

**CITY COMMISSION MEETING MINUTES
CITY HALL – COMMISSION CHAMBERS
MONDAY, JUNE 21, 2010, 7:00 P.M.**

ATTENDANCE: Commissioners: Ron Boyce, John Campbell, Judy Preston, Mike Lies, Elsa Duford, and Fred Funke present. Mayor DeVries presiding. City Manager Todd Crossett and City Attorney James Raymond present. Others present: Jim Redmond, Murat Kalinyaprak, Tali Duford, Doug Chase, Luke Brandeberry, Chris Dentler, Gabe Dentler, Jackie Gran, Jackie Cripe, Margie Hendricks, Sharon Procopio, Bonnie Manicke, Dave Sheesley, Mike Williams, Richard Santorno, and Jackie Brown.

CALL TO ORDER: Mayor DeVries called the meeting to order and the Pledge of Allegiance was recited.

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

INTRODUCTION OF FULL TIME AND RESERVE POLICE OFFICERS: Police Chief Doug Chase first introduced Reserve Officer Chris Dentler, who had already dedicated many hours and out of pocket expenses to serve for the City. He expressed that Polson was very fortunate to have a reserve officer of such a high caliber. He then introduced Reserve Officer Gabe Dentler, who had also committed many hours and expenses to serve the City. Officer Luke Brandeberry had become a full time officer for the City in February, and had proven to be a valuable asset for the City of Polson Police Department.

Mayor DeVries excused herself and Commissioner Lies took the Chair.

CONSENT AGENDA:

- A. CITY COMMISSION MEETING MINUTES – JUNE 7, 2010**
- B. ADDITIONAL MAY CLAIMS**
- C. JUNE 1-15 CLAIMS**

Commissioner Funke moved to approve the consent agenda, items A-C, seconded by Commissioner Campbell. The motion carried unanimously.

Mayor DeVries resumed the chair.

CITY MANAGER COMMENTS: City Manager Crossett informed the Commission that the City/County Planning Board would be meeting the following day to deliberate and make a recommendation on medical marijuana within the City limits. Two public meetings had been held since the moratorium. That committee had worked closely with Planning Official Joyce Weaver and City Attorney Raymond to craft a recommendation to present to the CCPB. They were on good track to move ahead prior to the September sunset of the moratorium. He noted that the State Legislature would be reviewing and possibly modifying medical marijuana at the next session. He encouraged all members of the public to attend the CCPB meeting, which would be held at the County Courthouse.

The City had appraised property along Highway 35 for the purpose of drilling a well. It was appraised as a one-acre residential site at \$77,000. He inquired if the Commissioners would like him to proceed and draft a proposal to purchase the land to bring back before the Commissioners. Commissioner Boyce inquired if there would be room for any other City services on the lot if they were to drill a well. Commissioner Campbell explained that the well would require a 100' perimeter, but there would be adequate space to install a treatment plant as well. He asked if the City would still go forward with the purchase of the land if a successful well was not produced. City Manager Crossett that they would negotiate a contract contingent upon the well being satisfactory in quality and flow requirements. He noted that the residential well they had tested proved to be clean and free of manganese. Commissioner Preston noted that members of the public who wondered whether there was a process for purchasing the land had approached her. City Manager Crossett replied that he had been approached as well. They did not use an RFP system; they had a hydrologist who evaluates drinking water sites. He looks at a number of variables before locating a potential well site. He noted that when looking at purchasing land, some names might come up frequently, as they are the citizens with multiple properties available for sale. Commissioner Campbell noted that the location would help feed into that area, and it was close to the main which would reduce the cost of hooking it to the main. He advised caution with the new well, noting that the Wal-Mart well had increased in contamination the harder they had pumped. Murat Kalinyaprak commented that he felt they could not give the City Manager instructions to put together a proposal because that was not an item on the agenda. City Attorney Raymond disagreed; pointing out that no decision was being made in regards to the property only to move forward to bring it back before the Commission. The proposal would be written and provided along with the agenda at the proceeding City Commission meeting. Murat Kalinyaprak expressed that he did not think certain names coming up was a coincidence. He felt what matters was how the property was picked, and he could not find any documentation on how a specific lot was chosen in the paperwork the City had provided on the project. He felt the City needed to answer that question, and also provide other property owners the opportunity to sell. It should be public and advertised for the City to properly find purchase land. City Manager Crossett offered that they could have Hydrologist Roger Noble come before the Commission and explain his process in detail. However, that, along with well testing in multiple areas would lead to significant costs. He explained that Mr. Noble had reviewed water models and where there was already information and property available. Commissioner Campbell noted that they were required to stay within a certain range of the existing water permit, and Mr. Noble had been working with the system for many years, and that area had been in the City's eyes for 8-9 years. It was also not the first location they had looked at. Margie Hendricks advised that if the City were to drill any new wells, they would need to take care not to draw down the senior wells in the area. Commissioner Campbell pointed out that DEQ standards had previously dictated that with the use of transducers to measure flow of surrounding wells, and they would be following any requirements given by DEQ. Margie Hendricks expressed concern with Northwest Holdings, LLC, as they were provided with additional water hook ups in Cougar Ridge in the past. She asked that the Commissioners exercise caution. Commissioner Campbell expressed that names were not an issue, and an independent appraisal had been carried out to assess the property. Murat Kalinyaprak questioned why Roger Noble had chosen Dennis Duty's property and not any of the surrounding similar properties. He stated that the City had an obligation to be fair to the citizens and spend the public's money in a responsible manner. Commissioner Duford felt that it was important for

there to be more public awareness on the issue before a negotiation is prepared. Commissioner Boyce requested that a report be provided by Roger Noble reviewing the steps he had taken to chose a well site. City Manager Crossett pointed out that Mr. Noble had given a water supply presentation and given a recommendation on how to move forward. Mayor DeVries noted that she had seen the presentation given by Mr. Noble, and she was in favor of proceeding with the agreement. She noted the consensus was that City Manager Crossett should move forward, to provide a copy of the negotiation for the upcoming City Commission meeting.

City Manager Crossett informed the Commission that he had received calls from Peter Stone, owner of the adjacent building to City Hall, asking if the City were interested in purchasing the building, which had been discussed by the previous Commission. He inquired if the current Commissioners were interested in pursuing the purchase of that building for the expansion of City Hall. Commissioner Boyce asked the City Manager to find out more details on the receivership and the cost of the building. Mayor DeVries expressed concern for the condition of the building. She added that she had been approached as well by Mr. Stone to purchase the building. It was a good time to buy, but she wondered where the funds would come from. Commissioner Campbell suggested a walkthrough of the building.

City Manager Crossett advised that the fire stakeholders' group would be on hold until September, when the fire season abates.

The golf course had suffered some loss in business due to the amount of rain the area had seen, however the women's tournament had been very successful despite the poor weather. The golf course restaurant was coming in at about 30-35%, which was what they were looking for. He had received good comments from patrons of the restaurant.

He planned to present the Commission with a preliminary fiscal year 2010-2011 budget at the second Commission meeting in July. They would also be wrapping up the remaining employee evaluations.

Mayor DeVries noted that there was no agenda item to reschedule the first July meeting for the holiday Monday. City Attorney Raymond recommended the City consider an ordinance to automatically reschedule meetings that fall on holidays. **Mayor DeVries called a special meeting for Thursday, June 24th at 8:00 a.m. in the Commission Chambers to reschedule the July 5th Commission meeting.**

APPROVE 4TH OF JULY FIREWORKS DISPLAY WAIVER OF FEE AND BOND: City Attorney Raymond explained that the fireworks display would be set off from the Regatta Grounds and was covered by insurance. He requested the Commission approve the display, and waive the fireworks display permit fee and bond. **Commissioner Campbell moved to approve the 4th of July fireworks display with a waiver of the permit fee and bond, seconded by Commissioner Preston. The motion carried unanimously.**

City Attorney Raymond asked to be excused from the meeting, which Mayor DeVries Granted. Murat Kalinyaprak asked if the Mayor had the authority to excuse a paid City Attorney.

HELP US PATCH MAIN STREET – WILL PRESENT FUNDS RAISED SO FAR AND REQUESTING CITY TO MATCH FUNDS FOR PAVING MATERIALS AND THE CITY STREET CREW TO DO THE LABOR: Jackie Cripe thanked the street department for their efforts to maintain Main Street, but felt the effort was futile. There was a continuing danger for vehicles and pedestrians. She pointed out that the waterline upgrade had come in \$45,000 under budget. The previous years economic slump had hurt the local business, and they needed the summer events to recover. The Cherry Festival alone had brought 90,000 people to Polson in the last 10 years. She noted that the Polson Business Community had been instrumental in relocating the Farmer’s Market and working on the memorial staircase at Riverside Park. She stressed that many contestants in the car show were unwilling to participate in the event with the condition of Main Street. The downtown businesses had raised \$900 to help patch Main Street, including some that were not even on Main Street. She pleaded for the Commission to patch at least the first 3 blocks of Main Street to save the businesses thousands in lost revenue. Tali Duford advised the Commission that she had received 4 negative comments on the condition of Main Street on this day alone. The condition of Main Street was deplorable, and hurt the downtown businesses and all of the events. She opined that visitors and event vendors and participants who saw the condition of Main Street would go elsewhere. She appealed to the Commissioners to help the City. Mike Williams of the Valley Cruisers Car Club commented that 1st Interstate Bank, during the car show week alone, has an additional \$1.5 million processed through their bank. He stressed the impact this would have on the community. Jackie Brown, Treasurer of the Valley Cruisers commented that the participants from the area were not going to be a part of the car show if Main Street was in the same state, and she opined that the out of state participants would follow suit once they saw the condition of Main Street. Richard Santorno, President of the Valley Cruisers, felt that it would behoove the City to repair Main Street, adding that he would not park his car there. Commissioner Funke inquired where Hoopfest would be held. City Manager Crossett replied that they had planned to use the side streets. Commissioner Duford asked if the street department’s Durapatcher would be able to adequately pave it. City Manager Crossett noted that depending on the weather, the Durapatcher could pave the water line as it had at the intersections if that was what the downtown businesses would find acceptable to cover the street. The cost would be \$4,000-\$5,000 with the Durapatcher and approximately \$20,000 to pave the area. Tali Duford expressed that patching the dirt, like the intersections, would be acceptable. Commissioner Duford expressed that she wished to keep the downtown healthy by supporting the businesses that supported the City. Commissioner Lies suggested they check for the best price between the Durapatcher and a thin layer of paving. Commissioner Funke felt that they needed to repair the street for the good of Polson and suggested that money collected by the downtown businesses be kept for them to donate to another cause. **Commissioner Duford moved to pave Main Street’s water line with the most cost effective method and to return the money collected by the downtown business, seconded by Commissioner Funke. The motion carried unanimously.**

APPOINT CAROLE OLSON TO POLSON CITY LIBRARY BOARD OF TRUSTEES FOR FIRST FIVE-YEAR TERM THAT EXPIRES 6-30-2015: Vice Chair of the Library Board Jackie Gran advised the Commission that Carole Olson had finished the term of a previous board member that had resigned, and the Library Board was recommending her to continue in the position for a full term. **Commissioner Lies moved to appoint Carole Olson to**

the Library Board of Trustees for a five-year term that expires 6-30-2015, seconded by commissioner Boyce. The motion carried unanimously.

MAY 2010 CASH REPORT: City Treasurer Bonnie Manicke presented the cash report. The general cash balance was \$69,756.48, which included a \$100,000 draw the County had granted in May tax revenue. She noted that it was the lowest she had seen in a number of years. The MMIA liability and property insurance payment of approximately \$141,000 is due in July and the payroll expenditure is approximately \$120,000 per month. Anticipate revenue would include the remaining 2009 real estate taxes of which 86.51% had been collected and the quarterly payments of HB 124 of \$133,000. There was a remaining \$50,000 in delinquent 2008 real estate taxes. The building code enforcement fund cash balance was in the negative at \$38,862.46. She noted that had been \$5,700 of revenue in building permits in May. Commissioner Campbell asked if there was a pattern in the way property owners went delinquent on taxes, if they paid biannually or something similar. City Treasurer Manicke replied that had not been typically in past years. She attributed the delinquent taxes to the economic downturn, due to the majority of unpaid real estate taxes stemming from developers' properties. Mayor DeVries asked what actions they should take with the reserves depleted. City Treasurer Manicke advised that the State of Montana Intercap Program provides a tax revenue anticipated note for short falls or the fund balance could remain a negative balance and hopefully be dug out in the fall. **Commissioner Lies moved to approve the May 2010 cash report as presented, seconded by Commissioner Funke. The motion carried unanimously.**

APPROVAL OF INVESTMENTS: City Treasurer Manicke advised the Commission that two CDs had matured with a total of \$1,050,000. The repurchase bid on them was \$1,000,000 for 9 months, maturing on February 24, 2011. 1st Interstate Bank's bid had been at 1.11% APY, Community Bank's bid had been at 1.02% APY, 1st Citizens Bank's bid had been at .90% APY, and Glacier Bank's had been at .90% APY. The CD had been purchased from 1st Interstate Bank. The comparable rates had been as follows: 1-year treasury had been at .35%, 1-year agency of the U.S. Government had been at .40%, 5-year treasury yield curve rate had been at .41%, and the State of MT investment Pool (STIP) had been at .31%. The operating fund overnight funds interest rate had been at 1.00%. **Commissioner Boyce moved to approve the investments as presented, seconded by Commissioner Funke. The motion carried unanimously.**

PUBLIC COMMENT ON MATTERS OF SIGNIFICANT INTEREST TO THE PUBLIC NOT ON THE AGENDA: Murat Kalinyaprak commented that he had been unable to attend the City Manager evaluation meeting, but was appreciative of the Commission for making it more public. He asked that the Commission misunderstand his statements in regards to excusing the City Attorney. He felt the Mayor had seemed reluctant to grant the permission, and that it was disrespectful for him to ask. He commented that when his contract ends the City should find an attorney that would attend all meetings. Commissioner Campbell replied that City Attorney Raymond was a good father, and when he leaves it is for his children and he respected him for it. Police Chief Doug Chase commented that City Attorney Raymond worked an enormous amount of hours and was a phenomenal attorney. He added that the City of Polson was getting far more from City Attorney Raymond than most other municipalities from their attorneys. Murat Kalinyaprak commented that former City Engineer Bob Fulton had been paid \$800 per month

compared to the new City Engineer, who was being paid \$6,500 and that was a waste of money on a part time engineer.

Dave Sheesley commented that they would be reviewing needs for the golf maintenance department at the next golf board meeting. He invited the Commissioners to come to the golf shop prior to that meeting to see what the equipment they were working with and what they would need.

The Meeting adjourned at 8:45 p.m.

Mayor Pat DeVries

Attest: Kala Parker, Assistant City Clerk