

**POLSON CITY COMMISSION MEETING MINUTES
CITY HALL – CITY COMMISSION CHAMBERS
MONDAY AUGUST 19, 2013, 7:00 PM**

ATTENDANCE: Mayor Pat DeVries presiding City Commissioners: John Campbell, Fred Funke, Todd Erickson, Mike Lies, Dan Morrison, and Stephen Turner. Interim City Manager, Karen Sargeant, City Clerk, Cora Pritt.

Others present (that voluntarily signed in): Michael Brandt, Elsa Duford, Thomas Fleming, Michael Gale, Street Superintendent Terry Gembala, Rory Horning, Building Inspector Mike Howke, Heather Knutson, Bonnie Manicke, and Andrew Speer.

The following person(s) were absent: City Attorney James Raymond

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

APPROVAL OF PROPOSED AGENDA: Commissioner Funke moved to approve the proposed agenda, seconded by Commissioner Turner Commission discussion: None Public Discussion: None.. **Vote: Unanimous. Motion carried.**

CITY COMMISSION MEETING MINUTES JULY 29, 2013: Commissioner Lies moved to approve with grammatical corrections. Commissioner Campbell seconds. Commission discussion: None. Public Discussion: None. **Vote: 4 AYES, 2 ABSTAIN SIGHTING ABSENSE FROM THE JULY 29 MEETING. Motion carried**

CITY COMMISSION MEETING MINUTES AUGUST 5, 2013: Commissioner Lies moved to approve the minutes with correction, seconded by Commissioner Funke. Commission discussion: none. Public discussion: Elsa Duford asked for clarification on the explanation that Mayor DeVries gave about voting at the meeting. Mayor DeVries explained that at any time she may vote on a subject matter, at her discretion. **Vote: Unanimous. Motion carried.**

CONSENT AGENDA: ADDITIONAL JUNE CLAIMS, ADDITIONAL JULY CLAIMS, AND AUGUST 1-13 CLAIMS. Commissioner Campbell motions to approve consent agenda, Commissioner Funke seconds. Commission discussion: None Public Discussion: None. VOTE: Unanimous. Motion Carried

CITY MANAGER COMMENTS: Interim City Manager Karen Sargeant read from her prepared statement:

Assistant Planner/Clerk

We would like you to welcome Tom Fleming to the City of Polson team! He is our new Assistant Planner/Clerk. Tom's first day was August 8th and he had to hit the ground running. His excellent customer service skills along with being a quick learner will allow him to become an integral part of the building and planning and front office staff.

Skyline Dr. Update

We held the first meeting of the Skyline Dr. Grand Opening ceremony committee. Lots of great ideas for the ceremony. More later as the information becomes available.

Main St. Warranty Work

The company doing the concrete warranty work has completed all panel and curbing work to Shari's satisfaction. They began the crack sealing process last Friday, starting on the east side by HCP and working their way down to the corner of 5th Ave. and Main. Shari will consult with them about using a different substance to fill all the cracks that are under the warranty. They plan to come back each Friday until they are completely finished. Some of the cracks around fire hydrants and light posts were caused by design error and are not covered by the warranty. We will be completing any of those types of repair using city staff and are hoping to have Main St. finished before winter.

Walking Path under Bridge and Replacement of City Dock

The contract with Mc Crumb Construction and Marine was signed by all parties on Wednesday, August 14th at 2:30 PM!!!! The funding was deposited in the bank and the contractor got started on Friday. He is beginning the work on the north end of the walkway under the bridge, setting pilings. Dependent on the availability of specific angle iron, he is hoping to be finished setting the pilings and welding the side runs of angle iron for the entire north end of the walking path by the end of this week. If everything goes according to schedule, they will move to start setting the pilings for the replacement of the city dock next week.

Streets Department

The Streets Department working, collaboratively with Lake County Maintenance have completed paving and curbing on the east side of the courthouse. There is now more angle parking along this side on 1st St. E. Streets staff also completed the curb and sidewalk project at the 7th Ave. E. entrance to the Carol Sherick Trail. To keep the trail user's vehicles off of the new and existing sidewalks, we will be filling in the south side of 7th Ave. within our right of way with fill material and then placing a layer of gravel over top of the fill to allow for several parking spots on the south side of the road. We will sign it appropriately.

Fire Department

Fire departments across the US are part of a huge family. When tragedy strikes one "family member", it strikes all of us to a certain degree. You will recall the huge fertilizer plant explosion that occurred in West, TX. The membership of the Polson Fire Department sent a monetary donation to the West, Texas Fire Department to help them out as they lost all their equipment, apparatus and many of their first responders. I would like to read you a letter of thanks sent to us from their Chief.

Karen then read a letter from the Fire Chief of West Texas Fire Department thanking the City of Polson Fire Department for their monetary donation. The town of West Texas suffered a great loss during the fertilizer plant explosion in their town. They lost equipment as well as several firefighters were killed in the fire. Karen further explained that the donation was completely given by the Polson Firefighter members. There was no tax monies used.

Mayor DeVries explained that there will be an Executive Session on August 20th at 1:30 p.m. This session will be a skype conference with Mr. Prothman regarding the city manager applications that have been received. There were a total of 37 applications. Mr. Prothman has

done a pre-interview with the top 8. This Executive Session will be attended by the Commissioners, Search Committee, and Interim City Manager Karen Sargeant. There will be Public Comment prior to the Executive Session starting. There will be a community meet and greet for the top candidates in September.

APPROVE APPOINTMENT OF CINDY TEMPLER TO POLSON GOLF BOARD FOR A THREE (3) YEAR TERM ENDING 12/31/2015. Commissioner Funke motions to approve the appointment of Cindy Templer to the Golf Board for a three year term. Dan Morrison seconds. Commission Discussion: None.
Public Discussion: None. **VOTE: Unanimous. Motion Carried**

APPROVE RESOLUTION NO. 1047 ADOPTING A POLICY CONCERNING COMPLIANCE WITH THE IRS REQUIREMENTS FOR TAX EXEMPT BONDS. Finance Officer Cindy Dooley presented Resolution No. 1047 that will put tax compliant policies in place. The IRS requires that such a policy is in place. In order to have such a policy, it must be done through resolution. The policy basically outlines the documentation that must be kept. The other concern that the city will have to watch out for is called Arbitrage, which has to do with taking the bond money and investing at a higher rate of interest than what we will have to pay on the bond. It is basically profiting from the bond. That is not a problem at this time. The City is earning less than 1%. All of these things have to be in place. Commissioner Erickson asked Cindy if there are any rules about the amount of funds and specifics. Cindy answered that there are reporting requirements. Commissioner Campbell asked if this was being done through the Bond Attorney. Cindy replied that yes, Mr. Murdo helped write this policy. **Commissioner Morrison motions to approve Resolution No. 1047. Commissioner Lies seconds.** Commission discussion: None. Public discussion: None. **Vote: Unanimous Motion Carried.**

UPDATE ON REVENUE AND EXPENDITURE DRAFT BUDGET. Financial Officer Cindy Dooley reported that the Department of Revenue had submitted the wrong figures. The original numbers did not include any newly taxable properties. The Department of Revenue thought the entire city was in the Tax Increment Finance (T.I.F.) District. This was straightened out but the department is now showing only \$50,000.00 in newly taxable which would equate out to about 1.9 million in market value. The previous year the amount was \$204,000.00 of taxable value. Cindy reported that she has gone back to the Department of Revenue about the newly taxable property figure. The reason this figure is important is that the City can only mill what the City milled in the prior year. Last year the total was \$1,155,660.00. The inflation factor this year is 1.03%. If the newly taxable property figure is incorrect then everything will be off.

With the current figures from the Department of Revenue, the City will be able to mil \$1,173,919.00 which equates out to \$9,411.00 per mil. That's 124.74 mils. The Permissive Levy will generate about \$61,000.00. This will be reflected in the Revenue Budget in the General Fund. This is broken down between Real Property Taxes and Personal Property Taxes. Additional monies will be given for penalty and interest. This is a partial Revenue Budget working draft. The entitlement will be the same as 2012. The Expenditure portion of the budget now has the salary information. In the next week or so, the department heads will again review their budgets. There still needs to be a Capital Improvement Fund set up. The cash flow will also be looked at so that the City will know what amount will be left at the end of next year. There will be a preliminary budget hearing on September 4th, with a Public Hearing held an hour before the regularly scheduled Council meeting on that date. Mayor DeVries asked if the Preliminary Budget will be posted on the City website. Cindy answered that yes, the budget will be posted to the website. The budget will then be adopted at the September 16th Council meeting. Cindy emphasized that the hand out she gave council is not a complete budget. No action was requested for this subject. This was informational only.

PUBLIC COMMENT ON SIGNIFICANT MATTERS TO THE PUBLIC NOT ON THE AGENDA: Bob Fulton addressed the Commission regarding the subject matter of the Conflict of Interest with James Raymond. Bob informed the Commission that after his Letter to the Editor, which was published in the *Lake County Leader*, Bob was contacted by a local attorney. This attorney advised Bob to read the Montana Rules of Professional Conduct. It is Rule 1.9 Duties to Former Clients (a) A lawyer who has formerly represented a client in a matter shall not thereafter represent another person in the same or a substantially related matter in which that person's interests are materially adverse to the interests of the former client unless the former client gives **informed consent, confirmed in writing**. The former client would be the City. Bob asked if James Raymond did in fact give consent to the City in writing to take on the matter regarding Mike Maddy. Mayor DeVries replied that she didn't have knowledge if consent was given. Bob also gave an update on former City employee Ron Melvin's appeal to the Unemployment Insurance Board. The Board granted in Ron's favor. The City had the option to appeal the decision. The Board found the information given by City Attorney James Raymond was not credible. James Raymond then filed an appeal to the next higher level and they also found in favor of Ron Melvin. Bob wanted to public to be made aware of this fact.

Rory Horning questioned if the money donated to West Texas Fire Department was from the recent Fire Department boot fund drive. Rory requested that the public be informed about the donation to the West Texas Fire Department. Rory then addressed the topic of Executive

Session Litigation reporting. Once the matter is litigated it is no longer a private matter. The results of the litigation should be reported to the public.

Commissioner John Campbell related an incident that involved a friend of his in town. This friend's mother recently was a victim of theft. Police Officer Dave Bartholome responded. Officer Bartholome learned what had been taken was an American flag. He then went to the store, purchased a flag with his own money, returned and installed the new flag for her. (Note: there was a round of applause)

Commissioner Todd Erickson also asked if he could share an incident. Commissioner Erickson and his son were paddling around in the lake in front of their home when they heard the sound of a tremendous crash on Highway 93. Within a short period of time the Fire Department, Highway Patrol, City Police, and Tribal Police responded. Commissioner Erickson expressed his gratitude to all that responded so swiftly. Traffic was quickly dispersed and the accident was taken care of. Also, Commissioner Erickson thanked both the Fire Department and Police Department for their visibility in Ward 1 during the festivals. Police Chief Wade Nash commented that when good people are hired you get good results.

Meeting adjourned at 7:35 p.m.

Mayor Pat DeVries

Attest: Cora E. Pritt, City Clerk