

**POLSON CITY COUNCIL MEETING
CITY HALL COUNCIL CHAMBERS
WEDNESDAY, AUGUST 23, 2006, 3:00 P.M.**

ATTENDANCE: City Councilmen: Bruce Agrella, Mark MacDonald, Jules Clavadetscher, Mike Lies, Tom Corse, Fred Funke. Mayor Randy Ingram presiding. City Attorney James Raymond. Others Present: Joyce Weaver, Karen Sargeant, Tom Maloney, Marilyn Trospen, Ron Melvin, Tony Porrazzo, A. Doug Olson, James Raymond, Rod Hanson, Bonnie Manicke.

FISCAL YEAR 2006-2007 PRELIMINARY BUDGET WORK SESSION: Mayor Ingram asked if there were any questions.

Councilman Clavadetscher asked that the Golf membership fees be increased by the annual percentage increase in the cost of living index. He recalled that the Council agreed to do that at the time they passed the ordinance for the annual water rate increase. Mayor Ingram replied that the revenue is typically budgeted conservatively. Councilman Clavadetscher replied that he is less concerned about the dollars and more concerned that the rate of inflation is taken and considered in the budget. Council voted for both departments to increase by the cost of living percentage and they should follow through with it. Mayor Ingram replied that the cost of living index comes out in July and the Water Department will notify customers prior to implementing the increase, therefore it will not be effective until next month. Councilman Corse stated that Roger Wallace is aware of Council's action and will implement the increase for next season's memberships but it will not apply to daily rates.

Councilman Funke asked if a new Police Officer is budgeted in the Police budget as part of the special mill levy. Mayor Ingram confirmed that it is in the budget and there is also \$6,000 for MDT service for the laptops and \$25,000 for a new vehicle as part of the mill levy. Councilman Corse stated that it would be better to wait to purchase a vehicle because of the recent competitive market in the automobile industry. Councilman Lies suggested that they purchase two vehicles for the price of one through a lease purchase plan, which currently offers a low interest rate. Councilman MacDonald agreed they should be patient and get the best deal they can.

Councilman Clavadetscher asked if there are provisions in the budget to hire a City Engineer since Bob Fulton told Council last year that he would be retiring at the end of last fiscal year. Mayor Ingram replied that he has contacted engineering firms and they are not interested in providing that service because if they did they couldn't bid on the City's larger projects. Councilman Clavadetscher said they should plan for the inevitable event of his leaving and budget for a replacement which will cost considerably more than is currently budgeted and advertise for the City Engineer position, if only for soliciting interest. Councilman MacDonald agreed and thought there might be a retired engineer in the area who is interested in the position. Councilman Corse felt the ad should state 90 to 120 hours annually.

Councilman Clavadetscher asked about the expenditure budget for the Building Code Enforcement fund 2394. Building Inspector Ron Melvin explained that the amount of the fund's cash reserves that can be retained are restricted by state law and monitored annually. The revenues are from Building Permit Fees, Plan Review Fees and Mechanical Permit Fees only and the Planning Department's revenues are placed in the general fund. The 2394 Building Department Fund expenditure budget includes all of his salary, the clerk's salary and half of Planning and Zoning Official Joyce Weaver's salary and the other half is paid out of the General Fund 1000. The Building Department shares the Planning Departments' cost in order to provide the services that are required.

Street Superintendent Rod Hanson asked if the 3% is a cost of living raise. Mayor Ingram replied that they are trying to work out a fair compensation for all employees with regard to the difference the City is paying per employee. The single premium for health insurance is \$375 and the City pays up to \$475 for employee and children or the family coverage. The 3% raise is budgeted along with the full \$475 for each employees health insurance premiums. The other option they considered would be to give a 5% raise to everyone and only pay the single premium which seems to be the most common practice.

Rod Hanson asked that Tim Dolphin receive a fifty cent per hour raise which he didn't receive along with the other street crew when they were required to get their CDL license, under John Glueckert's term. Councilman Lies said he did get that raise. Mayor Ingram said he would look into it and if it was not done he would bring it back to Council for action.

Planning and Zoning Official Joyce Weaver stated that she is on her husband's health plan and gets very little benefit from the City's policy. She asked that Council consider compensating her and others who are covered by another plan by giving the amount of the premium to the employees directly, if they chose not to sign up on the City's insurance plan. She emphasized that there is no value in the City's health coverage for her and the City is paying for insurance that she cannot utilize although she would not want to jeopardize other employees' coverage. Council agreed to look into other options for employees in her situation. Councilman Lies clarified that when an individual is covered under two insurance policies one is the primary and is utilized first then the other is used as a secondary. Joyce Weaver stated that it is an issue for her and others and asked Council to review the City's policy. Councilman Clavadetscher replied that they would try to work toward a plan that is equitable for all employees.

Councilman Clavadetscher asked Library Director Marilyn Trosper if last year's audit issue regarding the funds in the special account have been approved by the Department of Administration. Treasurer Bonnie Manicke replied that the City has not received a reply to the audit. The DOA is backlogged with their review of audit reports. A letter from City Attorney James Raymond's stating his recommendation for the placement of funds was provided to them, which they requested to help them make their decision.

Treasurer Bonnie Manicke said she and Councilman Funke have been working on two new lighting districts through the assessment process to provide street lighting on Island View Drive and in the Woodbine subdivision. Both areas are very dark at night and nearly 100% developed. It would cost approximately \$2,000 for the power poles in Woodbine and the assessments would be processed in 2007. The property owners can petition or the City Council can decide to implement the lighting districts. Councilman Funke said it is an unhealthy safety issue and he is in favor of proceeding with placing lights in Woodbine and on Island View Drive. He contacted some of the residents and received some negative comments about the plan. Bonnie Manicke said she contacted Mission Valley Power to get the cost of the metal and wood poles and the cost of electricity for the districts and she will present that information to Council when she receives it.

Water and Sewer Superintendent Tony Porrazzo informed Council that the Ducharme Park Lift Station & Force Main Project Bids were opened today. Of the four bids received the low bid was Jensen Backhoe for \$780,686 and the high bid was \$1,100,000. Fred Phillips of Great West Engineering is reviewing the bids and his recommendation will be presented to Council.

Parks Superintendent Karen Sargeant informed Council that she is asking for an increase to \$8.50 for her Parks Lead Worker Mike Johnson, which is more than 3% that is being proposed. She received many public comments that he is doing a good job and she would like to make his salary comparable to other department's employees who have similar duties. Councilman Agrella asked if she had budgeted additional manpower for the Highway 93 maintenance responsibility the City recently acquired. She replied that she budgeted a position for 5 months at 8 hours a day. She explained that for those reasons her budget is higher than last year. Councilman Clavadetscher asked about the playground equipment for Boettcher Park. Karen Sargeant replied that the equipment was purchased from last year's budget and arrived today and she scheduled the construction after Labor Day. Councilman Clavadetscher asked if she had received bids on repairing the City Dock that is breaking off into the water. She replied that she received a bid for \$17,000 but she doesn't feel that cost justifies a five year fix. She is waiting for Denny McCrumb to provide a bid, which he promised to do.

Meeting adjourned at 3:40 p.m.

EXECUTIVE SESSION:

The Mayor and Council discussed the City's policy of paying up to \$475 toward each employees' health insurance premiums. Ideas were exchanged as to how to make it equitable for employees having single coverage which costs the City \$375 and those who have a family plan

which the City pays up to \$475. They related that most employers only pay the cost of the employees' single premium. Another option was suggested to establish a flex plan for the employees, which would be pre tax dollars. Discussion about the equity, advantages and disadvantages of giving wage increases by percentage versus the same amount for each employee was also considered. They related past work experiences where either method was used and also merit raises, which consider raises based on sick leave and vacation used and ability to do the job. They agreed that the City needs to change their policy and pay only the employees health insurance premium, and considered how to make that transition. They considered giving the employees a sixty- five cent per hour wage increase which would cover the increase for those with more than single coverage.

A request was made to budget Parks Superintendent Karen Sargeant's time that she spends working for the Fire Department especially in the winter months, in the Fire Department's budget and not full time in the Parks as she is budgeted currently. It was estimated at one quarter time and would be determined later. Council discussed how the other departments also help each other out and most of the services that are shared are budgeted within the General Fund.

Council confirmed that the Mayor's increased salary would stay.

They discussed a survey report compiled by the Planning/Building Department, of the fees charged by other cities. If the City were to raise its fees comparably it could only be to cover the cost of the service and the revenue should be deposited into the fund where the service was generated.

Concern was expressed about the water and sewer superintendent's job description requiring that person to be certified as a sewer operator. A recommendation was made that a time frame of ninety days be given to comply with that requirement.

Meeting adjourned at 4:50 p.m.

Randy Ingram, Mayor

ATTEST: _____
Aggi G. Loeser, City Clerk