

**CITY COMMISSION MEETING MINUTES
CITY HALL – CITY COMMISSION CHAMBERS
MONDAY, DECEMBER 21, 2009, 7:00 P.M.**

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

CALL TO ORDER: Mayor Marchello called the meeting to order and the Pledge of Allegiance was recited.

APPROVAL OF PROPOSED AGENDA: Commissioner Lies moved to approve the agenda as proposed, seconded by Commissioner Agrella. The motion carried unanimously.

GUIDELINES FOR PRODUCTIVE DISCOURSE: City Manager Crossett conveyed his observation that Polson had much going for its community with many volunteer efforts. He noted that these are challenging, rapidly changing times. He voiced his observation that the tenor of public discourse in recent months has worked counter to important voices being heard and that this muffling of public discussion limits the community's ability to have the difficult conversations critical to making complex decisions. He suggested that opportunities be seized by the many different ideas that sometimes breed conflict. He explained that sarcasm, intimidation, and abusive language and actions make it difficult for people to "hear" what is being said. Further, it creates an atmosphere that feels unproductive and unsafe, discouraging people from engaging. He added that while we all feel frustrated when we don't get what we ask for, we may want to consider that our input does, in fact, influence decisions and that it is important to the decision making process even when outcomes do not go our way. He suggested they entertain guidelines to help encourage productive and helpful discourse. Mayor Marchello added that they encourage all citizens to participate, however if one were to become abusive to a member of the Commission, staff, or public they would be asked to return to their seats.

CONSENT AGENDA:

A. CITY COMMISSION MEETING MINUTES – DECEMBER 7, 2009

B. DECEMBER 1-15 CLAIMS

Commissioner Agrella moved to approve the consent agenda, seconded by Commissioner Funke. Commissioner Duford brought attention to page 5 of the December 7th minutes, in which George Mahoney was directed to make an appointment if he had further questions. She expressed that Commission should be able to answer questions or the item shouldn't be on the agenda. **The motion carried unanimously.**

GOLF COURSE FOOD & BEVERAGE AND ALL BEVERAGE ALCOHOL LICENSE – OPTIONS: City Manager Crossett explained that the City had the option to request proposals from new vendors or take over the restaurant. He suggested that

they learn from the past vendors, and if the City takes over, build a business plan specifically to service the golf course and golfers. From the feedback he has received consistency was valued, and he suggested they provide targeted consistent service with casual food. He stressed that an experienced manager to run the day to day of the restaurant would be key to the success. The City would need to act soon, as the golfing season begins in early March. Running the preliminary numbers it looked as though they would break even the first year (up from a \$10,000 - \$15,000 annual loss over the past several seasons), and he felt they could begin earning a profit in the second year of operation. He recommended that if the City takes over operation of the restaurant. He noted that the City could operate its all beverage license just as easily as it could operate a beer and wine license and that it would therefore be unnecessary to sell the all beverage license at this time – making it tenable for the City to hang on to the license until the market for such licenses improves. Commissioner Sohm commented that he believed the City should take over, to understand the restaurant and the underlying problems the vendors have experienced. He was opposed to selling the all beverage license. He felt that if the City did run the restaurant, they would be in a better position to negotiate with future vendors. Commissioner Lies expressed his agreement. **Commissioner Lies moved to table the golf course food & beverage and all beverage alcohol license option until the January 20, 2009 City Commissioner meeting, seconded by Commissioner Funke. The motion carried unanimously.**

AUTHORIZE CITY MANAGER TO NEGOTIATE AND CLOSE SALE NOT TO EXCEED \$700,000 FROM SEWER TO PURCHASE MERIDIAN BUILDING AS-IS, WHERE-IS, SUBJECT TO DUE DILIGENCE – OR IN THE ALTERNATIVE DIRECTION AS TO EAST OR WEST SIDE PROPOSED SITES: City Manager Crossett recalled that at the previous meeting a lawsuit from the 1960's had been mentioned in regards to the lagoon location. He explained that the suit is mentioned in the minutes, but after researching both from the City and the County the suit was never filed and the land was not encumbered by any lawsuit or restriction as to placement of a sewer facility such as the one currently being considered by the City. He noted that the new wastewater facility would not be at all like the current lagoon system. He added that purchasing the Meridian building would save roughly \$1 million and about 2 years of construction. Commissioner Sohm expressed that agenda item had been worded poorly, and felt that it diminished the City's ability to negotiate a lower price. Commissioners Lies and Agrella expressed that they wanted full disclosure of the partners involved with B & I Holdings, LLC. City Manager Crossett pointed out that the lease agreement did not give internal information on the company. He also noted that he and James Raymond had researched the LLC through the Montana Secretary of States and had learned and previously communicated to the Commission that the company was listed as a privately held limited liability company with Mike Maddy listed as the registered agent. He explained that as it was not publicly traded, that the membership was not public information, however he would request that the LLC disclose their partners. **Commissioner Funke moved to table the negotiation and purchase of the Meridian building until the January 4th, 2010 City Commission Meeting, seconded by Commissioner Agrella. The motion carried unanimously.**

CITY MANAGER CONTRACT REVISED: Mayor Lou Marchello noted that there was no wage increase, but there was more flexibility in his time. **Commissioner Lies moved to approve the City Manager revised contract, seconded by Commissioner Sohm.** Murat Kalinyaprak questioned the City Manager not being at work every Friday. City Manager Crossett explained that he averages over 45 hours a week, from before 8 am for early meetings, and often well into the night. He felt it served the City better for him to be available at any hour needed, rather than just regular office hours. Commissioner Duford mentioned that she was not comfortable with 20 days of vacation leave for the City Manager and felt the contract should have been discussed publicly. **The motion carried 5-1, Commissioner Duford opposed.**

GOLF PRO CONTRACT – ROGER WALLACE/LINKS MANAGEMENT: City Manager Crossett noted that Roger Wallace had not requested any increase in wages, and that roughly 20% of his contract went towards pro shop employees. There would also be additional responsibility Roger would assume if the City took over the course restaurant. **Commissioner Sohm moved to approve the golf pro contract and lease agreement with Roger Wallace and Links Management, seconded by Commissioner Funke.** Commissioner Lies mentioned that he would prefer a one-year contract, rather than three. Commissioner Sohm expressed that one-year contracts left no security for the vendor, and he was opposed to it. Mike Shoquist commented that Roger Wallace had a proven track record, vice-president of the PGA, and was a great asset for the community. He strongly recommended a three-year contract. Commissioner Sohm expressed his agreement, adding that other courses he visited were not in as good of shape as Polson's. Commissioner Duford asked if the contract included a CPI increase was included in the contract. Roger Wallace replied that they were not expecting any increase in the CPI. Tracey Dooley expressed gratitude to the elected officials currently serving, and for those that would be assuming office January fourth. He pointed out that Roger Wallace had been in the City for over 20 years and was a good manager. He was in favor of the City taking over operation of the restaurant, but encouraged them to begin setting it up as soon as possible. Jack Rickenaw commented that Roger Wallace was a wonderful asset, and the course was marvelous large part in due to him. Bob McClellan expressed that he agreed and encouraged the City to keep Roger Wallace. Murat Kalinyaprak commented that Roger Wallace had enough security and should be paid less. He felt the bid process was illegal and could only lead to one person. He added that Pat Nowlen, the golf course maintenance superintendent was also to be credited for the good condition of the course. He questioned the figures that were in Roger Wallace's RFP and felt they were inaccurate. Bob McClellan asked the Commission to discount what Mr. Kalinyaprak had said, adding that he did not have his facts correct. Matt Olson commented that Roger Wallace was a proven asset, and a one-year contract would be an insult. He pointed out that the golf pro's stability is what helps bring events into Polson. Murat Kalinyaprak responded to Mr. McClellan stating that he was commenting based on facts, not fabricating them. He remained adamant that the figures were inadequate. Dennis Anderson wished to echo the positive comments for Roger Wallace. He commented that some members of the public come into the Chambers and get divisive, rather than voicing alternatives, they give complaints. He added that he had never heard Mr. Kalinyaprak say anything positive, and he was unable to tell what he wanted, which troubled him.

Murat Kalinyaprak responded that if people did not like what he was saying, they did not like the facts. He was looking after all of the public, and he was not solely negative. **The motion carried unanimously.**

APPOINTMENT OF CITY COMMISSIONER WARD 1 FOR REMAINDER OF JIM SOHM'S 2 YEAR TERM LETTERS OF INTEREST SOLICITED ADVERTISED TWO WEEKS: Mayor Marchello stepped down; Commission President Lies took the chair. Commissioner Sohm asked if any of the applicants were present and if they would introduce themselves. John Campbell informed the Commission that he had worked for the City for 26 years in the water and sewer department. He was the Lake County Conservation District representative and had served on the City/County Planning Board for the last 2 years. Mayor Marchello informed the Commission that he had lived the last 40 years in Polson, sitting on the City Commission as Mayor for the last two, as well as previous terms as a City Councilman. He had worked with the City Manager on several projects. **Commissioner Agrella nominated John Campbell to be appointed as City Commissioner for Ward 1 for the remainder of Jim Sohm's term, seconded by Commissioner Funke.** Bob Fulton commented that he fully supported John Campbell. **The motion carried with 4 in favor, and the abstentions of Commissioner Sohm and Mayor Marchello.**

2010 CENSUS INFORMATION: Etta Moore informed the Commission of the plans for promoting the census and the employment opportunities. She encouraged people to take the test to work for the census, noting how important it was to have qualified people for an accurate census.

STREETSCAPE FUNDING OPTIONS: Mayor Marchello explained that the City/County Planning Board and the PRA had meetings earlier in the day to make recommendations to the Commission. They were not in favor of purchasing the software for the County to do the tax increment financing, however they were very in favor of using sidewalk loan fund for the streetscape project and \$10,000 from the TIF district for a bond issue. Becky Dupuis informed the Commission that they had been working very hard on the project for about the last three years. She pointed out that the water main would be replaced on Main Street this spring, and without this funding the Streetscape project would not be able to begin at the same time, costing a much greater amount in construction. She reviewed the sources of funding they had already received. The Streetscape committee had researched the sidewalk loan fund, and found the streetscape project to be compatible with it. She stressed that they would not be able to move forward without the funding of \$50,000 from the sidewalk loan fund and a bond issue from the TIF district. **Commissioner Sohm moved to approve the use of \$50,000 from the sidewalk loan fund and \$10,000 from the TIF district to finance a bond issue, seconded by Commissioner Lies.** Lee Manicke noted that the sidewalk loan had about \$97,000 remaining after the engineering fees. **The motion carried unanimously.**

AUTHORIZE CITY MANAGER TO BIND CITY TO POLSON TRANSPORTATION PLAN COOPERATIVE GOVERNMENT AGENCY CONTRACT: City Manager Crossett explained that MDOT was working with the local

government agencies to go forward with the remaining Highway 93 plans. The CSKT and Lake County had both accepted the contract. He noted that it was good timing and would help take much of the cost burden of work the City would eventually do. They were asking the City to take on 15% of the area transition plan, which would range from \$15,000 to \$18,759, which it was capped at. He added that the engineering costs were probably significantly lower at this time than they would be in the future. The proposed contract split the cost over two budget years to accommodate the fact that the City had only \$8,000 in the current years budget for the project. City Attorney Raymond had read and approved the contract, with a concern in regards to item 7 of the contract, which pertained to liability. He felt the indemnity clause should be given for all parties, which was standard. He recommended the Commission approve the contract, contingent on the City Attorney's concern being addressed. **Commissioner Lies moved to authorize the City Manager to bind the City to a transportation plan cooperative government agency contract, contingent on the City Attorney's recommendation. Commissioner Agrella seconded the motion. The motion carried unanimously.**

NOVEMBER 2009 CASH REPORT: City Treasurer Bonnie Manicke informed the Commission that they would not know the total protested taxes within the City until the end of January, but she did not anticipate more than \$15,000 would be protested. The cash report reflected a \$200,000 advance of tax revenue from the County. There were 2 funds with negative balances. Light district #19 was negative, but with the November collection would be back in the black. The building code enforcement fund remained in the negative. The total cash balance for the City of Polson was \$5,873,006.66. **Commissioner Lies moved to approve the November 2009 cash report as presented, seconded by Commissioner Funke. The motion carried unanimously.**

City Manager Todd Crossett presented Commissioners Sohm, Clavadetscher, Agrella and Mayor Marchello plaques of appreciation on behalf of the City. He added that he had very much enjoyed working with all of the Commissioners.

PUBLIC COMMENT ON MATTERS OF SIGNIFICANT INTEREST TO THE PUBLIC NOT ON THE AGENDA: There were no comments.

The meeting adjourned at 9:15 p.m.

Mayor Lou Marchello

Attest: Kala Parker, Assistant City Clerk