

**EXECUTIVE SESSION – POLSON CITY COUNCIL MEETING  
CITY HALL COUNCIL CHAMBERS  
WEDNESDAY, JUNE 25, 2008, 5:30 P.M.**

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

**Mayor Lou Marchello called the meeting to order.**

**APPROVAL OF PROPOSED AGENDA:** Motion made by Councilman Jones, seconded by Councilman Lies, to approve the proposed agenda. Motion carried unanimously.

**REVIEW OF CITY MANAGER CONTRACT:** Mayor Marchello stated that he compiled the results of the City Manager's evaluation forms, which were completed by the city council and the department heads. The scores of both were averaged separately and both resulted in above average scores. Several Council members noted that they had not seen the contract before and that it had generous benefits. City Attorney James Raymond replied that the City Council authorized Mayor Clavadetscher to negotiate the City Manager's current contract, which was comparable to other city manager contracts. City Manager Jay Henry clarified that his e-mail communication about his upcoming job interview in Oregon was not a letter of resignation but was sent to keep them informed. Council recalled that they decided at a council meeting that the city manager's six-month evaluation was not necessary because he was performing satisfactorily and they agreed to do an annual evaluation in June. Council discussed changes to the contract and agreed that since Jay had passed his evaluation with the majority of council and department heads giving him a rating of above average scores, that there would be no change to the contract. City Manager Jay Henry assured the Council that the City's contract offer was the lowest dollar value offer he received but he accepted because he and his wife liked the area. Mayor Marchello agreed to provide the Council with the comments and averaged results of the city manager's evaluations. City Attorney James Raymond mentioned that it is Jay Henry's preference to be present if Council wishes to discuss the results of his evaluation. Mayor Marchello emphasized that from his perspective the City Manager's contract is a good one, while others he has seen are much higher. Councilwoman Duford asked that the City Manager present the revised personnel manual to Council for approval. He replied that the approval process got bogged down and he wanted to find another approach for approval. Some of the council expressed their opinion that his contract benefits were very generous. He explained that other offers he received were more generous. He was offered the job he interviewed for in Oregon and expects to get a final decision on the contract negotiations by the end of the week. He recommended that the Council not take action tonight since he is already considering other employment and that way the City would save on a severance payout. He clarified that his e-mail to council was not a resignation but information only and he will give formal notice as soon as possible. He recommended that the City Attorney be appointed as interim City Manager because it of the time it takes to go through the interview process.

City Attorney James Raymond gave an update on Murat Kalinyaprak's appeal on his human rights complaint decision.

**Meeting adjourned at 6:10 p.m.**

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**Lou Marchello, Mayor**

**ATTEST:** \_\_\_\_\_  
**Aggi G. Loeser, City Clerk**