

**CITY COUNCIL MEETING MINUTES  
CITY HALL – CITY COMMISSION CHAMBERS  
MONDAY, OCTOBER 6, 2008, 7:00 P.M.**

**ATTENDANCE:** City Commissioners: Bruce Agrella, Jim Sohm, Jules Clavadetscher, Elsa Duford, Fred Funke, Mayor Lou Marchello presiding. Interim City Manager Mike Lies and City Attorney James Raymond present.

Mayor Marchello called the meeting to order and the Pledge of Allegiance was recited.

**APPROVAL OF PROPOSED AGENDA:** Commissioner Clavadetscher moved to amend the motion to change item #4, Ordinance 638, to change the Council and PGA members both to ‘members at large’ and also to remove #5 from the agenda until the Golf Board could make a recommendation to the Council, seconded by Commissioner Agrella. The amendment passed unanimously. Commissioner Clavadetscher moved to approve the amended agenda, seconded by Commissioner Sohm. The motion passed unanimously.

**CONSENT AGENDA:**

- A. CITY COUNCIL MEETING MINUTES SEPTEMBER 24, 2008**
- B. SEPTEMBER 1-15 CLAIMS/X**

Commissioner Funke moved to approve the consent agenda items A and B. Commissioner Sohm seconded the motion. City Manager Lies noted two corrections to the September 24 minutes, the new commissioner’s term would end in January 2010 and the public fund investment bid from 1<sup>st</sup> Interstate Bank was at 3.35% APY. **The motion passed unanimously.**

**ORDINANCE #638 – SECOND READING – MUNICIPAL CODE REVISE GOLF BOARD MEMBERSHIP – 2.38.010 TO CHANGE BOTH THE PGA MEMBER AND COUNCIL MEMBER TO ‘MEMBER AT LARGE’ SINCE THE PGA BECAME INACTIVE 10/01/08:** Commissioner Clavadetscher moved to approve the second reading of Ordinance #638 as amended, seconded by Commissioner Funke. **The motion passed unanimously.**

**REQUEST TO CHANGE NAME OF MRL WALKPATH TO ‘CAROL SHERICK TRAIL’:** Mike Roberts, a member of PARC, proposed to name the new walk path the ‘Carol Sherick Trail’ or ‘Carol Sampson Sherick Trail’. He expressed that Carol had been the biggest influence on walkers in Polson. He advised the Council that they would be losing her, due to illness, and felt that the trail should be named after her, if it was agreeable with her family. He pointed out that it would be good grounds for a fundraiser since the trail needs benches and lighting. He added that they had a lot of ideas for improvements. **Commissioner Clavadetscher moved to approve the name of the walk path to the ‘Carol Sampson Sherick Walk Path’, seconded by Commissioner Funke.** City Manager Lies reminded that the property was owned by MDOT. He had contacted Ken Lambeth who told him that it was fine to change the name as long as the signs are off to one side and don’t affect traffic. Mike Roberts added that the Park Board had unanimously approved the name change. Police Chief Doug Chase explained the he was whole-heartedly in favor of the name change, and expressed that she was one of the finest ambassadors to Polson he had met in his seven years here. And she had

brought much credit to the community through her involvement in community activities and in her interaction with the public. Marty Corse thanked Mike Lies for helping. She had also talked with Penny Jarecki who was putting together a community development grant, and they would be meeting to hopefully tap into that for plaques and markers. Mike Roberts noted that the 5K Live Locally run/walk on October 25 would be used as the trail name release. **The motion passed unanimously.** Mike Roberts thanked the Council.

**REQUEST PERMISSION TO USE 6<sup>TH</sup> AND 7<sup>TH</sup> AVENUE EAST BETWEEN LINDERMAN AND WALKPATH:** City Attorney Raymond informed the Council that he had spoken to Lori Russell who would not be attending the meeting, and she stated they were requesting the same street use they did every year. **Commissioner Funke moved to approve permission to use 6<sup>th</sup> and 7<sup>th</sup> Avenue East between Linderman and the walk path on November 1<sup>st</sup>, seconded by Commissioner Agrella. The motion passed unanimously.**

**RESOLUTION #969 – PETITION FOR ANNEXATION –COS 6443 TRACT C – ELINOR & GEORGE COLLINS:** City Manager Lies informed the Council that they had already hooked up to sewer due to an emergency the previous week with the house's septic system. He added that the Collins had already paid all the fees. **Commissioner Sohm moved to approve Resolution #969, seconded by Commissioner Agrella.** Commissioner Duford asked if the sewer had to be extended very far to the property. City Manager Lies replied that the tap was already there.

**PROPOSED ANNUAL GOLF COURSE FEES:** Roger Wallace informed the Council that the proposed rates were not increased from the previous year, and the late pay fees had been reduced. He explained that currently patrons who pay for annual passes with a credit card were charged 5% more to cover the credit card service charges, but they were now proposed to change to 2%. **Commissioner Clavadetscher moved to approve the proposed annual golf course fees, seconded by Commissioner Sohm.** Commissioner Duford directed attention to the re-implementation of the couples pass. Roger Wallace advised that several years ago the couple's pass had been contested, however the State Human Rights Division had recently ruled in the City's favor and the Golf Board felt it was time to bring the couple's pass back. Commissioner Clavadetscher asked what the definition of 'couple' was for the purpose of the couples pass. Roger Wallace replied that it was as the state defined married to include common law. Commissioner Duford asked how the golf course had fared without the couples discount. Roger Wallace replied that the golf course did not lose revenue, however the revenue picture looked very different than 5 or 10 years previously through punch cards, green fees, and season passes. He explained that the discount was to give people who couldn't afford the season pass another avenue to use the course. He felt the various fees did well to meet different socioeconomic strata. Murat Kalinyaprak commented that he was against the couple's pass. He commented that the fee schedule had not been consistent or reasonable. He expressed previous concerns for the fees and fee adjustments. He commented that during the hearing over the couple's pass he had asked Roger Wallace if losing the couple's pass had helped or hurt the golf course. Mayor Marchello advised that three minutes had nearly passed. Murat Kalinyaprak continued, adding that Roger Wallace had said there was no significant loss in membership. Mayor Lou Marchello asked Mr. Kalinyaprak to return to his seat. Murat Kalinyaprak implored the Commissioners to ask to hear the rest of his information. Commissioner Duford asked why the three-minute rule

was so stringent. Mayor Marchello replied that he keeps track of all of the public speakers during meetings. He asked Mr. Kalinyaprak to return to his seat, which he refused several times. Commissioner Duford stressed that she had no objection to Mr. Kalinyaprak giving the Council more information, and didn't see why he couldn't finish as it was pertinent to items on the agenda. Mayor Marchello asked the Sergeant at Arms to take Mr. Kalinyaprak back to his seat. Police Chief Doug Chase escorted Murat Kalinyaprak back to his seat. Commissioner Duford offered to meet with Mr. Kalinyaprak after the meeting if the other Commissioners were not interested in the information. Tom Corse commented that even if the golf course would make more money without the couples pass, one of the important functions of government is public policy, which did not mean making mone, it meant having a strong community. He added that it was the feeling of the golf board that having a couple's pass was the right thing to do, it would encourage family participation. He pointed out that it was well within the City's right to do so, as affirmed by the Human Rights Commission. He encouraged the Commissioners to proceed. **The motion passed with Commissioners Agrella, Sohm, Clavadestcher, Funke and Mayor Marchello in favor, Commissioner Duford opposed.**

**ADDITIONAL PARKING IMPROVEMENTS ON 1<sup>ST</sup> STREET WEST AND RIVERSIDE PARKING AREA:** Commissioner Sohm informed the Council that Tally Duford of the PBC had brought the idea up of building a staircase to 3<sup>rd</sup> Avenue West from Riverside Park to help with the parking on Main Street. He added that he proposed they form a group to get together and analyze the parking in the entire downtown area. He felt it was the responsibility of the City and business community to address the need for parking. Commissioner Clavadetscher expressed concern over the boat launch at Riverside, which was dangerous for children, and the entrance to the park, which was dangerous for vehicles. Commissioner Sohm agreed, suggesting possibly moving the boat launch to Salish Point and have RV parking on Kootenai Avenue. He felt a group needed to be formed between the City and the PBC to address the issue. Tally Duford informed the Commissioners that she was currently waiting for some estimates to return. She commented that the boat launch is a huge issue and suggested possibly moving all the swimming to Salish Point. She advised that the PBC had offered funds for a directory.

**PARKING METERS ON MAIN STREET:** Commissioner Clavadetscher advised that he agreed with the concept, but Salish Point was a complex issue, adding that he had previously researched charging for parking. Commissioner Sohm expressed that parking meters were a suggestion, not the solution. Commissioner Agrella pointed out that the street he lives on gets overloaded with parking traffic, and the issue needed resolved. Tally Duford suggested 2 hour parking limits on Main Street. Lee Manicke noted that there had been a substantial increase in parking, however turning Riverside into a parking lot was wrong. He pointed out that there were several lots for sale on Main Street down by Polson Paint & Glass, which could possibly be purchased and used as a parking area. Murat Kalinyaprak asked if the other speakers had been timed. Tally Duford stressed that if people can't park near your store, they won't go to your store.

**RESOLUTION #970 – SPECIAL ASSESSMENTS FY '08-'09:**

Special Improvement Sanitary Sewer System District Number 38 (Commonly known as Lake Hills Estate)	\$3,332.70
Special Improvement Road Surface District Number 39	\$2,949.32

(Commonly known as Hillside Court)	
Residential Light Pole Installation-Island View Estates	\$262.60
(One time installation fee)	
Street Light Maintenance District #19	\$9,579.26
Street Light Maintenance District #20	\$4,478.83
Noxious Weed Control Maintenance	\$1,910.00
Sidewalk, Curb & Gutter Improvements	<u>\$1,916.66</u>
TOTAL ASSESMENTS LEVY	\$24,429.37

City Treasurer Bonnie Manicke informed the Council that the light maintenance district reflects a new billing by Mission Valley Power. There was a minor levy increase in the residential area, while in the downtown business district there was a 65% increase. The assessments being paid by downtown business owners will show a 65% increase at 40% of the total, the general fund picking up the other 60%. **Commissioner Funke moved to approve Resolution #970, the special assessments FY '08-'09. Commissioner Agrella seconded the motion. The motion passed unanimously.**

**APPROVAL OF PLEDGE SECURITIES:** City Treasurer Bonnie Manicke informed the Council that Glacier Bank has no certificates of deposit, but it had \$1,855,716.22 in pledge securities. 1<sup>st</sup> Citizens Bank has savings and certificates of deposit totaling \$2,079,410.92 and \$2,113,886.45 in securities pledged. 1<sup>st</sup> Interstate Bank had certificates of deposit of \$1,750,000 and their securities pledged totaled \$1,750,000. Community Bank has a certificate of deposit for \$750,000 and their securities pledged totaled \$876,013. She added that all of the pledging was at par or over. **Commissioner Funke moved to approve the pledge securities, seconded by Commissioner Sohm.** Commissioner Clavadetscher asked if there was anyway to ensure the real estate loans would be good loans. City Treasurer Bonnie Manicke replied that she compares previous reports to the current to analyze a reduction in the loan amount. She noted that it was not her privilege to know the details of the loans. **The motion to approve the pledge securities passed unanimously.**

**INVESTMENT INTEREST EARNINGS FY '07-'08:** City Treasurer Bonnie Manicke informed the Council that the handout reflected a cash basis for FY '07-'08 of \$202,023.42. The projected interest earnings were \$195,979, which exceeded the projection by \$6,044.42 or 3%. The interest rate range was 3.75-5.51% on the investment bids. The national average for the same term was 3.5-3.75. The interest rate range on the repurchase agreements was at 1.5-5.07. She added that Polson was within the realm of the national quotes. The interest earning from government fund issues for the past year were at \$13,125 and local banks were \$188,898.42 for a total of \$202,023.42. **Commissioner Clavadetscher moved to approve the investment interest earnings for fiscal year '07-'08, seconded by Commissioner Sohm. The motion passed unanimously.**

**PUBLIC FUNDS INVESTMENT BID – PURCHASED CERTIFICATE OF DEPOSIT AT 1<sup>ST</sup> CITIZENS BANK - \$900,000 – 9 MONTHS @ 4.30%:** City Treasurer Bonnie Manicke informed the Council that other bids had been received from Community Bank at 3.38% APY, 1<sup>st</sup> Interstate Bank at 3.20% APY, and Glacier Bank at 2.76% APY. The comparisons were a 6 month Treasury bill at 1.57%, a 1 year Treasury bill at 1.96%, and a 9 month agency of the U.S. Government at 2.946%. **Commissioner Sohm moved to approve the public funds investment**

**bid certificate of deposit purchased from 1<sup>st</sup> Citizens Bank for \$900,000 over 9 months at 4.30% APY, seconded by Commissioner Funke. The motion passed unanimously.**

Mayor Marchello informed the Council that he had been in communication with Paul Poczobut and he had agreed with the contract being \$70,000 with an additional \$5,000 moving expense. The Commissioners agreed to vote on the contract at a special meeting Thursday, October 9, 2008 at 5:30 p.m. He added that Mr. Poczobut would be ready the first of November.

**CITY MANAGER COMMENTS:** City Manager Lies mentioned that Skyline had been dug out as much as they could and the new signs would be there the following week. He had and would continue to be in contact with the County in regards to Skyline's repair. He added that the City and the County would have to work together.

**PUBLIC COMMENTS:** Murat Kalinyaprak commented that during the testimony Roger Wallace had repeatedly stated the couples pass was established for business reasons, not public policy. He opined that couples pass imposed values of marriage and did not give breaks to seniors or children. He commented that others might file similar complaints against the golf course, and the City may not be covered by MMIA for discrimination suits because they are not unforeseeable acts. He questioned the late fees. He thanked councilwoman Duford

**The meeting adjourned at 8:10 p.m.**

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**Mayor Lou Marchello**

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**Attest: Kala Parker, Assistant City Clerk**