

**POLSON CITY COMMISSION MEETING MINUTES
CITY HALL – CITY COMMISSION CHAMBERS
MONDAY, SEPTEMBER 19, 2011, 7:00 P.M.**

ATTENDANCE: City Commissioners: Todd Erickson, John Campbell, Judy Preston, Elsa Duford, Fred Funke, and Commission President Mike Lies presiding. Mayor Pat DeVries absent. City Attorney James Raymond present. City Manager Todd Crossett absent. Others present: Planning Official Joyce Weaver, Dan Jury, Dave Sheesley, City Treasurer Bonnie Manicke, Water & Sewer Superintendent Tony Porrazzo, Rory Horning, Robin Wallace, Lita Fonda, Jim Redmond, Murat Kalinyaprak, and Margie Hendricks.

Commissioner Lies called the meeting to order and the Pledge of Allegiance was recited.

APPROVAL OF PROPOSED AGENDA: Mayor Lies noted that Jackie Gran of the Library Board had called and asked that item #8 on the agenda be tabled due to unforeseen schedule conflict. She sent her apologies for the inconvenience. **Commissioner Funke moved to approve the approval of the proposed agenda, with item #8 tabled until October 3rd, seconded by Commissioner Erickson. Commissioners Erickson, Preston, and Funke voted in favor. Commissioners Lies, Campbell, and Duford opposed. The motion died for lack of a majority. Commissioner Campbell moved to approve the agenda as proposed, seconded by Commissioner Funke. The motion carried unanimously.**

CONSENT AGENDA:

A. SEPT 1-15 CLAIMS

Commissioner Funke moved to approve the Consent Agenda, item A, seconded by Commissioner Campbell. The motion carried unanimously.

CITY COMMISSION MEETING MINUTES SEPTEMBER 7, 2011: **Commissioner Campbell moved to approve the Commission meeting minutes of September 7, 2011, seconded by Commissioner Preston.** Rory Horning commented that his comments on page 7 of the minutes were incorrect, and asked that the minutes reflect that he had heard “staff member” say that the mansion could open the City up to legal liability. Murat Kalinyaprak commented that once again the minutes had been editorialized and expressions had been inserted, like the word “accused” was put in where someone was making a statement, not accusing. He commented that he guess there was no use to asking again and again because Commission was not capable of protecting the citizens or telling those who are doing minutes not do it again. He commented that the meetings were recorded so whatever they doctored was useless. He felt that the minutes would be better if they were accurate. **Commissioner Campbell moved to amend the motion so that the word “staff” could be added where Mr. Horning had directed, seconded by Commissioner Preston. The motion to amend carried unanimously. The motion to approve the Commission meeting minutes of September 7th as amended carried unanimously.**

REQUEST FOR 3 YEAR EXTENSION PRELIMINARY PLAT APPROVAL – DAN JURY 3 LOT SUBDIVISION – OCTOBER 17, 2011 TO OCTOBER 17, 2014: Planning Official Weaver explained that this was a standard extension for a subdivision, and may be

granted per HB 0522. Commissioner Campbell inquired if there were any changes. Dan Jury advised that he was unaware of any new structures and the subdivision was the same as originally approved three years prior. **Commissioner Preston moved to grant a 3 year extension for preliminary plat approval for Dan Jury's 3 lot subdivision effective October 17, 2011 through October 17, 2014. Commissioner Funke seconded the motion. The motion carried unanimously.**

ANNUAL GOLF FEES 2012: Commissioner Duford inquired if donating golf passes affected the rates. Golf Board President Dave Sheesley advised that they did not. Commissioner Erickson inquired about the increase. Dave Sheesley advised that it was a 5% increase across the board. This added approximately \$20 to a season pass. This decision had been reached mostly by the rise of fuel prices. Commissioner Preston inquired if they expected a rise in the revenue vs. expenditures with the increase. Dave Sheesley advised that they expected to stay about the same. Fuel prices were up, and that increase would balance it out assuming prices follow the same trends. **Commissioner Funke moved to approve the 2012 annual golf fees, seconded by Commissioner Preston.** Murat Kalinyaprak commented that he maintained his opposition to the couples pass discount. He commented that there were problems with comparing Polson's fees to other courses. He reviewed the fee increases and the user trends, commenting that use had steadily declined. He commented that there used to be 1,200 players, now there were 518 or 525. He commented that the hand written lists had some illegible writing. He felt that the course would be better if there were more players vs. few players playing more. He commented that people were dropping off every year that he had followed. He wondered if the Commission would do anything about the public golf course being turned into a private golf course for a lucky few. Golf Board Member Jim Redmond commented that he had provided the fuel tables and sorted the fees based on last year's singles pass price at comparable courses. He advised that fuel and fertilizer were the big operating costs. He commented that they had gone before the MT State Board to ensure that they were comparing to equal membership and quality of courses. He commented that the irony was that they were one of the cheapest in western Montana. He advised that they were not trying to run an exclusive golf course, that it was the opposite. He commented that they recognized that folks needed affordable rates. He commented that they would not need to raise the rates if the City paid the difference. He pointed out the slow season start due to last spring's weather. He felt that it was not fair to say that they were reasonably priced, because they were. He commented that they were a self contained business and needed to balance the numbers due to fuel increases. He commented that it was not correct to say that they were not conscious of the golf needs of Polson, that they had the most affordable course in the State of Montana. Rory Horning commented that it would be nice if citizens of the City could give their opinions without having someone correct them. He commented that people should respect others opinions as theirs. Jim Redmond commented that in his opinion he did not attack Mr. Kalinyaprak, he took issue that he had alleged that they were running some kind of wealthy course when they were not. He commented that he was appalled that Mr. Kalinyaprak didn't stand for the Pledge of Allegiance, which was his bias as a veteran. Mr. Horning commented that so was his mother and that didn't make Mr. Redmond any better than him. Commissioner Lies asked for them both to stop. Mr. Horning commented that he should have stopped it before Mr. Redmond came again. Commissioner Duford asked if the passes tourists purchase were affected even if they get here late, like this last year. Jim Redmond commented that there was some affect, and he discussed the types of pass holders, their numbers and rates,

adding that it was a combination of all of those that led to their rates. He noted that they counted on the daily fee from the full tourist months for significant cash flow. He commented that they could not begin to make cost on season passes without the vacation full rate payers. He commented that the summer full rate, daily fees, to help keep the season passes down as much as possible. Commissioner Preston inquired if the daily rate in Polson was lower as well as the season passes. Jim Redmond advised that it depended on the course, some were higher daily rates, but the travel to visit Polson was an additional expense for those customers. Murat Kalinyaprak commented that he was speaking for himself and he did not offer opinions, he offered numbers. And he had been offering numbers for seven years. He commented that there was no denying the membership numbers. He commented that they were comparing the prices against other courses, but questioned when someone looked at how many pass holders those courses had. He questioned what other public courses had 518 pass holders. He commented that this was a private club, not a public course. He questioned what was wrong before and opined that it was probably making more revenue compared to today if numbers were adjusted for inflation. He commented that they did not adjust their numbers for inflation. He commented that he was not denying that costs were increasing, but he felt they should sell more passes for less so that more could be sold. He commented that the golf course was probably at half capacity and compared that to other courses. He commented that he was just bringing the numbers to the Commission again, and he would probably be ignored again. He commented that he bet \$1 that there would be 5% less players with the increase. He referenced the member loss from a rate increase in 2005. Commissioner Preston expressed that she believed Mr. Kalinyaprak's numbers, but she did not think he could be sure of his assumption that price was the only reason the rate had gone down. She commented that it seemed to her since the economy starting in 2008, he was being a little bit short sighted and single minded to think that the price increases was the only reason people weren't golfing. She guessed if they dropped the prices \$5 all around they wouldn't necessarily get those people back because a lot of reasons, one being the economy. She commented that she believed his numbers, but that it was more complicated. She commented that she assumed the golf board was looking at those numbers and not trying to make a private course. Commissioner Duford referred to the price increase several years prior and heard that some people would be switching to punch cards. She inquired if punch card use had gone up in that time. She inquired if punch cards were an option to be considered to be dropped so more people could golf without the expensive membership. Dave Sheesley commented that punch cards had remained pretty consistent, and the most common use for a punch card was for people that didn't have the time to play. He commented the national average of times golfed per year was 7 times, and that was who they were targeting with the punch cards, which was significantly cheaper than a season or daily pass. He added that the proposed rate increase was 5% across the board. **The motion to approve the 2012 annual golf fees carried 5-1, Commissioner Duford opposed.**

2012 GOLF SEASON PASS DONATION TO THE ELKS FOR REGIONAL SCHOLARSHIPS: Golf Board President Sheesley advised that the City Commission annually can approve up to 6 donated passes per year, and so far 2 had been approved. **Commissioner Campbell moved to approve the season pass donation of two golf passes to the Elks Club for regional scholarships.** Margie Hendricks commented that she thought it was a wonderful idea to donate, but that they needed to be consistent to all non-profits. She felt it was not fair. She commented that she would like them to donate to the Sandpiper Gallery's scholarships.

Commissioner Lies advised that there was a resolution granting the City Commission the ability to donate up to 6 passes per year to non-profits. Margie Hendricks replied that she didn't think that was fair. Murat Kalinyaprak commented that he was not necessarily opposed to giving away the passes, but the City was giving away too many things from various departments. He commented that it was good, but it was basically making charitable donations with tax payer dollars, which those tax payers may not want donated. Commissioner Lies noted that the golf department was an enterprise fund, and not public funds. Murat Kalinyaprak responded that it was owned by the public. **The motion to donate the passes carried unanimously.**

REQUEST TO WAIVE WATER & SEWER CHARGES FOR NORTH LAKE COUNTY PUBLIC LIBRARY: Commissioner Lies advised that Jackie Gran had requested the item be postponed. He commented that the City had been very fair; including covering the operating costs of the first 6 months of the district. He felt they should not waive the fee and pointed out a good share of utility hookups were other non-profit organizations. Water & Sewer Superintendent Porrazzo commented that he agreed, and questioned the precedent it would set for other non-profits. **Commissioner Preston moved to deny the request.** City Attorney Raymond noted that as a traditional matter the Commission generally did not approve negative motions. **Commissioner Preston withdrew her motion. The item died for lack of a motion.**

AUGUST 2011 CASH REPORT: City Treasurer Manicke advised that the delinquent real property tax collections had increase \$24,000 compared to the same period last year. The HB124 State of Montana Entitlement would remain at the 2010 level. During the 2011 legislative session the entitlement was frozen for fiscal years 2012 and 2013. The FY 2012 projected revenue was \$562,123.88. She advised that there were several negative balances. The hanging baskets fund was -\$228.31 in addition to the September payroll, which indicated the increased watering for the bulb outs. The building code enforcement fund was -\$27,775.70, however the building season was still in progress and they hoped to decrease the negative balance before winter. The DEQ energy grant was -\$34,603.14, however in September a final close out payment of \$26,647.19 had been received. The negative fund balance remaining would be approximately \$8,000. SID #42 Main Street Project construction fund was -\$9,755.52. She had submitted a CTEP draw to complete the project. The SID #42 sinking and interest was -\$5,409.05, which reflected 8% delinquent assessments. The stormwater fund was -\$158,863.63. She noted that the auditor represents all the fund balances maintained by the sewer department together, therefore the negative balance would not be a single entry in the audit report. Commissioner Campbell inquired if the first payment of HB124 had been received. City Treasurer Manicke advised that it been received earlier that day and would be reflected in the September cash report. Commissioner Lies inquired if the cash balance, including the HB 124 payment, was enough to make it through to the end of the year. City Treasurer Manicke advised that if everything works out with the Department of Revenue and the download, hopefully they would not be put in the position they were last year when taxes did not have to be paid until December 17th, which is normally November collection. She noted that if they were billing correctly they typically began receiving tax collections in October. She noted that a huge hit the general fund took every year was the MMIA liability and property insurance programs that must be paid at the beginning of every year, which was a problem for all municipalities. **Commissioner Campbell moved to approve the August 2011 cash report, seconded by Commissioner Funke.** Murat Kalinyaprak commented that he had heard a rumor that the City

was in a position to collect money from Westana, but was not pursuing that or collecting the Tamsco lease. Commissioner Lies advised that he did not have the answer to those questions, and they were not part of the cash report. **The motion carried unanimously.**

PUBLIC COMMENT ON MATTERS OF SIGNIFICANT INTEREST TO THE PUBLIC NOT ON THE AGENDA: City Attorney Raymond advised that City Treasurer Bonnie Manicke was recently formally recognized for successfully maintaining the Certified Public Finance Administrator credential by the Association of Public Treasurers' of the United States and Canada. The professional accreditation is designed to recognize individuals who demonstrate a strong knowledge of public finance. The accreditation is renewed every five years through continuous professional development. A minimum of 50 credits are required while she maintained 65 credits. Bonnie appreciates the administration's support. Additionally the certification provides recognition to the city. He noted that Police Chief Chase had been awarded the 2011 lifetime achievement award from the Board of Crime Control. He read the award letter to the Commission. The Commissioners recognized the award with applause.

Murat Kalinyaprak inquired if he could ask the questions about Westana and the Tamsco lease payments at this time. Commissioner Lies advised that he did not have the answers. Murat Kalinyaprak asked if City Treasurer Manicke could answer. City Treasurer Manicke advised that she had supplied info to the City Attorney on the outstanding balance of the Tamsco building lease. She noted there was a cause filed on the judgment of Westana at Lake County Clerk of Court and she had provided the necessary information to the City Attorney for that. She noted that the Tamsco building lease payments should be \$1,500/month for the facilities, she believed the last payment was in August 2010 of approximately \$12,000.

Murat Kalinyaprak commented in regards to the comment about him not standing for the Pledge of Allegiance. He commented that he knew it bothers some, but he had stood up and said something about it. He commented that he did not do it for 3 reasons, it was not required, and it doesn't make a person a better American. Many people were opposed to the wording of it, including "one nation" and "under God", particularly on a reservation which was recognized as a sovereign nation. He felt it was in bad taste in their face to chant that. He commented that the practice came up when Jules Clavadetscher was appointed as Mayor, and he did not believe one person should be making public policy. He wouldn't say the Pledge because one person stood up out of the blue and said do it, others were welcome to.

City Treasurer Bonnie Manicke commented that during the summer she had conversed with tourists visiting the Main Street City Center. Many positive comments were shared noting the Streetscape Project enhancements. The curb landscape with personalized bricks and stylish benches were provided by community donations and sponsors. The fund raising committee appreciates the community efforts to modernize the city center. She invited commission members to attend the Streetscape Fund Raising Committee meeting Tuesday, September 20th 5:00 p.m. at 105 First Street East.

Rory Horning commented that some property owners on Main Street had gotten special deals which others did not get. He commented that they'd had a land use question a meeting prior, that could bring the City into legal ramification. He felt that if they had an SID and charged

everyone the same but did not give everyone the same thing, they may be leading themselves into legal ramifications. He commented that he saw that they do have control of the agenda. He pointed out that in the previous meeting three of them had asked for Mr. Fulton's letter to be on the agenda but it was not, he guessed they didn't have someone to fill out forms for them or they just forgot. He commented that the City Manager was not present and one of the most important staff position, the Chief of Police, would soon be vacated, and they have no word as to how that was going, but who cares, it was only an important thing. He commented that other things had been forgotten, an ethics committee, the recycling grant program was still not available for the rest of the City outside the City or schools, which could be revenue. He commented that the Under Sheriff had reported recyclables were being stolen. He directed attention to the wall where resolution 1006 was hanging and said when that was passed it was as much for the Commission as it was for the public. He commented that every time it had to do with someone standing up and talking down to him, it was always him who was the bad guy. He commented that if they were going to hang it on the wall, then enforce it, but it was their ordinance and it goes to the chair.

The meeting adjourned at 9:00 p.m.

Commission President Mike Lies

Attest: Kala Parker, City Clerk