crossett replied that the PDC rewrite was currently underway. Once it was completed it would go before the City/County Planning Board for public hearings. And then it would come before the City Commission. He recommended they involve the public further to create a better final product.

The meeting adjourned at 9:05 p.m.

Mayor Pat DeVries

Attest: Kala Parker, Assistant City Clerk