

CITY OF POLSON COMMISSION MEETING AGENDA

VIRTUALLY (VIA ZOOM)*

September 9, 2020

7:00 P.M.

Link to meeting: <https://zoom.us/j/95824019369> -- OR --
dial in by phone: 253-215-8782, meeting ID: 958-2401-9369

1. CALL TO ORDER

Mayor Briney

2. PLEDGE OF ALLEGIANCE

Mayor Briney

3. APPROVAL OF PROPOSED AGENDA

Mayor Briney

4. PUBLIC COMMENT ON SIGNIFICANT MATTERS TO THE PUBLIC **NOT** ON THE AGENDA (address items to the Chair. Commission takes no action on items discussed)

5. CONSENT AGENDA

- a. June 30, 2020 Claims
- b. August 15-31, 2020 Claims
- c. City Commission Electronic Public Hearing Minutes August 17, 2020
- d. City Commission Written Summary Public Hearing Minutes August 17, 2020
- e. City Commission Electronic Meeting Minutes August 17, 2020
- f. City Commission Written Summary Meeting Minutes August 17, 2020
- g. City Commission Electronic Workshop Minutes August 20, 2020
- h. City Commission Written Summary Workshop Minutes August 20, 2020
- i. City Commission Electronic Public Hearing Minutes August 24, 2020 @ 6:30 p.m.
- j. City Commission Written Summary Public Hearing Minutes August 24, 2020 @ 6:30 p.m.
- k. City Commission Electronic Public Hearing Minutes August 24, 2020 @ 7:15 p.m.
- l. City Commission Written Summary Public Hearing Minutes August 24, 2020 @ 7:15
- m. City Commission Electronic Special Meeting Minutes September 3, 2020
- n. City Commission Written Summary Special Meeting Minutes September 3, 2020

6. CITY MANAGER COMMENTS

Interim City Manager Wade Nash

NEW BUSINESS

pg. 34 **7. LAKE COUNTY COMMUNITY DEVELOPMENT CORPORATION-PARTNERS YEAR-END REPORT**
Marie Hirsch, Lake County Community Development Corporation

8. GERRY BROWNING CANDIDATE FOR HOUSE DISTRICT 12 INTRODUCTION
Gerry Browning

pg. 38 **9. ERIC BARSNESS IMPACT FEE REVIEW/MODIFICATION REQUEST**
City Planner Kyle Roberts *vote required*

pg. 45 **10. RESOLUTION 2020-TBD, PRESENTING THE QUESTION OF A RESORT TAX TO THE ELECTORS OF THE CITY OF POLSON ON A JANUARY 2021 SPECIAL ELECTION BALLOT**
City Finance Officer Cindy Dooley, City Planner Kyle Roberts *vote required*

pg. 83 **11. CITY MANAGER EMPLOYMENT AGREEMENT- EDWIN MEECE**
City Finance Officer Cindy Dooley *vote required*

pg. 92 **12. COMMISSIONER MARTIN RESIGNATION**
Mayor Briney *vote required*

13, ADJOURN

The City of Polson encourages public participation in its public meetings and hearings. In doing so the City holds its meetings in handicapped accessible facilities. Any persons desiring accommodations for a handicapping condition should call the City Clerk at 883-8203 for more information.

*The Polson City Commission is holding a virtual meeting as part of the City of Polson's COVID-19 transmission mitigation efforts.

For doc #s from 137330 to 137489

5a.

Fund	Department Name (Account)	Vendor #/Name	Description	Amount
1000 General All-Purpose Fund	420140 Crime Control and	2937 G & M AUTO TECH, INC	POLC-'11 IMPALA BATT	150.00
1000 General All-Purpose Fund	420140 Crime Control and	2937 G & M AUTO TECH, INC	POLC-'13 EXPLR AXLE	355.00
1000 General All-Purpose Fund	420140 Crime Control and	2937 G & M AUTO TECH, INC	POLC-'09 IMPALA OIL	195.00
1000 General All-Purpose Fund	420140 Crime Control and	2937 G & M AUTO TECH, INC	POLC-'08 F150 WNDW R	880.00
1000 General All-Purpose Fund	420140 Crime Control and	2937 G & M AUTO TECH, INC	POLC-'16 EXPLR BATTE	175.00
1000 General All-Purpose Fund	420140 Crime Control and	2937 G & M AUTO TECH, INC	POLC-'12 F150 RGHT R	300.00
1000 General All-Purpose Fund	420400 Fire Protection and	000046 BEACON TIRE CENTER	FIRE-TIRE REPAIR	16.00
1000 General All-Purpose Fund	420540 Land Use	5096 HAGEDORN LAND SURVEYING	PLNG-AMND LOTS 1-3,	120.00
1000 General All-Purpose Fund	460430 Parks	3025 FIRST BANKCARD	PARK-BROADCAST SPEAD	152.49
1000 General All-Purpose Fund	460430 Parks	3025 FIRST BANKCARD	PARK-CRAFTSMAN TOOL	549.00
Total for Fund:				2,892.49
2394 Building Code Enforcement	420500 Protective Inspections	2238 DEPARTMENT OF LABOR AND	BLDG-BUILDING CODE E	207.46
Total for Fund:				207.46
5010 Golf Fund	460446 Golf Course -	3025 FIRST BANKCARD	GLFM-KUBOTA CUSHION	316.94
5010 Golf Fund	460446 Golf Course -	3025 FIRST BANKCARD	GLFM-CORDLESS DRILL	139.00
5010 Golf Fund	460446 Golf Course -	3025 FIRST BANKCARD	GLFM-BLADE BALANCER	180.00
5010 Golf Fund	460446 Golf Course -	3025 FIRST BANKCARD	GLFM-LAWN MOWER BLAD	809.00
5010 Golf Fund	460446 Golf Course -	3025 FIRST BANKCARD	GLFM-2 SS FLOWMETERS	111.98
5010 Golf Fund	460446 Golf Course -	3025 FIRST BANKCARD	GLFM-INSPECTION CAME	134.99
5010 Golf Fund	460446 Golf Course -	3025 FIRST BANKCARD	GLFM-STORAGE TOOL BA	30.99
5010 Golf Fund	460446 Golf Course -	3025 FIRST BANKCARD	GLFM-DEWALT COMPACT	303.34
5010 Golf Fund	460446 Golf Course -	5174 EMMETT MAY	GLFM-REIMBURSE PKG B	310.00
5010 Golf Fund	460447 Golf Course - Pro Shop	5190 THE TOWNE PRINTER	GLFP-MVJR GOLF PUNCH	61.00
5010 Golf Fund	460448 Golf Course - Carts	3025 FIRST BANKCARD	GLFM-CART CLUTCH SPR	34.99
5010 Golf Fund	460448 Golf Course - Carts	3025 FIRST BANKCARD	GLFM-CART FLIP BACK	279.99
5010 Golf Fund	460450 Golf Course Restaurant	3025 FIRST BANKCARD	GLFR-4 LB SANITIZER	21.57
5010 Golf Fund	460450 Golf Course Restaurant	3025 FIRST BANKCARD	GLFR-2 PK FOOD EQUIP	8.99
5010 Golf Fund	460450 Golf Course Restaurant	3025 FIRST BANKCARD	GLFR-TUNE UP KIT	19.95
5010 Golf Fund	460450 Golf Course Restaurant	3025 FIRST BANKCARD	GLFR-BRUSH CLEANING	25.17
Total for Fund:				2,787.90
5210 Water Fund	430540 Purification and	5259 ALLWEST TESTING &	WATR-GEOTECHNICAL WE	9,600.00
Total for Fund:				9,600.00
Total:				15,487.85

CITY OF POLSON
Fund Summary for Claims
For the Accounting Period: 6/20

Fund/Account	Amount
1000 General All-Purpose Fund	
101000	\$2,892.49
2394 Building Code Enforcement	
101000	\$207.46
5010 Golf Fund	
101000	\$2,787.90
5210 Water Fund	
101000	\$9,600.00
Total:	\$15,487.85

For doc #s from 137331 to 137448

56.

Fund	Department Name (Account)	Vendor #/Name	Description	Amount
1000 General All-Purpose Fund	410100 Legislative Services	4895 8x8, INC.	ADMN-AUG PHONE SERVI	34.44
1000 General All-Purpose Fund	410100 Legislative Services	4895 8x8, INC.	ADMN-AUG PHONE SERVI	21.37
1000 General All-Purpose Fund	410100 Legislative Services	4895 8x8, INC.	EXEC-AUG PHONE SERVI	35.47
1000 General All-Purpose Fund	410360 Municipal Court	000010 CENTURYLINK	CORT-SHARED FAX SERV	15.13
1000 General All-Purpose Fund	410360 Municipal Court	4895 8x8, INC.	CORT-AUG PHONE SERVI	74.87
1000 General All-Purpose Fund	410500 Financial Services	000282 QUILL CORPORATION	FINC-HP 36A TONER	87.99
1000 General All-Purpose Fund	410500 Financial Services	3468 MONTANA DEPARTMENT OF	FINC-LIQ LIC LATE PR	133.33
1000 General All-Purpose Fund	410500 Financial Services	4895 8x8, INC.	FINC-AUG PHONE SERVI	21.36
1000 General All-Purpose Fund	410500 Financial Services	4895 8x8, INC.	FINC-AUG PHONE SERVI	68.88
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	3025 FIRST BANKCARD	FACL-COVID HAND SANI	36.95
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	3025 FIRST BANKCARD	FACL-COVID DISP FACE	39.98
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	3025 FIRST BANKCARD	FACL-COVID 10 PK KN9	107.80
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	000341 MMIA-LIABILITY PROGRAM	FACL-FY20/21 LIABILI	153,504.00
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	000011 MISSION VALLEY POWER	FACL-CITY HALL	194.75
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	000011 MISSION VALLEY POWER	FACL-FIRE HALL	117.40
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	000011 MISSION VALLEY POWER	FACL-HVAC SYSTEM	276.43
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	000282 QUILL CORPORATION	FACL-POST IT 3X3 CAN	1.00
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	000282 QUILL CORPORATION	FACL-ASST OFFICE SUP	264.00
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	000282 QUILL CORPORATION	FACL-COPIER PAPER	49.98
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	000010 CENTURYLINK	FACL-FAX SERVICE	33.79
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	000080 LAKE COUNTY LEADER	FACL-LAKE CNTY LDR S	24.00
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	2943 CLICK HERE DESIGNS	FACL-MAINT, EMAIL, O	168.00
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	2943 CLICK HERE DESIGNS	FACL-MAINTENANCE	38.50
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	4895 8x8, INC.	FACL-AUG PHONE SERVI	117.82
1000 General All-Purpose Fund	411200 Facilities (Shared Costs)	5217 MCGOWAN WATER	FACL-WATR COOLR RENT	35.50
1000 General All-Purpose Fund	420140 Crime Control and	3025 FIRST BANKCARD	POLC-2 SETS GAITERS	191.99
1000 General All-Purpose Fund	420140 Crime Control and	3025 FIRST BANKCARD	POLC-3 100 CT DVD DI	59.13
1000 General All-Purpose Fund	420140 Crime Control and	3025 FIRST BANKCARD	POLC-FILE FOLDERS	22.48
1000 General All-Purpose Fund	420140 Crime Control and	3025 FIRST BANKCARD	POLC-KITCHEN TRASH B	16.69
1000 General All-Purpose Fund	420140 Crime Control and	3025 FIRST BANKCARD	POLC-MEMORY CARD	18.45
1000 General All-Purpose Fund	420140 Crime Control and	3025 FIRST BANKCARD	POLC-3 6 PKS THERMAL	165.00
1000 General All-Purpose Fund	420140 Crime Control and	3025 FIRST BANKCARD	POLC-MICROSOFT SOFTW	249.99
1000 General All-Purpose Fund	420140 Crime Control and	000750 JOHN A. STEVENS	POLC-VEH #8 REPLC PA	45.00
1000 General All-Purpose Fund	420140 Crime Control and	000750 JOHN A. STEVENS	POLC-VEH #15 ALL EQU	450.00
1000 General All-Purpose Fund	420140 Crime Control and	2937 G & M AUTO TECH, INC	POLC-VEH #11 STEERIN	645.00
1000 General All-Purpose Fund	420140 Crime Control and	2937 G & M AUTO TECH, INC	POLC-08 F150 OIL CHA	65.00
1000 General All-Purpose Fund	420140 Crime Control and	000011 MISSION VALLEY POWER	POLC-STORAGE SHED	42.59
1000 General All-Purpose Fund	420140 Crime Control and	000011 MISSION VALLEY POWER	POLC-1ST ST E STORAG	15.00
1000 General All-Purpose Fund	420140 Crime Control and	5058 MISSION VALLEY PRINTING	POLC-M GROFERER BUSI	55.00
1000 General All-Purpose Fund	420140 Crime Control and	000010 CENTURYLINK	POLC-SHARED FAX SERV	15.13
1000 General All-Purpose Fund	420140 Crime Control and	000046 BEACON TIRE CENTER	POLC-'09 CHVY REAR B	410.05
1000 General All-Purpose Fund	420140 Crime Control and	4895 8x8, INC.	POLC-AUG PHONE SERVI	249.37
1000 General All-Purpose Fund	420400 Fire Protection and	000020 PROVIDENCE HEALTH &	FIRE-FF J LEE FIREFI	140.00
1000 General All-Purpose Fund	420400 Fire Protection and	3929 CARSON BROTHERS, INC.	FIRE-CONTACTOR 24V 3	272.67
1000 General All-Purpose Fund	420400 Fire Protection and	4895 8x8, INC.	FIRE-AUG PHONE SERVI	34.44
1000 General All-Purpose Fund	420400 Fire Protection and	3411 WESTERN STATES EQUIPMENT	FIRE-DTN 4W117D MAIN	1,096.95
1000 General All-Purpose Fund	420520 Code Enforcement	4849 JOHN DEERE FINANCIAL	PLNG-CODE CMLPNC MAS	11.97
1000 General All-Purpose Fund	420520 Code Enforcement	4849 JOHN DEERE FINANCIAL	PLNG-CODE CMLPNC DOG	14.99
1000 General All-Purpose Fund	420520 Code Enforcement	4849 JOHN DEERE FINANCIAL	PLNG-CODE CMLPNC DU	20.99
1000 General All-Purpose Fund	420520 Code Enforcement	5140 POLSON LUBE CENTER, LLC	PLNG-M ELLERMANN F15	49.99
1000 General All-Purpose Fund	420520 Code Enforcement	4895 8x8, INC.	CODE-AUG PHONE SERVI	30.29
1000 General All-Purpose Fund	420540 Land Use	4895 8x8, INC.	PLAN-AUG PHONE SERVI	17.22

For doc #s from 137331 to 137448

Fund	Department Name (Account)	Vendor #/Name	Description	Amount
1000 General All-Purpose Fund	420540 Land Use	4895 8x8, INC.	PLAN-AUG PHONE SERVI	34.44
1000 General All-Purpose Fund	430240 Road and Street	000011 MISSION VALLEY POWER	STRT-CITY SHOP	125.66
1000 General All-Purpose Fund	430240 Road and Street	4895 8x8, INC.	STRT-AUG PHONE SERVI	34.44
1000 General All-Purpose Fund	460430 Parks	000011 MISSION VALLEY POWER	PRKS-CITY PARKS	416.53
1000 General All-Purpose Fund	460430 Parks	000011 MISSION VALLEY POWER	PRKS-KERR DAM/BB FIE	48.18
1000 General All-Purpose Fund	460430 Parks	4159 REXEL INC, d/b/a PLATT	PRKS-RIVERSIDE PUMP	21.29
1000 General All-Purpose Fund	460430 Parks	000048 MIDLAND IMPLEMENT CO.	PRKS-ASST PARTS	119.96
1000 General All-Purpose Fund	460430 Parks	000026 POLSON AUTO PARTS, INC.	PRKS-PWR STEERING FL	6.58
1000 General All-Purpose Fund	460430 Parks	000026 POLSON AUTO PARTS, INC.	PRKS-O-FORCE, FILTER	70.22
1000 General All-Purpose Fund	460430 Parks	4849 JOHN DEERE FINANCIAL	PRKS-AMINE 4 2.5 GAL	99.98
1000 General All-Purpose Fund	460430 Parks	5232 THE CHEMNET CONSORTIUM	PRKS-PRE EMPLOYMNT L	40.00
1000 General All-Purpose Fund	460430 Parks	000034 WESTERN BUILDING CENTER	PRKS-MAGNESIUM FLOAT	26.49
1000 General All-Purpose Fund	460430 Parks	000034 WESTERN BUILDING CENTER	PRKS-PREMIX CONCRETE	15.84
1000 General All-Purpose Fund	460430 Parks	000034 WESTERN BUILDING CENTER	PRKS-CABLE TIES	24.36
1000 General All-Purpose Fund	460430 Parks	000034 WESTERN BUILDING CENTER	PRKS-11" CABLE TIES	19.98
1000 General All-Purpose Fund	460430 Parks	000034 WESTERN BUILDING CENTER	PRKS-4 1/2" DBL ROW	53.68
1000 General All-Purpose Fund	460430 Parks	000034 WESTERN BUILDING CENTER	PRKS-TEE HINGE, BLK	45.48
1000 General All-Purpose Fund	460430 Parks	000034 WESTERN BUILDING CENTER	PRKS-EPOXY	6.79
1000 General All-Purpose Fund	460430 Parks	000046 BEACON TIRE CENTER	PRKS-TUBE	22.00
1000 General All-Purpose Fund	460430 Parks	000046 BEACON TIRE CENTER	PRKS-TUBE INSTALLED	18.25
1000 General All-Purpose Fund	460430 Parks	4895 8x8, INC.	PARK-AUG PHONE SERVI	34.44
1000 General All-Purpose Fund	460430 Parks	4895 8x8, INC.	PARK-AUG PHONE SERVI	17.22
Total for Fund:				161,209.93
2020 Police Municipal Services	420140 Crime Control and	3025 FIRST BANKCARD	POLC-RMIN MEMBERSHIP	50.00
2020 Police Municipal Services	420140 Crime Control and	3025 FIRST BANKCARD	POLC-FORD REPAIR PAR	636.68
2020 Police Municipal Services	420140 Crime Control and	3025 FIRST BANKCARD	POLC-BACKGROUND CHEC	50.00
2020 Police Municipal Services	420140 Crime Control and	3025 FIRST BANKCARD	POLC-TRAINING GEAR	185.92
2020 Police Municipal Services	420140 Crime Control and	3025 FIRST BANKCARD	POLC-2 SAMSUNG GALAX	35.98
2020 Police Municipal Services	420140 Crime Control and	3025 FIRST BANKCARD	POLC-RETURN TRAINING	-67.96
2020 Police Municipal Services	420140 Crime Control and	3025 FIRST BANKCARD	POLC-TRAINING GEAR	73.06
Total for Fund:				963.68
2310 Tax Increment District	490200 Revenue Bonds	000231 FIRST INTERSTATE BANK	PRA-TIF BOND R-4 PAY	6,780.82
2310 Tax Increment District	490200 Revenue Bonds	000231 FIRST INTERSTATE BANK	PRA-TIF BOND R-4 PAY	1,201.01
2310 Tax Increment District	490200 Revenue Bonds	4636 EAGLE BANK	PRA-TIF BOND R-2 PAY	6,780.82
2310 Tax Increment District	490200 Revenue Bonds	4636 EAGLE BANK	PRA-TIF BOND R-2 PAY	1,201.01
2310 Tax Increment District	490200 Revenue Bonds	5258 UNITY BANK	PRA-TIF BOND R-3 PAY	6,780.82
2310 Tax Increment District	490200 Revenue Bonds	5258 UNITY BANK	PRA-TIF BOND R-3 PAY	1,201.01
2310 Tax Increment District	490200 Revenue Bonds	4823 VALLEY BANK OF RONAN	PRA-TIF BOND R-5 PAY	6,780.82
2310 Tax Increment District	490200 Revenue Bonds	4823 VALLEY BANK OF RONAN	PRA-TIF BOND R-5 PAY	1,201.01
2310 Tax Increment District	490200 Revenue Bonds	4668 GLACIER BANK	PRA-TIF BOND R-6 PAY	6,780.82
2310 Tax Increment District	490200 Revenue Bonds	4668 GLACIER BANK	PRA-TIF BOND R-6 PAY	1,201.01
Total for Fund:				39,909.15
2394 Building Code Enforcement	420500 Protective Inspections	4895 8x8, INC.	BLDG-AUG PHONE SERVI	34.44
2394 Building Code Enforcement	420500 Protective Inspections	4895 8x8, INC.	BLDG-AUG PHONE SERVI	17.22

For doc #s from 137331 to 137448

Fund	Department Name (Account)	Vendor #/Name	Description	Amount
			Total for Fund:	51.66
2395 Tree Fund	480150 Tree Conservation	000011 MISSION VALLEY POWER	PRKS-WST SHR SPORTS	31.54
			Total for Fund:	31.54
2401 Light Maintenance	430263 Street Lighting	000011 MISSION VALLEY POWER	FACL-STRT LGHTS-0301	1,497.60
			Total for Fund:	1,497.60
2402 Light Maintenance	430263 Street Lighting	000011 MISSION VALLEY POWER	FACL-STRT LGHTS-0301	482.40
			Total for Fund:	482.40
2810 Police Training Fund	420140 Crime Control and	3025 FIRST BANKCARD	POLC-IACP REFUND DBL	-425.00
			Total for Fund:	-425.00
2820 Gas Apportionment Tax	430240 Road and Street	5049 FLATHEAD SIGNS & GRAPHICS	STRT-WET PAINT SIGNS	351.04
2820 Gas Apportionment Tax	430240 Road and Street	000241 NORMONT EQUIPMENT CO.	STRT-PARTS FOR STRT	858.46
2820 Gas Apportionment Tax	430240 Road and Street	2547 TREASURE STATE CONCRETE	STRT-3/8 CHIPS, CRS-	1,539.40
2820 Gas Apportionment Tax	430240 Road and Street	2547 TREASURE STATE CONCRETE	STRT-3/8 CHIPS, CRS-	1,608.41
			Total for Fund:	4,357.31
5010 Golf Fund	460446 Golf Course -	3025 FIRST BANKCARD	GLFM-INK CARTRIDGE	20.99
5010 Golf Fund	460446 Golf Course -	3025 FIRST BANKCARD	GLFM-3 PK SCREEN PRO	13.99
5010 Golf Fund	460446 Golf Course -	3025 FIRST BANKCARD	GLFM-SAMSUNG GALAXY	12.99
5010 Golf Fund	460446 Golf Course -	3025 FIRST BANKCARD	GLFM-FLAG SET WITH P	34.95
5010 Golf Fund	460446 Golf Course -	3025 FIRST BANKCARD	GLFM-TIRE REPLACEMEN	75.98
5010 Golf Fund	460446 Golf Course -	000048 MIDLAND IMPLEMENT CO.	GLFM-HARCO DI FIT-PA	656.14
5010 Golf Fund	460446 Golf Course -	4955 PACIFIC GOLF & TURF LLC	GLFM-JD PARTS	47.02
5010 Golf Fund	460446 Golf Course -	000020 PROVIDENCE HEALTH &	GLFM-PRE EMPLOYMNT L	25.00
5010 Golf Fund	460446 Golf Course -	4436 LES SCHWAB TIRES	GLFM-ATV TUBELESS VA	80.97
5010 Golf Fund	460446 Golf Course -	5224 AFFORDABLE TURF &	GLFM-A BKT SMOOTH&SH	414.24
5010 Golf Fund	460446 Golf Course -	000011 MISSION VALLEY POWER	GLFM-GOLF SHED	301.47
5010 Golf Fund	460446 Golf Course -	000011 MISSION VALLEY POWER	GLFM-25 HP PUMP	1.65
5010 Golf Fund	460446 Golf Course -	000011 MISSION VALLEY POWER	GLFM-60 HP PUMP	418.98
5010 Golf Fund	460446 Golf Course -	000011 MISSION VALLEY POWER	GLFM-155 HP PUMP	808.93
5010 Golf Fund	460446 Golf Course -	000011 MISSION VALLEY POWER	GLFM-BAYVIEW PUMP ST	1,762.49
5010 Golf Fund	460446 Golf Course -	2323 R & R PRODUCTS, INC.	GLFM-ASST PARTS	836.85
5010 Golf Fund	460446 Golf Course -	5232 THE CHEMNET CONSORTIUM	GLFM-PRE EMPLOYMENT	40.00
5010 Golf Fund	460446 Golf Course -	2547 TREASURE STATE CONCRETE	GLFM-GREENS SAND	1,123.57
5010 Golf Fund	460446 Golf Course -	000644 CITY OF POLSON WATER	GLFM-GOLF COURSE RES	56.73
5010 Golf Fund	460446 Golf Course -	000644 CITY OF POLSON WATER	GLFM-GOLF COURSE RES	67.13
5010 Golf Fund	460446 Golf Course -	000644 CITY OF POLSON WATER	GLFM-GOLF COURSE RES	67.13
5010 Golf Fund	460446 Golf Course -	000644 CITY OF POLSON WATER	GLFM-MAINT SHOP/OLDE	131.95
5010 Golf Fund	460446 Golf Course -	4895 8x8, INC.	GLFM-AUG PHONE SERVI	34.44
5010 Golf Fund	460446 Golf Course -	4895 8x8, INC.	GLFM-AUG PHONE SERVI	17.22
5010 Golf Fund	460446 Golf Course -	000048 MIDLAND IMPLEMENT CO.	GLFM-ASST TORO PARTS	460.65
5010 Golf Fund	460446 Golf Course -	000048 MIDLAND IMPLEMENT CO.	GLFM-ASST TORO PARTS	271.68

For doc #s from 137331 to 137448

Fund	Department Name (Account)	Vendor #/Name	Description	Amount
5010 Golf Fund	460446 Golf Course -	000048 MIDLAND IMPLEMENT CO.	GLFM-FLO CONTROL	78.60
5010 Golf Fund	460446 Golf Course -	000048 MIDLAND IMPLEMENT CO.	GLFM-TORO PART	123.60
5010 Golf Fund	460446 Golf Course -	000048 MIDLAND IMPLEMENT CO.	GLFM-UPS CHARGES	21.49
5010 Golf Fund	460447 Golf Course - Pro Shop	3025 FIRST BANKCARD	GLFP-VERTEX BATTERY	86.97
5010 Golf Fund	460447 Golf Course - Pro Shop	3025 FIRST BANKCARD	GLFP-4 AIR HORNS	71.46
5010 Golf Fund	460447 Golf Course - Pro Shop	3025 FIRST BANKCARD	GLFP-CONSTANT CONTAC	45.00
5010 Golf Fund	460447 Golf Course - Pro Shop	000316 WALLACES GOLF SHOP	GLFP-CITY SHARE JULY	4,271.25
5010 Golf Fund	460447 Golf Course - Pro Shop	000011 MISSION VALLEY POWER	GLFP-PRO SHOP/STRT L	195.38
5010 Golf Fund	460447 Golf Course - Pro Shop	000010 CENTURYLINK	GLFP-TELEPHONE SERVI	214.28
5010 Golf Fund	460447 Golf Course - Pro Shop	5232 THE CHEMNET CONSORTIUM	GLFP-PRE EMPLYMNT LA	80.00
5010 Golf Fund	460447 Golf Course - Pro Shop	000644 CITY OF POLSON WATER	GLFP-PRO SHOP WATR/S	127.67
5010 Golf Fund	460448 Golf Course - Carts	3025 FIRST BANKCARD	GLFM-CART FRONT LEAF	55.00
5010 Golf Fund	460448 Golf Course - Carts	3025 FIRST BANKCARD	GLFM-CART 10LOL FRON	50.99
5010 Golf Fund	460450 Golf Course Restaurant	4905 GEORGE'S DISTRIBUTING INC	GLFR-ASST WINE	177.00
5010 Golf Fund	460450 Golf Course Restaurant	4905 GEORGE'S DISTRIBUTING INC	GLFR-ASST WINE	314.12
5010 Golf Fund	460450 Golf Course Restaurant	4905 GEORGE'S DISTRIBUTING INC	GLFR-ASST WINE	227.00
5010 Golf Fund	460450 Golf Course Restaurant	3427 ZIP BEVERAGE	GLFR-ASST BEVERAGES	165.00
5010 Golf Fund	460450 Golf Course Restaurant	3447 SUMMIT BEVERAGE	GLFR-ASST BEERS	1,463.06
5010 Golf Fund	460450 Golf Course Restaurant	3447 SUMMIT BEVERAGE	GLFR-MILLER - COORS	60.00
5010 Golf Fund	460450 Golf Course Restaurant	3447 SUMMIT BEVERAGE	GLFR-EMPTY KEGS RETU	-120.00
5010 Golf Fund	460450 Golf Course Restaurant	3447 SUMMIT BEVERAGE	GLFR-ASST BEERS	1,608.55
5010 Golf Fund	460450 Golf Course Restaurant	4754 PEPSI-COLA BOTTLING OF	GFLR-ASST BEVERAGES	151.05
5010 Golf Fund	460450 Golf Course Restaurant	5103 CLARK FORK CUSTOM MEATS	GLFR-ASST SNACKS	292.00
5010 Golf Fund	460450 Golf Course Restaurant	2693 GLACIER WHOLESALERS, INC.	GLFR-ASST SNACKS	135.67
5010 Golf Fund	460450 Golf Course Restaurant	4480 SYSCO MONTANA, INC.	GLFR-ASST FOOD SUPPL	653.80
5010 Golf Fund	460450 Golf Course Restaurant	4480 SYSCO MONTANA, INC.	GLFR-ASST FOOD SUPPL	566.82
5010 Golf Fund	460450 Golf Course Restaurant	5232 THE CHEMNET CONSORTIUM	GLFR-PRE EMPLMNT LAB	25.00
5010 Golf Fund	460450 Golf Course Restaurant	5232 THE CHEMNET CONSORTIUM	GLFR-PRE EMPLYMNT LA	40.00
5010 Golf Fund	460450 Golf Course Restaurant	3447 SUMMIT BEVERAGE	GLFR-ASST BEERS	952.14
5010 Golf Fund	460450 Golf Course Restaurant	3447 SUMMIT BEVERAGE	GLFR-EMPTY KEGS RETU	-90.00
5010 Golf Fund	460450 Golf Course Restaurant	3427 ZIP BEVERAGE	GLFR-ASST BEERS	226.40
5010 Golf Fund	460450 Golf Course Restaurant	4754 PEPSI-COLA BOTTLING OF	GLFR-ASST BEVERAGES	69.80
5010 Golf Fund	460450 Golf Course Restaurant	4754 PEPSI-COLA BOTTLING OF	GLFR-PRODUCT RETURD	-10.00
5010 Golf Fund	460450 Golf Course Restaurant	4480 SYSCO MONTANA, INC.	GLFR-FOOD SUPPLY	268.89
5010 Golf Fund	460450 Golf Course Restaurant	4480 SYSCO MONTANA, INC.	GLFR-DNR NAPKINS	75.99
5010 Golf Fund	460450 Golf Course Restaurant	4480 SYSCO MONTANA, INC.	GLFR-FOOD SUPPLY	510.96
5010 Golf Fund	460460 G. C. Restaurant O & M	3025 FIRST BANKCARD	GLFR-SS KITCHEN SHEL	57.99
5010 Golf Fund	460460 G. C. Restaurant O & M	000011 MISSION VALLEY POWER	GLFR-RESTAURANT T102	441.10
5010 Golf Fund	460460 G. C. Restaurant O & M	000644 CITY OF POLSON WATER	GLFR-REST WATR/SEWR	127.66
5010 Golf Fund	460460 G. C. Restaurant O & M	4895 8x8, INC.	GLFR-AUG PHONE SERVI	33.70
Total for Fund:				21,628.53
5210 Water Fund	430500 Water Utilities	000282 QUILL CORPORATION	WATR-THERM ROLLS CR	62.50
5210 Water Fund	430500 Water Utilities	4895 8x8, INC.	WATR-AUG PHONE SERVI	55.81
5210 Water Fund	430530 Source of Supply and	000011 MISSION VALLEY POWER	WATR-WELLS, BOOSTER	4,304.75
5210 Water Fund	430530 Source of Supply and	000011 MISSION VALLEY POWER	WATR-WELLS 6 & 7	1,458.94
5210 Water Fund	430550 Transmission and	3411 WESTERN STATES EQUIPMENT	WATR-WELLS 6 & 7 PM2	1,762.91
5210 Water Fund	430550 Transmission and	000026 POLSON AUTO PARTS, INC.	WATR-NAPA HAND CLEAN	11.99
5210 Water Fund	430550 Transmission and	000026 POLSON AUTO PARTS, INC.	WATR-BATTERY	100.05
5210 Water Fund	430550 Transmission and	000026 POLSON AUTO PARTS, INC.	WATR-BATTERY, SPARK	136.44
5210 Water Fund	430550 Transmission and	5064 CORE & MAIN LP	WATR-THK RUBBER MTR	12.00

For doc #s from 137331 to 137448

Fund	Department Name (Account)	Vendor #/Name	Description	Amount
5210 Water Fund	430550 Transmission and	4849 JOHN DEERE FINANCIAL	WATR-AMINE 4 2.5 GAL	24.99
5210 Water Fund	430550 Transmission and	5064 CORE & MAIN LP	WATR-6" MATERIAL STO	480.70
5210 Water Fund	430550 Transmission and	000010 CENTURYLINK	WATR-TELEPHONE SERVI	224.69
5210 Water Fund	430550 Transmission and	5064 CORE & MAIN LP	WATR-SERVICE BRASS	230.90
5210 Water Fund	430550 Transmission and	5064 CORE & MAIN LP	WATR-6" MATERIAL STO	81.90
5210 Water Fund	430550 Transmission and	3411 WESTERN STATES EQUIPMENT	WATR-PRTBLE GEN MQ D	1,851.39
5210 Water Fund	430570 Customer Accounting and	999999 JACK & GLORIA RIECH	WATR-DAMAGE TO 87 MI	386.00
5210 Water Fund	430570 Customer Accounting and	5064 CORE & MAIN LP	WATR-METERS, PARTS	323.07
5210 Water Fund	430570 Customer Accounting and	000101 MONTANA ENVIRONMENTAL	WATR-LEAD & COPPER T	520.00
Total for Fund:				12,029.03
5310 Sewer Fund	430600 Sewer Utilities	000282 QUILL CORPORATION	SEWR-THERM ROLLS CR	62.49
5310 Sewer Fund	430600 Sewer Utilities	000010 CENTURYLINK	SEWR-TELEPHONE SERVI	195.47
5310 Sewer Fund	430600 Sewer Utilities	000010 CENTURYLINK	SEWR-TELEPHONE SERVI	224.74
5310 Sewer Fund	430600 Sewer Utilities	4895 8x8, INC.	SEWR-AUG PHONE SERVI	55.80
5310 Sewer Fund	430630 Collection and	000011 MISSION VALLEY POWER	SEWR-PUMPS/LIFT STAT	1,336.51
5310 Sewer Fund	430630 Collection and	3411 WESTERN STATES EQUIPMENT	SEWR-DUCHARME PM-2 R	1,184.50
5310 Sewer Fund	430630 Collection and	3411 WESTERN STATES EQUIPMENT	SEWR-SKYVIEW PR-2 RE	1,191.71
5310 Sewer Fund	430630 Collection and	000026 POLSON AUTO PARTS, INC.	SEWR-BRK ELEC MOTOR	27.48
5310 Sewer Fund	430630 Collection and	4849 JOHN DEERE FINANCIAL	SEWR- AMINE 4 2.5 GA	25.00
5310 Sewer Fund	430630 Collection and	000011 MISSION VALLEY POWER	SEWR-WEST SHORE	147.28
5310 Sewer Fund	430630 Collection and	4756 J&M TRANSPORTATION	SEWR-COURIER SERVICE	200.00
5310 Sewer Fund	430630 Collection and	3411 WESTERN STATES EQUIPMENT	SEWR-STEWART L/S MAI	1,237.03
5310 Sewer Fund	430630 Collection and	3411 WESTERN STATES EQUIPMENT	SEWR-RIVERSIDE L/S M	1,557.36
5310 Sewer Fund	430645 Wastewater Resource	000630 QUALITY CONTROL SERVICES	SEWR-WWRF METERS SER	715.00
5310 Sewer Fund	430645 Wastewater Resource	000011 MISSION VALLEY POWER	SEWR-WWRF	5,616.54
5310 Sewer Fund	430670 Customer Accounting and	5064 CORE & MAIN LP	SEWR-METERS, PARTS	323.07
Total for Fund:				14,099.98
Total:				255,835.81

**CITY OF POLSON
COMMISSION PUBLIC HEARING MINUTES**

5d

Commission Chambers

August 17, 2020

6:34 p.m.

ATTENDANCE: Mayor Briney, Commissioners, Howlett, Marchello, Martin, Pardini, City Clerk Cora Pritt

ABSENT: Commissioners Isbell, Moll

OTHERS PRESENT (who voluntarily signed in): Lita Fonda, John Kellogg, Lee Manicke

CALL TO ORDER: (00:05) Mayor Briney called the meeting to order. The Pledge of Allegiance was recited. Roll call was taken.

APPROVAL OF PROPOSED AGENDA (01:16) –**Commissioner Martin motion to approve the proposed agenda. Commissioner Marchello second.** Commission discussion: none Public comment none. **VOTE: Unanimous Motion carried**

PUBLIC COMMENT ON SIGNIFICANT MATTERS TO THE PUBLIC NOT ON THE AGENDA (02:34) – none

OPEN PUBLIC HEARING 6:38 p.m. (02:52) - Mayor Briney opened the Public Hearing

ZONING VARIANCE REQUEST (VA #21-01); REDUCTION OF FRONT YARD SETBACK ALONG 1ST STREET WEST AT 101 4TH AVENUE WEST (03:17)-City Planner Kyle Roberts presented. Soft Rock, LLC is the applicant and their representative is John Kellogg. There was one comment received from the public. Notices were published and letters to adjacent property owners were mailed. The property is vacant and has been as far back as 1975. This is a straight forward request to decrease the 25 foot set back by 10 feet. The lot is a corner lot located in Old Town Residential Zoning District. Staff recommends approval of this request. Commissioner Martin asked about the vision triangle. City Planner Roberts responded that there would be clear vision and no trees or shrub would be permitted. Commissioner Pardini commented that she went to the neighborhood and observed most of the homes face 4th Avenue West rather than 1st Street. These lots have double back yards. Applicant John Kellogg commented that Mr. Roger Russ, Soft Rock LLC purchased the property in 2011 to build a single family residence. The lot is narrow, only 20 feet wide and this would not accommodate a single family home. The Polson Development Code defines 1st Street West as a collector street but the Transportation Plan has a different definition. Commissioner Pardini pointed out that one side of 1st Street West is residential while the other side is commercial. Commissioner Pardini suggested rotating the home to face 4th Avenue West.

PUBLIC COMMENT: John Kellogg pointed out that all homes south face 1st Street West and have setbacks less than the 25 feet.

Mayor Briney Closed the Public Hearing at 7:03 p.m. (28:47)

Prior to adjourning Mayor Briney asked the Commission if Action Minutes are agreeable. The Commission stated yes Action Minutes are agreeable.

Adjourn (28:56) - Commissioner Marchello motion to adjourn. Commissioner Howlett second. VOTE: Unanimous Motion carried.

ADJOURN: 7:04p.m.

Mayor Paul Briney

ATTEST:

Cora E. Pritt, City Clerk

**CITY OF POLSON
COMMISSION MEETING MINUTES**

5f

Commission Chambers

August 17, 2020

7:04 p.m.

ATTENDANCE: Mayor Briney, Commissioners, Howlett, Marchello, Martin, Pardini, Interim City Manager Wade Nash and City Clerk Cora Pritt

ABSENT: Commissioners Isbell, Moll

OTHERS PRESENT (who voluntarily signed in): Clint Cottle, Cindy Dooley, Karen Dunwell, Matthew Ellermann, Lita Fonda, Joan Hart, Emilie Henry, Cody Jensen, John Kellogg, Lee Manicke, Ed Meece, and Gayle Siemers

CALL TO ORDER: (00:02) Mayor Briney called the meeting to order. The Pledge of Allegiance was recited. Roll call was taken.

APPROVAL OF PROPOSED AGENDA (02:55) –Commissioner Martin motion to approve the proposed agenda. Commissioner Marchello second. Commission discussion: none Public comment none. **VOTE: Unanimous Motion carried**

PUBLIC COMMENT ON SIGNIFICANT MATTERS TO THE PUBLIC NOT ON THE AGENDA (03:43) – none

CONSENT AGENDA (04:00) - a. June 30, 2020 Claims, b. August 1-14, 2020 Claims, c. City Commission Electronic Meeting Minutes August 3, 2020, d. City Commission Written Summary Meeting Minutes August 3, 2020. **Commissioner Martin motion to approve the Consent Agenda. Commissioner Marchello second.** Commission discussion: Commissioner Martin asked about the \$9,800.00 claim if that was for the Collection System. City Finance Officer Dooley answered it was for the dispute with Swank. Public comment: none **VOTE: Unanimous Motion carried**

CITY MANAGER COMMENTS (07:01) - Interim City Manager Wade Nash commented that during the previous Commission meeting Commissioner Pardini had asked about the traffic speed sign. The sign was hit at 5:30 a.m. on August 3rd. The sign is used to collect data. It was purchased 4-5 years ago at a cost of \$3,000.00. There was also a trailer purchased to move the traffic speed sign. Commissioner Pardini commented that it is super that the sign collects data. The Polson Police Department issued two Heroic Citizen Awards. Each individual received a Letter of Recognition and a Polson Police Department Challenge Coin. Both incidents occurred on August 8, 2020. The first was Kristyn Sicilani-a retired nurse who assisted a Polson Police Officer is administering CPR until the ambulance arrived. The patient made a full recovery. The second was Mike Schallock who stopped to assist at a traffic accident. Mike cut the air bags to get to the victim. Mike then stabilized the victim who was having a seizure inside the crashed vehicle. The patient is recovering. Commissioner Martin thanked Interim City Manager Nash for recognizing these heroic acts of kindness. Interim City Manager Nash also commented that there will be a formal press release to be published in the local media. City Finance Officer Cindy Dooley is working to complete the Preliminary Budget for a workshop on Thursday, August 20th. The time of the meeting will be 5:00 p.m. Interim City Manager Nash also asked the Commission for their guidance on keeping City Hall closed. The Commission agreed it should remain closed for the time being. City Finance Officer Dooley also reminded the Commission of the Resort Tax Public Hearing and the Preliminary Budget Public Hearing to be held on Monday, August 24th. The first Public Hearing will be at 6:30 p.m. and the second Public Hearing at 7:15 p.m.

ZONING VARIANCE REQUEST (VA#21-01) REDUCTION OF FRONT YARD SETBACK ALONG 1ST STREET WEST AT 101 4TH AVENUE WEST (20:17) - City Planner Kyle Roberts presented this agenda item. The information on this request was presented during the Public Hearing. There isn't anything new to present. The request is for a variance to the 25 foot setback to 15 foot. **Commissioner Martin motion to approve the Zoning Variance Requesting a reduction of the front yard setback requirement from 25 feet to 15 feet on the corner lot of 101 4th Avenue West. Commissioner Marchello second.** Commission discussion: none Public comment: none **VOTE: Commissioner Howlett, Martin, Marchello, Mayor Briney Yes, Commissioner Pardini-No VOTE: 4 Yes, 1 No; Motion carried**

STORMWATER MAPPING EVENT (22:57) -Emilie Henry, Big Sky Watershed Corps Member presented this agenda item. Emilie commented that Commissioner Pardini contacted her and asked her to give the Commission a presentation of what will be occurring on August 20th in the downtown area. The Big Sky Watershed Corps will be mapping the stormwater system. The event is to identify where the stormwater is going. Volunteers will be mapping the location of each storm drain, the manhole locations too. Once the data is collected it will be given to the Flathead Basin Corp. The information will also be shared with the City of Polson. Commissioner Pardini commented that she will be one of the volunteers and she encouraged other Commissioners to also volunteer.

RESOLUTION 2020-TBD, A RESOLUTION OF THE POLSON CITY COMMISSION DECLARING CERTAIN PERSONAL PROPERTY AS SURPLUS AND AUTHORIZING ITS DISPOSAL (25:49) - Cindy Dooley, Finance Officer presented this agenda item. The Polson Police Department have two vehicles a 2009 Chevy Impala and a 2010 Chevy Impala that will be declared surplus and sold at Gardner's Auction. **Commissioner Marchello motion to declare certain personal property as surplus and authorizing its disposal. Commissioner Howlett second.** Commission discussion: none Public Comment: none **VOTE: Unanimous Motion carried**

PROPOSED REVISIONS TO THE POLSON REDEVELOPMENT AGENCY URBAN RENEWAL GRANT PROGRAM (27:29) - City Planner Kyle Roberts presented this agenda item. Two years ago the Polson Redevelopment Agency created this Grant Program and the City Commission approved the program in the spring of 2018. The program has been working well, but there have been a few tweaks to the program. The last update was in the spring of 2019 which was approved by the Commission. This update is to clean up some of the terminology. The biggest change will be that the applications will remain open instead of the January-February or June-July application months. This was too restrictive. So the program will remain open during the fiscal year as long as there are funds for that fiscal year. The Polson Redevelopment Agency voted unanimously to approve the proposed changes. **Commissioner Martin motion to approve the proposed revisions to the Polson Redevelopment Agency Urban Renewal Grant Program. Commissioner Marchello second.** Commission discussion: Commissioner Martin commented that opening the program is a good thing as well as removing the Performa. City Planner Roberts also commented that the staff will begin a Sidewalk Loan Program. This will not be a grant but a loan. Public comment: none **VOTE: Unanimous Motion carried**

URBAN RENEWAL DISTRICT WAYFINDING SIGNAGE PROPOSAL (33:31) - City Planner Kyle Roberts presented this agenda item. One of the projects is a Wayfinding System for downtown that points out major assets and landmarks. The signage would be posted in the Tax Increment Funding District. The Urban Renewal Plan and the Polson Growth Policy both address the need for such signage. Polson Redevelopment Agency Chairperson Karen Dunwell reached out to Cygnet who has done the same work in Whitefish, Kalispell, Lewistown, and Helena. Karen received a quote of \$7,000.00 to design the signage. During the July 30th Polson Redevelopment Agency meeting the vote was unanimous to begin the project. **Commissioner Howlett motion to approve the hiring of Cygnet Strategies to design a City Wayfinding System as per the June 2020 proposal. Commissioner Marchello second.** Commission discussion: Commissioner Martin asked if there would be any additional funding provided

from other entities i.e.-Tribal, or private businesses. Karen Dunwell explained that the signage is restricted according to Montana Department of Transportation and names are not permitted. The only names allowed are major historic sites. The signs will be posted on Montana Department of Transportation existing signs. The cost of the design and signage will be \$10,000.00. The City will only need 10 signs. The signs will be made by local companies. The signs will match other cities that have used Cygnet. The City logo is prohibited on the signage. Commissioner Howlett commented that the signs will be a wonderful addition. Karen Dunwell commented it will reduce confusion among visitors. Interim City Manager Nash thanked Karen for her time in this project. Mayor Briney also thanked Karen and commented it will be a great project. Public comment: Matthew Ellermann asked if the signs could also be a cell phone app. Could the signs be hooked to cell phones via an app.? Karen Dunwell commented that is a great suggestion and she will research it. **VOTE: Unanimous Motion carried**

RESOLUTION #2020-TBD, A RESOLUTION TO DE-ANNEX REMAINDER OF SKYVIEW SUBDIVISION PHASE 1-34.14 ACRES (50:54) -City Planner Kyle Roberts presented this agenda item. The proposal is for a De-annexation out of the City. This acreage was previously owned by Steve Jensen and was going to be a subdivision. The preliminary plat was approved in 2006. This approval is set to expire on October 20, 2020. As part of the preliminary plat approval there were two City sewer mainlines and two City water mainlines installed. One water mainline traverses the property. The new owner, Cody Jensen, does not wish to develop the property. There will be a single family residence constructed and the owner will have horses which is currently prohibited in the city limits. The City Attorney's opinion is to permit the de-annexation. There is no staff recommendation. Mayor Briney asked why there is no staff recommendation. City Planner Roberts explained it is due to the septic system that the new owner wishes to install instead of connecting to city sewer. The Administrative Rules of Montana does permit a septic to be installed if the owner can show it costs three times more to hook up to city services. Mr. Jensen has obtained a quote to install the septic and it will cost less than the amount to hook up to city sewer. Commissioner Martin asked about the condition of easement. Did the developer pay for utilities and streets? City Planner Roberts explained the only infrastructure are the water/sewer lines. Commissioner Pardini asked if there is an annexation process if someone wanted to annex in to the city at a later time. City Planner Roberts explained that there is an annexation process. If the de-annex is approved the property would be under the county regulations. **Commissioner Martin motion to approve Resolution 2020-TBD, to De-Annex remainder of Skyview Subdivision Phase 1-34.14 acres with the condition that Mr. Jensen grant the City an easement for the water mainline that traverses the property in exchange for Mr. Jensen being able to connect to the City waterline. Commissioner Howlett second.** Commission discussion: none Public comment: none **VOTE: Unanimous Motion carried**

CITY MANAGER CONTRACT NEGOTIATION PROCESS (01:03:12) - Mayor Paul Briney presented this agenda item. The process was begun but became too time consuming. After researching the process, it was determined that it is the responsibility of the City Commission to be negotiating the contract. The City Attorney provided an outline for the Commission. This outline can be discussed or the Commission has the authority to organize a negotiating committee of 2 but no more than 3 Commissioners to negotiate with Mr. Meece or report no agreement. Most businesses and the school district has such committees that negotiate the contracts. Commissioner Marchello commented it is a good idea and he would volunteer to be on the committee. **Commissioner Howlett motion to create an ad hoc negotiating committee consisting of 2 or 3 Commissioners to attempt to reach a contract agreement with Mr. Ed Meece. Commissioner Marchello second.** Commission discussion: Mayor Briney commented to check the agenda packet to know what needs be negotiated. Commissioner Pardini commented that a team is a much better approach. Public Comment: Gayle Siemers asked if anyone had contacted Mr. Mercer. Mayor Briney answered it was mentioned. The negotiating committee should contact Mr. Mercer. Interim City Manager Nash stated that it would be a good idea to have City Finance Officer Dooley on the committee. She is familiar with the budget and what the City can afford. Mayor Briney agreed that the negotiating committee could invite anyone they choose to assist. Ed Meece thanked Mayor Briney for all he had done in the process. Mr. Meece further commented that he is

looking forward to working with the committee. Good conversation to get things accomplished and then the work will begin. **VOTE: Unanimous Motion carried** Commissioner Pardini volunteered Commissioner Moll to be on the committee. Commissioner Marchello commented that he had spoken with Commission Moll and Commissioner Moll had voiced his wish to be on the committee.

Prior to adjourning Mayor Briney asked the Commission if Action Minutes are agreeable. The Commission stated yes Action Minutes are agreeable.

Adjourn (01:12:24) - Commissioner Howlett motion to adjourn. Commissioner Martin second. VOTE: Unanimous Motion carried.

ADJOURN: 8.16 p.m.

Mayor Paul Briney

ATTEST: _____
Cora E. Pritt, City Clerk

**CITY OF POLSON
COMMISSION WORKSHOP MINUTES**

5h
5:04 p.m.

Commission Chambers

August 20, 2020

ATTENDANCE: Mayor Briney, Commissioner Marchello, Interim City Manager Wade Nash and City Clerk Cora Pritt

ABSENT: Commissioners Howlett, Isbell, Martin, Moll, Pardini

OTHERS PRESENT (who voluntarily signed in): Clint Cottle, Cindy Dooley, Matthew Ellermann, Lee Manicke, Patrick Nowlen, Kyle Roberts, and Ashley Walker

CALL TO ORDER: (00:01) Mayor Briney called the workshop to order. The Pledge of Allegiance was recited. Roll call was taken.

APPROVAL OF PROPOSED AGENDA (01:05) –Commissioner Marchello motion to approve the proposed agenda. Mayor Briney second. Commission discussion: none Public comment none.
VOTE: Unanimous Motion carried

PUBLIC COMMENT ON SIGNIFICANT MATTERS TO THE PUBLIC NOT ON THE AGENDA (01:36) – none

FISCAL YEAR 2020-2021 PRELIMINARY BUDGET WORKSHOP (01:55) – Interim City Manager Wade Nash and City Finance Officer Cindy Dooley presented this agenda item. Interim City Manager Nash commented that a lot of work had gone into preparing this budget by Finance Officer Dooley. Interim City Manager Nash also acknowledged the department heads for managing their budgets so well. Also, there will not be an Impact Fee Review Study conducted. That will be removed from the budget. City Finance Officer Cindy Dooley gave an overview of the Fiscal Year 2020-2021 budget:



MONTANA
Form AB-72T
Rev. 3-12

2020 Certified Taxable Valuation Information
(15-10-202, MCA)
Lake County
CITY OF POLSON

Certified values are now available online at property.mt.gov/cov	
1. 2020 Total Market Value ¹	\$ 679,390,465
2. 2020 Total Taxable Value ²	\$ 10,016,601
3. 2020 Taxable Value of Newly Taxable Property.....	\$ 80,721
4. 2020 Taxable Value less Incremental Taxable Value ³	\$ 9,737,589
5. 2020 Taxable Value of Net and Gross Proceeds ⁴ (Class 1 and Class 2).....	\$ -

6. TIF Districts

Tax Increment District Name	Current Taxable Value ²	Base Taxable Value	Incremental Value
TIF DISTRICT	1,712,462	1,433,450	279,012

Total Incremental Value \$ 279,012

Preparer Jessica Ball

Date 7/30/2020

¹Market value does not include class 1 and class 2 value

²Taxable value is calculated after abatements have been applied

³This value is the taxable value less total incremental value of all tax increment financing districts

⁴The taxable value of class 1 and class 2 is included in the taxable value totals

For Information Purposes Only

2020 taxable value of centrally assessed property having a market value of \$1 million or more, which has transferred to a different ownership in compliance with 15-10-202(2), MCA.

I. Value Included in "newly taxable" property	\$	-
II. Total value exclusive of "newly taxable" property	\$	-



Determination of Tax Revenue and Mill Levy Limitations

Section 15-10-420, MCA
GENERAL FUND

FYE June 30, 2021

Entity Name: CITY OF POLSON

Reference Line		Enter amounts in yellow cells	Auto-Calculation (If completing manually enter amounts as instructed)
(1)	Enter Ad valorem tax revenue <u>ACTUALLY assessed in the prior year</u> (from Prior Year's form Line 17)	\$ 1,379,290	\$ 1,379,290
(2)	Add: Current year inflation adjustment @ 1.05%		\$ 14,483
(3)	Subtract: Ad valorem tax revenue <u>ACTUALLY assessed in the prior year</u> for Class 1 and 2 property, (net and gross proceeds) (from Prior Year's form Line 20) - (enter as negative)	\$ -	\$ -
(4)	Adjusted ad valorem tax revenue		\$ 1,393,773
= (1) + (2) + (3)			
ENTERING TAXABLE VALUES			
(5)	Enter 'Total Taxable Value' - from Department of Revenue <i>Certified Taxable Valuation Information</i> form, line # 2	\$ 10,016,601	\$ 10,016,601
(6)	Subtract: 'Total Incremental Value' of all tax increment financing districts (TIF Districts) - from Department of Revenue <i>Certified Taxable Valuation Information</i> form, line # 6 (enter as negative)	\$ 279,012	\$ (279,012)
(7)	Taxable value per mill (after adjustment for removal of TIF per mill incremental district value)		\$ 9,737,589
= (5) + (6)			
(8)	Subtract: 'Total Value of Newly Taxable Property' - from Department of Revenue <i>Certified Taxable Valuation Information</i> form, line # 3 (enter as negative)	\$ 80,721	\$ (80,721)
(9)	Subtract: 'Taxable Value of Net and Gross Proceeds, (Class 1 & 2 properties)' - from Department of Revenue <i>Certified Taxable Valuation Information</i> form, line # 5 (enter as negative)	\$ -	\$ -
(10)	Adjusted Taxable value per mill		\$ 9,656,868
= (7) + (8) + (9)			
(11)	CURRENT YEAR calculated mill levy		144.33
= (4) / (10)			
(12)	CURRENT YEAR calculated ad valorem tax revenue		\$ 1,405,426
= (7) x (11)			

<u>CURRENT YEAR AUTHORIZED LEVY/ASSESSMENT</u>			
(13)	Enter total number of carry forward mills from prior year (from Prior Year's form Line 22)		0.00
=(11) + (13)	Total current year authorized mill levy, including Prior Years' carry forward mills		144.33
(15)	Total current year authorized ad valorem tax revenue assessment		\$ 1,405,426
=(7) x (14)			
<u>CURRENT YEAR ACTUALLY LEVIED/ASSESSED</u>			
(16)	Enter number of mills actually levied in current year (Number should equal total <u>non-voted</u> mills, which includes the number of carry forward mills, actually imposed per the final approved current year budget document. <u>Do Not</u> include voted or permissive mills imposed in the current year.)	144.33	144.33
(17)	Total ad valorem tax revenue actually assessed in current year		\$ 1,405,426
=(7) x (16)			
<u>RECAPITULATION OF ACTUAL:</u>			
(18)	Ad valorem tax revenue actually assessed		\$ 1,393,776
'=(10) x (16)			
(19)	Ad valorem tax revenue actually assessed for newly taxable property		\$ 11,650
(20)	Ad valorem tax revenue actually assessed for Class 1 & 2 properties (net-gross proceeds)		\$ -
(21)	Total ad valorem tax revenue actually assessed in current year		\$ 1,405,426
=(18) + (19) + (20)			
(22)	Total carry forward mills that may be levied in a subsequent year (Number should be equal to or greater than zero. A (negative) number indicates an over levy.)		0.00
=(14) - (16)			

Determination of Permissive Levy for Group Benefits

Section 15-10-420(9), MCA

FYE June 30, 2021

Entity Name: CITY OF POLSON

Step A: Input in Yellow Cells		Fiscal Year	<u>Line 1</u> : BASE Year = Total <i>Actual</i> Annual Employer Contribution for Group Benefits in BASE Year	Average Monthly Employer Contribution per Employee	Actual # of Employees the Local Government Made Employer Contributions to Group Benefits on July 1st
(1)	BASE Year	2006	\$106,123.77	\$304.95	29
(2)	Budgeting For	2021	\$271,591.00	\$808.31	28
(3)	Increase from BASE Year (Decreases will be reported as zero)			\$503.35	(1)

Step B:		Fiscal Year	2021
		2020	Certified Taxable Valuation
(4)	Taxable Value less Incremental Taxable Value of General Fund	\$9,737,589.00	

Step C: Calculation of:		(5) BASE Contribution	(6) Increase in Employer Contribution from BASE Year
(5)	BASE Contribution	\$102,464.33	\$169,126.67
(6)	Increase in Employer Contribution from BASE Year		

Step D: Must be deposited into Fund 2372		Fund #2372 Permissive Medical Levy			
Transition clause per L2009 SB 491, Section 4, has expired.		Fiscal Year	Fund 2372 Permissive Levy # of Mills Allowed to Levy (Not Subject to 15-10-420)	Value Per Mill	Fund 2372 Total Generated Tax Revenue
(7)	Choice #1 PER sec. 4, Ch 412, L.2009 - (1)(b)	2021	17.37	\$9,737.59	\$169,126.67

Public Comment: none

Prior to adjourning Mayor Briney asked the Commission if Action Minutes are agreeable. The Commission stated yes Action Minutes are agreeable.

Adjourn (01:08:03) - Commissioner Marchello motion to adjourn. Mayor Briney second. VOTE: Unanimous Motion carried.

ADJOURN: 6:12 p.m.

Mayor Paul Briney

ATTEST: _____
Cora E. Pritt, City Clerk

**CITY OF POLSON
COMMISSION PUBLIC HEARING MINUTES**

Commission Chambers

August 24, 2020

5j
6:30 p.m.

ATTENDANCE: Mayor Briney, Commissioners, Howlett, Isbell, Marchello, Martin, Moll, Pardini, City Clerk Cora Pritt

ABSENT: Interim City Manager Wade Nash

OTHERS PRESENT (who voluntarily signed in): Larry Ashcraft, Clint Cottle, Cindy Dooley, Lee Manicke, Kyle Roberts, and Gayle Siemers

CALL TO ORDER: (00:01) Mayor Briney called the meeting to order. The Pledge of Allegiance was recited. Roll call was taken.

APPROVAL OF PROPOSED AGENDA (00:58) –Commissioner Martin motion to approve the proposed agenda. Commissioner Moll second. Commission discussion: none Public comment none. **VOTE: Unanimous Motion carried**

PUBLIC COMMENT ON SIGNIFICANT MATTERS TO THE PUBLIC NOT ON THE AGENDA (01:40) – none

OPEN PUBLIC HEARING 6:32 p.m. (02:06) - Mayor Briney opened the Public Hearing

FISCAL YEAR 2020-2021 PRELIMINARY BUDGET (02:13) – City Finance Officer Cindy Dooley presented this agenda item. City Finance Officer Dooley explained that the City has a Working Capital budget. The General Fund will end this year with \$746,269.00 which is where the City should be. The Fiscal Year 2020-2021 Budget Message is:

Fiscal Year 2020 – 2021 Budget Message

To Polson City Commission and the Citizens of Polson:

Tonight the City is holding its annual public hearing on the preliminary budget. We are anticipating passing the final budget at a special City Commission meeting on September 3, 2020. The following is a summary of budgeted resources for the City and budget highlights for specific funds.

Budget Overview

The City budget is prepared on a cash basis looking at current resources and current expenditures for governmental funds. The Proprietary funds are also budgeted on a cash basis. The total estimated revenue budget is \$11,038,540 and the total budgeted expenditures (appropriations) are \$13,069,389. The following table shows a condensed summary of the working capital at the beginning of the fiscal year, the estimated resources, budgeted expenditures and ending working capital by fund category. Working capital is the amount of operating liquidity that the City has to meet its ongoing obligations. Budgeted expenditures exceed estimated revenues by \$2,030,849. The majority of this excess is in the enterprise funds where prior year reserves will be used to finish projects in these funds.

	Governmental Fund Types				Proprietary Fund Types	Total all Funds
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	
Beginning Working Capital	\$ 854,773	\$ 2,600,217	\$ 226,913	\$ -0-	\$ 8,043,863	\$ 11,992,371
Total Estimated Revenues	2,826,274	1,376,899	67,054	-0-	6,768,313	11,038,540
Total Budgeted Expenditures	2,934,778	1,952,288	91,735	-0-	8,090,588	13,069,389
Projected Ending Working Capital	\$ 746,269	\$ 2,024,828	\$ 202,232	\$ -0-	\$ 6,721,588	\$ 9,694,917

Although the General Fund will always continue to present budgeting challenges, we managed to hold down expenditures in many line items in the General Fund and once again have met our 16.67% fund balance reserve in the General Fund. The 16.67% fund balance reserve was set as part of Ordinance #2015-003. Cities and towns are allowed to carry a fund balance reserve of up to 50% of budgeted expenditures in tax levied funds. A city our size should have a fund balance in the 15 to 25 percent range to cover expenditures from July to November of the current budget year as tax revenues are not received until December from the County. The 16.67% is on the lower end of the scale, but sets a minimum that can carry the City through the first 5 months, but it doesn't leave extra funds for capital outlay reserves.

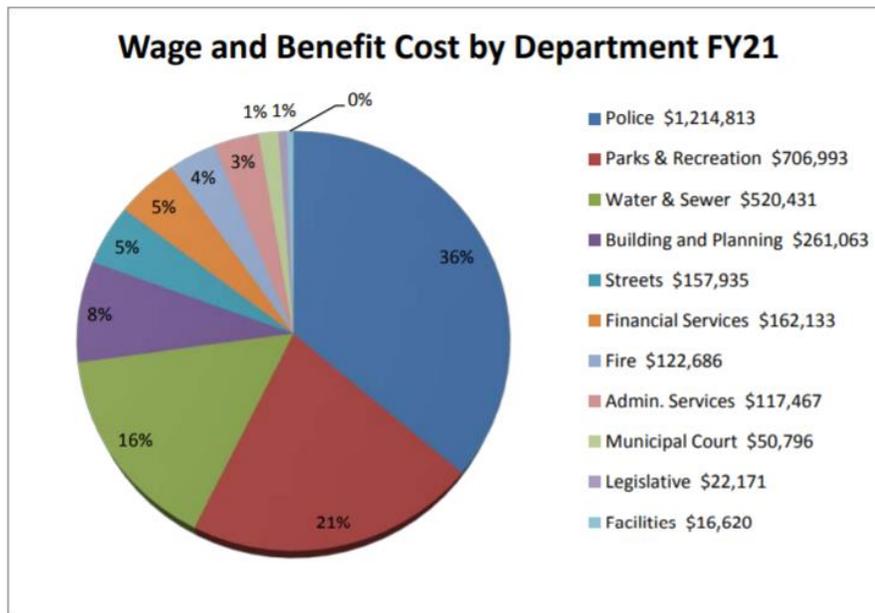
We received our certified property values from the Department of Revenue (DOR) on July 30, 2020. The City has a current year increase in taxable value of \$40,668 (.4%) from the previous year's value. This will raise \$1,405,426 in tax revenue for the General Fund. The packet contains a mill levy history sheet showing the changes from year to year. This is the second year of a two year re-appraisal cycle. We do budget for the full amount of tax revenue that is calculated. However, there is some uncertainty as to the tax revenues that the City will actually receive as the values may continue to change. The certified value process continues to cause concern for us as well as other cities and counties. The City's newly taxable property decreased \$43,178 from the prior year. Other taxing entities have seen a similar decline. The lack of transparency in the State's calculations for figuring newly taxable value and changes in centrally assessed value have caused the City concern over the past four – five years. The City will levy 144.33 mills for the General Fund compared with 142.24 for FY20, 19.95 mills for the Police Municipal Services Levy Fund (same as prior year), and 16.35 mills for the Permissive Levy Fund (this fund provides revenue to help cover health insurance costs) compared with 13.79 mills for FY20. The City's health insurance premiums will see a 7% increase for FY21. There had been no increase for three years and our claims experience finally caught up with us. This increase is being shared 2.5% by the Employees and 4.5% by the City.

The incremental value of the Tax Increment Financing District (TIFD) decreased \$14,220 for FY21. This year the estimated tax revenue for the TIFD is \$198,113 compared with \$205,900 for the previous year.

The City receives an annual payment-in-lieu-of-tax (PILT) from the Confederated Salish & Kootenai Tribes for the KwaTaqNuk Resort and for tribal housing complexes within the City. This PILT is approximately \$35,000 - \$40,000 for the resort based on General Fund expenditures each year. The tribal housing complex has been \$6,150 for the past several years based on the number of units. For the 2020 tax year the City will receive a PILT from the affordable housing complex in Ridgewater owned by Polson Landing LLLP. The City has not received the assessed valuation Based on an assessed valuation of \$5,174,769 and a taxable value of \$69,859, the City will receive a General Fund PILT of \$10,000, a Police Municipal Services Levy Fund PILT of \$1,400 and a Permissive Levy Fund PILT of \$960 this year.

The City is trying to keep wages in parity with other cities of similar size and with Lake County and at the same time provide some flexibility in placement of individuals based on experience. The City has budgeted a 4% COLA (Cost of Living Adjustment) for all full-time and permanent part-time employees. A complete list of full-time and permanent part-time wage information can be found in the budget packet.

The following is a break-down of total wage and benefit costs for each department for FY2021:



Healthcare costs continue to be one of the City's largest budget items. The City offers two health insurance plans through Blue Cross/Blue Shield. There is a high deductible plan with a \$5,000/\$10,000 deductible for Individual/Family and a low deductible plan with a \$3,000/\$6000 deductible for Individual/Family. The City also offers dental, vision and basic life and AD&D insurance benefits. For FY21 as previously mentioned, the premiums increased 7% for Blue Cross Blue Shield. The premium remained flat (no increase) for dental, vision and basic life. Employees are contributing a total of \$50.62 per month to the cost of insurance for employee coverage. Employee/spouse is paying an extra \$50.60 per month (\$101.22 total); Employee/child is paying an extra \$56.70 per month (\$107.32 total) and Employee/family is paying an extra \$107.32 (\$157.94 total) per month for those on the high deductible plan. Those on the low deductible plan are paying \$116.32 per month for their plan. The City pays the rest of the premium cost on these plans. Spouse/Child/Family coverage is all at the employee's expense on the low deductible plan.

As part of a five year phase-in plan on the way liability premiums are calculated with our carrier MMIA (Montana Municipal Interlocal Authority) the liability premium increased \$10,796. There are several factors involved in this increase. The City's modification factor is based on the claim history over the past five years. This factor increased from 1.46 for FY20 to 1.64 for FY21 – a 12.3% increase based on our less than stellar claim history. Also the City has a negative fund balance (claim payouts exceed premiums) as of June 30, 2020. The formula for premium credits has been changed so that cities with negative fund balances have their premium credit applied against the fund balance instead of against their premiums.

Specific Fund Highlights that have been budgeted based on the Strategic Plan and needed projects are as follows:

Governmental Funds:

Administration:

- CIP Project (Capital Improvement Plan) \$16,000
- Technology Infrastructure hardware/software \$27,500
- TIF grants for façade and infrastructure improvements \$174,325

Police:

- Police Vehicle \$72,000

Fire:

- Hire part-time fire chief assistant
- Turn-outs and pagers \$20,000
- Fire Department Relief Association Actuarial Study \$5,000
- Seeking grant funding for SCBAs (not currently budgeted)

Parks and Recreation:

The parks portion of the department is funded through the General Fund, while the recreation side (golf) is funded through the enterprise fund. This specific section will just discuss the Parks Department.

- Fencing for Salish Point Park \$4,100
- Possible completion of Skate Park Addition through donation funding \$220,000
- Seeking grant funding for a tree nursery (not currently budgeted)
- Seeking grant funding and donations for 3 new pickle ball courts (not currently budgeted)

Building:

- Purchase used pickup \$25,000 (transfer existing vehicle to Facilities)

Planning:

- No major increases expected.

Streets:

Streets are funded from both the General Fund and the Gas Tax distributed by the State of Montana

- Purchase second plow for Peterbilt
- Project to be decided for use of 2020 special gas tax money - \$117,985

Enterprise Funds:

Water:

- Hillside Reservoir Replacement Engineering, grant writing and excavation \$360,000
- Build Well House and connect Well No. 8 to the system \$1,034,000)

Sewer:

- Lift Station at Ridgewater – (City share) (from Impact Fee Fund) \$200,000
- Wastewater PER update - \$55,000
- Sewer line upgrade project - \$1,746,500 with local funds, grant funds and loan funding
- Engineering design for Lakeview Village Lift Station \$40,000

Golf:

- Replace golf cart fleet \$280,000 less trade-in of existing fleet \$168,000
- Donation of Training Center to City – approximately \$500,000

Sincerely,

Wade Nash, Interim City Manager

Cindy Dooley, Finance Officer

PUBLIC COMMENT (00:00):

Gayle Siemers thanked Finance Officer Dooley for doing a great job. The presentation of the Budget was very easy to understand. The salaries for the employees needs to be increased, especially for City Planner Kyle Roberts and Code Enforcement Officer Matthew Ellermann. These salaries need to be re-evaluated.

Larry Ashcraft also thanked Finance Officer Dooley for her work. City Planner Roberts has been the glue that has held The City Manager Search Committee together. Take a look at him, the City doesn't want to lose City Planner Roberts.

Mayor Briney closed the Public Hearing at 7:06 p.m. (36:13)

Prior to adjourning Mayor Briney asked the Commission if Action Minutes are agreeable. The Commission stated yes Action Minutes are agreeable.

**Adjourn (26:25) - Commissioner Howlett motion to adjourn. Commissioner Martin second.
VOTE: Unanimous Motion carried.**

ADJOURN: 7:06p.m.

ATTEST: _____

Mayor Paul Briney

Cora E. Pritt, City Clerk

**CITY OF POLSON
COMMISSION PUBLIC HEARING MINUTES**

51

Commission Chambers

August 24, 2020

7:15 p.m.

ATTENDANCE: Mayor Briney, Commissioners, Howlett, Isbell, Marchello, Martin, Moll, Pardini, City Clerk Cora Pritt

ABSENT: Interim City Manager Wade Nash

OTHERS PRESENT (who voluntarily signed in): Larry Ashcraft, Gerry Browning, Clint Cottle, Cindy Dooley, Terri Kouba, Lee Manicke, Kyle Roberts, Gayle Siemers, and Max Weiss

CALL TO ORDER: (00:01) Mayor Briney called the meeting to order. The Pledge of Allegiance was recited. Roll call was taken.

APPROVAL OF PROPOSED AGENDA (00:49) –**Commissioner Marchello motion to approve the proposed agenda. Commissioner Howlett second.** Commission discussion: none Public comment none. **VOTE: Unanimous Motion carried**

PUBLIC COMMENT ON SIGNIFICANT MATTERS TO THE PUBLIC NOT ON THE AGENDA (01:32) – none

RESORT TAX PRESENTATION (01:52) – This agenda item was presented by City Finance Officer Cindy Dooley and City Planner Kyle Roberts.

The image shows a presentation slide on the left and a list of council members on the right. The slide is titled "City of Polson Economic Development Council" and "Resort Tax Informational Presentation" with the date "August 24, 2020". The right side lists the "Polson Economic Development Council" as an "Advisory Board to the City Commission" and lists its members: Rich Forbis (Chair), Gerry Browning (Vice Chair), Becky Dupuis, Brian Cannavaro, Mandy Smith, Kirk Foreman, Bob Martin (City Commission representative), Cindy Dooley (Staff representative), and Kyle Roberts (Staff representative).



Tonight's Presentation To the Polson City Commission

1. Provide information on City needs
2. Provide information on the Resort Tax
3. Present Proposal
4. Questions



What is the City's #1 Challenge?

It's all about the Streets!



This was also the Heart & Soul project's #1 governance value concern that came from the neighborhood meetings.



↓
Main Street Streetscape project funded by CTEP, Sidewalk loan fund, SID and Tax Increment funding



Current Street Department Funding

- General Fund (tax dollars) operating expenditures have averaged \$217,095 per year over the last 4 years
 - Pays personnel costs
 - Pays administrative and operating costs for the department
 - Pays utilities, repairs and maintenance
 - Pays additional winter costs of snow removal
- Fuel Tax allocation revenue – City receives an average of \$100,785 per year (15-70-101 MCA)
 - Can be used for construction, reconstruction, maintenance and repair of the City's streets and equipment used to maintain the streets
 - Currently this allocation is just enough each year to snow plow and de-ice the streets, durapatch the potholes, stripe the streets, pay for small paving jobs and set aside some money for future equipment purchases, down payments or debt service
- Special Fuel Tax allocation
 - City started receiving in FY19. Money received is for street maintenance and requires a match from City's budget



How much does a reconstructed street cost?

- To rebuild one block of street it costs about \$335,000 including curb, sidewalk, storm drain, asphalt and engineering fees.
- Costs are rising every year
- The current City street department budget does not have enough funding for reconstruction!



What are the options for funding streets?

- Do nothing and allow the streets to disintegrate
 - However, survey results have shown that streets are the #1 concern for citizens
- Raise city taxes through a special levy (requires vote)
 - Only city taxpayers will pay for the street reconstruction and maintenance but others will drive on the street
- Implement SIDs (special improvement districts) on a street-by-street or defined area of streets for street reconstruction
 - Only property owners adjacent to the street will pay the SID but others will drive on the street
- Street Maintenance Districts
 - Property owners adjacent to the street are assessed to maintain the streets for chip sealing, seal coating, overlay, etc.
- Look for other sources of revenue
 - Grant funding is virtually nil for street reconstruction
 - 2 cent gas tax option (requires vote)
 - Montana resort tax option (requires vote)



Why does resort tax exist in Montana?

“Resort taxes serve the function of creating a funding source for designated resort areas to finance a variety of services.”

“It allows communities with high numbers of visitors, but relatively few residents, to manage the wear-and-tear on **local infrastructure** without overburdening **local citizens.**”

*Northern Rocky Mountain RC&D (Resource, Conservation & Development)

Montana's Resort Tax: Areas and Communities

	Year Enacted	2010 Census	Tax Rate	Collection period	FY 2015 Revenue
West Yellowstone	1986	1,271	3%	Year round	\$1,710,600
Virginia City¹	1991	190	3%	April 1-Oct 1	\$63,000
Big Sky	1992	2308	3%	Year round	\$4,104,636
St. Regis	1992	319	3%	Year round	~\$190,000
Whitefish	1996	6,357	3% (2% prior to July 1, 2010)	Year round	\$2,105,563
Red Lodge	1998	2,125	3%	Year round	~\$700,000
Cooke City	2006	75	3%	Year round	~\$150,000
Craig	2010	43	3%	April 1-Nov 15	\$120,406
Gardiner	2014	875	3%	June 1-Sept 30	~\$350,000
Wolf Creek	2014	\$10 (2011 population)	3%	April 1-Nov 15	\$25,338
Columbia Falls	2021	4,688	3%	Year round	\$450,000 (projected)

Source: An Assessment of the Resort Tax: Collections and Usage in Montana Communities, Kara Gross, The University of Montana - Missoula

Montana Resort Tax Law

MCA - Title 7, Chapter 6, Part 15

A resort community is defined as:

- an incorporated city with a population of less than 5,500 according to the most recent federal census
- derives the primary portion of its economic well being from employment related to the recreational and personal needs of persons traveling to or through the municipality
- has been designated by the department of commerce (DOC) as a resort community

The city of Polson meets these requirements:

- Census estimate population at 2019 is 5,060
- Has tourist related employment as the primary source of economic well being based on DOC analysis
- Received resort community designation on March 20, 2009 and was reaffirmed by DOC on May 21, 2015

History of Resort Tax in Polson

- A resort tax measure was presented to the City of Polson electorate on November 3, 2009, following several meetings and a public hearing. The measure was presented as a 3% tax for a ten year term, payable by non-exempt persons for use by the City for funding any activity, undertaking or administrative service that the municipality is authorized by law to perform.
- The measure was defeated by a vote of 186 For and 956 Against
- The City paid for a Resort Tax Community Assessment that was completed in June, 2014 that reviewed the cities and districts that currently have a resort tax and their issues faced in getting the tax approved and the implementation challenges and successes since approval. This study is available on the City's website under the [Economic Development Council page](#).
- The EDC reviewed the study and began formulating a renewed presentation on the resort tax in May 2015 as a source of funding for street reconstruction.
- A proposed resort tax ballot measure was presented to the City Commission on August 1, 2016, which failed on a 5-1 vote
- In 2018, a largely-new City Commission identified the resort tax as a priority in the 2018-2021 City Strategic Plan

Is Polson a Resort Community?

- Based on the Montana Department of Commerce qualification, Polson sees the most economic benefit from tourist related activity.
- FY2019 Lake County Bed Tax Collections were \$355,002 (4% of the lodging rate) (KwaTaqNuk does not collect the bed tax). The bed tax increased 18% over the FY2018 collections. Since 2011 there has been a 124% increase in bed tax collections for Lake County. Lodging facilities would be subject to a 3% resort tax.
- The biggest expenditures for tourists are restaurants, groceries, outfitters/guides and retail in that order; restaurants and retail would be subject to a 3% resort tax.
- A 2018 report from the University of Montana Institute for Tourism and Recreation Research reported that nonresident traveler spending was \$30,302,000 for Lake County in 2018.



What Items are Taxed by State Law?

The retail value of **all** goods and services sold, except for goods and services sold for resale, by the following establishments:

- Hotels, motels, and other lodging or camping facilities
- Restaurants, fast food stores, and other food service establishments
- Taverns, bars, night clubs, lounges, and other public establishments that serve beer, wine, liquor, or other alcoholic beverages by the drink
- Destination ski resorts or other destination recreational facilities.

The retail value of luxury items (items defined by the resort community) by establishments that sell those items



What other establishments would typically collect the tax on luxury items?

- Retail establishments and street vendors selling any luxury item
- Fraternal Organizations if space is rented or used by the public and nonmembers
- Movie and Live Theaters
- Non-profit organizations unless activity is 100% for fund-raising
- Supermarkets/grocery stores selling any luxury item



What are luxury items?

“Luxuries” – are defined by the MCA code as any gift item, luxury item, or other item normally sold to the public or to transient visitors or tourists. It does not include food purchased unprepared or unserved, medicine, medical supplies and services, appliances, hardware supplies and tools, or any necessities of life.



The EDC's suggested luxury items

- | | |
|--|--|
| <p>Attractions:</p> <ul style="list-style-type: none"> •Arcades •Bowling •Concerts •Golf •Golf and Live Theater •Hobbies •Gate admissions and concessions <p>Rentals:</p> <ul style="list-style-type: none"> •Helmets, tractors, trailers, RVs, etc. •Conferences, convention or event space •Pavilions and park shelters •Marina boat slips •Party and tent rentals •Golf, ski and sports equipment •Motorcycles, bicycles, ATVs, etc. •Movie videos and games •Boats, jet skis, etc. <p>Services:</p> <ul style="list-style-type: none"> •Guides and outfitters •Hunting, fishing, rafting, horseback riding, etc. •Wedding and event planners •Catering services | <p>Retail Sales of the following:</p> <ul style="list-style-type: none"> •Batteries and film •Cameras and supplies •Books, including used books •Candles •Clothing limited to logo wear, recreational clothing, gear and accessories that have been screen printed, embroidered, or otherwise imprinted with designs depicting or containing words such as Montana, Polson, Flathead Lake or any combination thereof •Curtains, decorative boxes and vases •Cut flowers and floral arrangements •Artificial flowers, trees and plants •Finished craft items, including items sold at craft fairs •Fireworks •Gifts, gift tags, gift boxes and wrapping paper •Jewelry and artwork •Magazines and greeting cards •Makeup and supplies, tanning lotions •Motorcycles, boats, jet skis, etc. •Perfumes, cologne •Pictures and picture frames, posters, etc. •Records, tapes, CDs, videos, DVDs •Seasonal items, antiques, pawn shop items •Souvenirs, imprinted and gift items •Sporting goods including used and new equipment •Tobacco, tobacco products, e-cigarettes and delivery systems •Toys •Food delivery charges, but not tips •Clubs, nuts and seeds, grocery items, jerky •Monthly allowances for immediate human consumption •Gala pop, gum and candy •Vending machine items •Alcoholic beverages sold by the drink or at retail |
|--|--|

City of Polson EDC list as of 8/20/2020



Options for the Tax

- Flexible Rate: 0% to 3% - EDC suggesting **3%**
- Year-round or Seasonal? – EDC suggesting **Year-round** collection
- Sunset provision: Standard term is 20 years – EDC suggesting **20 years**
- One **Special Revenue Fund** of the City for all collections and disbursements of the tax (revenue would not be placed in the General Fund)
- City of Polson would collect and disburse all funds
- EDC would advise City Commission on spending funds



What about Tribal Exemptions?

- Tribal enterprises on the reservation are not required to collect state or local taxes such as a bed tax or resort tax.
- Enrolled tribal members of the Confederated Salish and Kootenai tribes are not required to pay state and local employment taxes, excise taxes or property taxes (for property in trust or owned by the CSKT) while living and working on the Flathead Indian Reservation.
- Enrolled tribal members do pay the state gasoline tax but the State of Montana has an agreement to share the gasoline tax with the CSKT government.
- Enrolled tribal members would be required to show identification to be exempt from the resort tax similar to the former requirements in the state of Washington for Montana residents requesting exemption from Washington sales tax
- Merchants would retain signed documentation for the exempt sale
- It would not be the merchant's responsibility to identify tribal members exempt from the tax – this is the tribal member's responsibility.



Proposed Spending Allocation

- 3% would be retained by the vendor to offset costs of implementation and collection
- The remaining balance of the tax would be allocated as follows*:
 - 17% to property tax relief in the form of a rebate on property tax bills for city of Polson residents
 - 80% to street reconstruction and preservation including sidewalk, curb, gutter and storm drainage
 - 3% to the City to offset administrative costs of the tax
- Monitoring spending
 - The EDC or an appointed board would monitor the use of Resort Tax proceeds to assure compliance with the voter-approved Resort Tax Ordinance
 - The EDC would advise the City Commission on matters pertinent to approval or denial of street projects or expenditures. Ultimate decision would be reserved for the City Commission

*This is 100% of the 97% that the City would receive



Implementing the Tax

How would the tax be collected?

- The tax would be collected by any establishment named in the MCA selling any good or service or by any merchant/vendor selling a product deemed as a luxury item within the city limits
- The tax would be collectible on purchases made beginning July 1, 2021 and continuing year-round
- Forms would be supplied to the vendor for payment calculation and exempt sales documentation and payments would be remitted monthly by the 15th of the following month to the city of Polson **OR remit quarterly?**

Who would pay the tax?

- Any non-exempt person purchasing an item that has been deemed a luxury item or goods and services purchased from establishments listed in the MCA and the Resort Tax Ordinance



Are Resort Tax Collections Public Information?

- Privacy is legally required to be maintained by the administrator collecting the tax
- Individual information on a vendor is never public information
- The City may distribute information on an aggregate basis by business type
- The City would contract with a licensed auditor to randomly audit 5 to 10 businesses each year for compliance



How is the Resort Tax Collected?

The Resort Tax is collected at the register and should never be included on the price tags of items.

If an item costs \$15.00 the vendor will collect \$15.00 for the item and charge 45 cents extra in tax at the register. A vendor can also choose to absorb the tax (not collect extra from the customer) and then remit based on their gross taxable sales

Sample tax amounts.
 \$5.00 item: tax would be 15 cents
 \$50.00 item: tax would be \$1.50
 \$75.00 item: tax would be \$2.25



Some Resort Tax Pros and Cons

PROS

- Improve Polson's appearance with beautiful streets and sidewalks
- Capture tourist dollars that are going untapped
- Provide property tax relief

CONS

- Merchant Concerns:
 - Business may decrease
 - Sale issues if not using POS system
 - Bookkeeping issues
 - Similar business outside city won't collect tax
 - Tribal exemption
 - Audit concerns
- Public Concerns:
 - Local citizens may pay majority of the tax
 - Tribal exemption
 - It's a tax



What are the steps to implementation of a resort tax?

- ✓ Be designated as a resort tax community
- ✓ Population under 5,500 as of last federal census
- ✓ Hold Public Meetings to inform public about the resort tax
 - ✓ EDC meetings with guest speakers
 - ✓ Presentations to business and civic organizations ongoing
- Submit recommendation to the City Commission to place the resort tax measure on the ballot
 - Presentation by EDC to the City Commission
- Submit measure to the voters at a special election
 - EDC would recommend a special election ballot measure for January or February 2021 (ballot measure would be submitted no later than 85 days prior to special election)
 - Continue information meetings, advertisement, brochures, etc. to educate
- If the resort tax is passed:
 - City Commission would pass a Resort Tax Ordinance to establish the law
 - City would work with vendors to establish collection methods
 - Collection would begin in July 2021



Economic Development Council Proposal to City Commission

Place referendum ballot measure on a special election ballot in January or February 2021:

- The ballot measure would ask the question of implementing a resort tax in the city limits of Polson:
 - City Commission would pass a Resolution placing the measure on the ballot (must be submitted to the Election Office no later than 85 days before the special election)
 - City Commission would pass a Resolution of Intent indicating the establishments and luxury items that would be taxed
 - City Commission would hold public information meetings, advertise and have brochures and other information available to educate the public

Sample Ballot Language for Resort Tax

BALLOT ISSUE

To reduce municipal property taxes; and
To impose a resort tax in Polson of 3% on:

The retail value of all goods and services sold by lodging and camping facilities; restaurants, fast food stores, and other food service establishments; all public establishments serving alcoholic beverages by the drink; destination recreational facilities; and luxuries sold by other establishments.

The tax will take effect July 1, 2021, for 12 months a year for 20 years, and must be used as follows:

- 17% property tax relief;
- 80% reconstruction and/or preservation of existing streets, storm sewers, sidewalks, curbs, gutters; and
- 3% administrative costs.

_____ FOR the resort tax.
_____ AGAINST the resort tax.

Comparison of Resort Tax and Street Levy Ballot Measures

RESORT TAX	STREET LEVY
<ul style="list-style-type: none"> • Referendum ballot measure • Primarily for street reconstruction and preservation • Tax is on purchase of goods and services • Collected by vendors • Tax paid by tourists and local citizens • Provides property tax relief 	<ul style="list-style-type: none"> • Referendum ballot measure • Only for street reconstruction and preservation • Tax is on real estate property in Polson • Collected by County on property tax bill • Tax paid only by property owners • No property tax relief

**It's all about
finding funding for streets
with the least impact
to our Citizens!**



More Information

The Economic Development Council members can be reached by contacting staff representatives: Cindy Dooley, 883-8204, finance@cityofpolson.com, or Kyle Roberts, 883-8213, cityplanner@cityofpolson.com

QUESTIONS???

PUBLIC QUESTION & ANSWER ONLY (TO HELP UNDERSTANDING OF THE RESORT TAX) (38:24)-Mayor Briney asked if there were any questions from the Public regarding the Resort Tax proposal. Commissioner Howlett thanked Cindy and Kyle for the easy to understand format. Mayor Briney also thanked Cindy and Kyle as well as the Economic Development Council for all the hard work and many hours.

Max Weiss asked how the majority of the Resort Tax would be paid by the tourist when then tourist are only here for 90 days. City Finance Officer Dooley explained that the majority of the lodging tax is paid by tourist therefore the tourist would be paying the majority of the tax. Mr. Weiss then asked how funding streets would bring more business. Mr. Weiss commented that he did not agree with this statement. Mr. Weiss also asked about the comparison cities. City Finance Officer Dooley answered Columbia Falls expects to collect \$400,000.00 in Resort Tax.

Lee Manicke asked if there would be taxes on golf season and daily passes. City Finance Officer Dooley answered yes. Mr. Manicke asked about the aquatic center. Finance Officer Dooley answered she wasn't certain if the aquatic center were considered recreation. That would have to be researched. Mr. Manicke then asked about baseball games. City Finance Officer Dooley answered yes, gate admission and

concessions would be taxable. Mr. Manicke then asked about tournaments that the schools hold. City Finance Officer Dooley answered that if the tournament was for the school it would be exempt. Mr. Manicke asked about tax exempt entities. City Finance Officer Dooley gave an example if the Elks were holding a dinner that was being served to non-Elk members then yes, that would be taxable. Mr. Manicke then asked about the list of taxable items. One of the items is batteries. Will this include smoke detector batteries, hearing aid batteries? Commissioner Martin commented that the list should be updated and remove batteries.

PUBLIC HEARING (59:33) – Mayor Briney opened the Public Hearing at 8:14 p.m.

Lee Manicke suggested increasing the Property Tax Relief to 25% instead of the 17% The cities of Whitefish and Columbia Falls have the 25% Property Tax Relief

Larry Ashcraft commented that the other cities are not Polson. There is nothing here in Polson year-round. Also the other cities do not have the Tribal Exemption to deal with. Change the Resort Tax to 4 months for 10 years instead of the 12 months for 20 years. It would be better.

Mayor Briney closed the Public Hearing at 8:21 p.m. (01:06:38)

Prior to adjourning Mayor Briney asked the Commission if Action Minutes are agreeable. The Commission stated yes Action Minutes are agreeable.

Adjourn (01:06:49) - Commissioner Howlett motion to adjourn. Commissioner Martin second. VOTE: Unanimous Motion carried.

ADJOURN: 8:22 p.m.

Mayor Paul Briney

ATTEST: _____
Cora E. Pritt, City Clerk

CITY OF POLSON
COMMISSION SPECIAL MEETING MINUTES

City Chambers (via Zoom)

September 3, 2020

5n
7:00 p.m..

ATTENDANCE: Mayor Briney, Commissioners, Howlett, Isbell, Martin, Marchello, Moll, Pardini, Interim City Manager Wade Nash and City Clerk Cora Pritt.

OTHERS PRESENT (who voluntarily signed in via Zoom): City Dooley, Pat Nowlen, and Kyle Roberts

CALL TO ORDER: (00:01) Mayor Briney called the meeting to order. The Pledge of Allegiance was recited. Roll call was taken.

APPROVAL OF PROPOSED AGENDA (00:55) –**Commissioner Moll motion to approve the proposed agenda. Commissioner Martin second.** Commission discussion: none Public comment none. **VOTE: Unanimous Motion carried**

PUBLIC COMMENT ON SIGNIFICANT MATTERS TO THE PUBLIC NOT ON THE AGENDA (01:36)-none

REVIEW CHANGES TO PRELIMINARY BUDGET FISCAL YEAR 2021 (01:56)- This agenda item was presented by Interim City Manager Wade Nash and City Finance Officer Cindy Dooley. Interim City Manager Nash commented that the City Staff has done a wonderful job managing their department budgets. He also thanked Finance Officer Dooley for a tremendous job. City Finance Officer Cindy Dooley reported the following changes: The Mill Levy, Permissive Levy, and Police Municipal Levy remained the same. The Working Capital changes are: Fire Impact Fee increased \$64,000 to cover the purchase of SCBA equipment should the grant not be awarded, Tax Increment Funding increased \$2,000.00 under Purchase Services, Salary: Code Compliance Officer \$1.00 increase plus the 4%, Streets Employee \$1.00 increase plus the 4%. Expenditure line items: City Manager car allowance \$600.00 for a total of \$2,400.00 a year, Finance Department \$2,800.00 for City Clerk new computer. The General Fund increase in expenditures is \$8,543.00 Fire Impact Fee \$64,000.00 and Tax Increment Fund \$2,000.00 Commissioner Howlett questioned raising the salary of the Golf Restaurant Manager. Parks and Recreational Director Pat Nowlen answered that he had had this conversation with the manager and explained that revenue would need to be increased in order for there to be monies in the budget for a salary increase. It was also pointed out that the manager has worked 6 months of the 12 month probation period. Commissioner Martin requested that City Planner Kyle Roberts salary be increased to \$60,000.00 per year. Commissioners Howlett, Moll, and Pardini agreed. The Commission instructed Finance Officer Dooley to increase the budget to accommodate the salary increase to \$60,000.00 per year.

RESOLUTION TO ADOPT A BUDGET FOR THE CITY OF POLSON FOR THE FISCAL YEAR 2021 (22:53) – **Commissioner Howlett motion to approve Resolution 2020-TBD, to adopt the final budget for the City of Polson, Montana for the fiscal year 2020-2021. Commissioner Martin second.** Commission discussion: none Public Comment: Finance Officer Cindy Dooley pointed out that the budget is passed at fund level not individual level. Also, the City Manager and the Finance Officer have the ability to move funds around without a budget amendment being required. **VOTE: Unanimous Motion carried.**

Prior to adjourning Mayor Briney asked the Commission if Action Minutes are agreeable. The Commission stated yes Action Minutes are agreeable.

Interim City Manager Nash reminded everyone that the next Commission meeting will be Wednesday, September 9, 2020 at 7:00 p.m. due to the holiday on Monday, September 7, 2020.

**Adjourn (25:14) - Commissioner Martin motion to adjourn. Commissioner Moll second.
VOTE: Unanimous Motion carried.**

ADJOURN: 7:25 p.m.

Mayor Paul Briney

ATTEST: _____

Cora E. Pritt, City Clerk



City of Polson City Commission Presentation

September 9, 2020

Lake County Community Development as your Partner

LCCDC is a 501c3 nonprofit community development organization that serves Lake, Mineral and Sanders Counties and a portion of the Flathead Indian Reservation and oversees a variety of economic development projects throughout the western region.

Experienced staff oversee 4 programs: 1) Community Development, 2) Business Development, 3) Cooperative Development and 4) Food Economy Development, which includes our fully functioning food processing center. Total staff is 15 people with 3 in Administration, 3 in Business Development, 1 in Cooperative Development and 8 staff currently in the Mission Mountain Food Enterprise Center.

We host a nearly \$5.0 million revolving loan fund to support business start-up and expansion and, as resources allow, proactively sponsor business development workshops and one-on-one counseling to businesses in the region.

We work with various federal, state, local and private funding sources to procure dollars to support our activities. This report gives you an overview of fiscal year 2020, which ended June 30, 2020.

All of LCCDC's activities roll out of the Comprehensive Economic Development Strategy (CEDS) -- this is a local economic development plan that guides the economic growth of an area. As a regional CRDC we are required to prepare and submit this document to the MT Department of Commerce. LCCDC's CEDS document is the result of a planning process that involves broad community participation to identify strengths, threats and opportunities across the tri-county region.

The following is a summary of LCCDC's activities tied specifically to Business and Community Development.

1. Supporting Businesses – Regional coverage of Lake, Mineral and Sanders Counties: LCCDC's Business Development Center (BDC) helps local businesses grow and attracts new businesses. Actions to meet these goals can help businesses create jobs, encourage entrepreneurship, enhance fiscal sustainability by expanding and diversifying the tax base, and improve quality of life with new services and amenities.
 - a. LCCDC provides business development Technical Assistance for new and expanding businesses through one-on-one consultation and workshops. In the

spring of 2020 we helped 104 regional businesses with COVID-19 specific assistance; 50 of those clients are located in Polson.

CLIENT TECHNICAL ASSISTANCE - BDC	<u>FY 2020</u>
Total Clients Receiving 1-on-1 TA	211
Polson Clients Receiving 1-on 1 TA	87
Hours of TA provided to Polson clients	1,153
Percentage of TA Clients from Polson	41%

- b. Hours on consulting services provided to Polson area clients ranging from developing a business plan to managing cash flow, hiring employees, setting up and managing their accounting system, development and implementation of marketing strategy and gaining access to business capital. Our spring workshops were cancelled due to COVID-19; however, we are working on transitioning to online models to continue to provide training in these essential areas.

WORKSHOPS AND ON-SITE TRAINING	<u>FY 2020</u>
Regional Workshops	28
Total Workshop Attendees (Regionally)	229
Workshop Attendees (Polson)	39

- c. LCCDC convenes resources, gathers data, and secures lending capital for new and expanding businesses. Please note that in FY 2020, LCCDC closed 4 business loans within the TIF district.

LCCDC LOAN PORTFOLIO ACTIVITY	<u>FY 2020</u>
Total Loans Made by LCCDC	15
Total Dollar Value of Loans	\$1,334,440
Total Loans Made in Polson	6
Total Dollar Value Loans Made in Polson	\$711,283
Based on dollar Value -- %	53%
Based on Number of Loans -- %	40%
Federal, State and Private Leverage	\$3,775,557
Total Leverage in Polson in 2020	\$2,756,760

- d. LCCDC provides fee-based grant research/writing, management services for new and expanding businesses including collection of survey data and feasibility studies.

<u>State Grants to Polson Businesses</u>	<u>FY 2020</u>
Big Sky Trust Fund Job Creation Awards	No open Applications
Jobs Created by the Awards	N/A

Big Sky Trust Fund Feasibility Study (Polson Businesses)	2 Awards to Polson Businesses Totaling \$20,000 plus 1:1 Match
---	---

2. Community Development – Regional coverage of Lake, Mineral and Sanders Counties:
- a. Provide Technical Assistance to community champions and fee-based grant research/writing/management services for community projects including conducting feasibility studies.

<u>OTHER POLSON COMMUNITY PROJECTS</u> LCCDC applied to become and EDA District	<u>FY 2020</u> Approval Pending
LCCDC recertified as a State of Montana Certified Regional Development District providing services across the 3-county region	Effective until 2022

- b. Work with regional governments as needed on infrastructure priorities:
- Roads – LCCDD assisted Lake County with a grant for road repairs through EDA, this grant unfortunately was not awarded.
 - Broadband expansion taking place across Sanders County with Blackfoot.
 - Housing -- Research models for cooperatives to address growth areas and develop organizational capacity to provide cooperative development services in growth areas. Engaged in funding affordable housing feasibility studies for Mineral and Sanders counties. Work closely with Lake County Housing Authority.
- c. Represent the economic development perspective at various venues serving in the role of convener, advocate, educator, and data collector. LCCDC hosts Leadership Flathead Reservation and currently over half of the students in the program are from Polson. The class of 2020 will be finalized once we are able to convene in groups of 25 or more. The class of 2021 is suspended. We will reconvene in summer of 2021 with the advisory committee for the Fall of 21 kick-off.

	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total Attendees	25	23	20
Polson Attendees	11	7	12
% from Polson	44%	30%	60%

- d. Develop and maintain relationship including interagency (federal, state governments and tribal leadership). Collaborator, convener, and participant in regional agency projects, grants and programs.

- e. Facilitate one annual public meeting of needs in each County to inform local governments and the public on potential grant or funding programs and identify community needs. (Next meetings will be January of 2021)
 - f. Explore the coordination and leveraging of local tourism plans toward a regional tourism plan.
3. How does LCCDC's work with the City of Polson? We have provided the PRA/TIF district support, documented in quarterly reports since October of 2018. In the spring of 2020, the COVID impacts reflected that businesses were in need of one-on-one assistance to respond to the COVID opening requirements. LCCDC staff suspended PRA/TIF district outreach and pivoted to COVID response work. LCCDC has not billed the city for the technical assistance work in Polson since March 31. There are still several potential PRA/TIF district project opportunities; however, most businesses have requested that these be pushed out until after September.

We have visited with Kyle and will be reconvening on the topic of the PRA/LCCDC agreement to support PRA/TIF district projects once the new City Manager is in place. With businesses responding to COVID impacts, there has been no inquiry in our offices for PRA/TIF district technical assistance. LCCDC is always happy to assist the City with any referrals or requests for support or services that we can.

The document, "Consider the Possibilities" has long been a reference for City of Polson activities. We have all agreed that the document is definitely in need of updating. We look forward to working with the City, assisting in this project.

It is our hope that hearing this report today gives you the information to better understand the partnership we have had for the past two years, and to realize the community impact.

LCCDC is a non-profit that works with all the local and regional governments to achieve our mission, and support each community's goals and objectives. Each of the value statements ties to LCCDC's overall Mission "To enhance the quality of life and sustainable economic well-being of all residents of the communities we serve." Our mission supports the Heart & Soul Values identified in the work of the Orton Family Foundation award to the Greater Polson Community Foundation as showcased in the beautiful Lucite plaque hanging City Commission chambers. We look forward to another great year of serving the regional communities and showcasing for you next summer the impact in Polson.

CITY OF POLSON

CITY COMMISSION AGENDA ITEM SUMMARY

Agenda Item No.: 9 (Motion) Eric Barsness Impact Fee Review/Modification Request
Meeting Date: September 9, 2020
Staff Contact: Kyle Roberts, City Planner
Phone and Email: 406-883-8213 | cityplanner@cityofpolson.com

AGENDA ITEM SUMMARY: This Agenda Item requests the City Commission make a motion to approve or deny Eric Barsness' impact fee review/modification request.

BACKGROUND: On August 7th, the City received an Impact Fee Review/Modification Request application from applicant, Eric Barsness. Mr. Barsness is requesting the City to waive assessed sewer impact fees that will be required to be paid when development of Lot 3-1 occurs. The total assessed sewer impact fee is unknown at this time as it is unknown as to what type of development will occur on the lot.

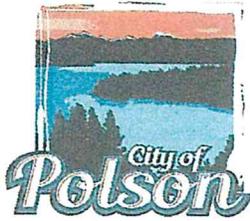
Per Section 2.06.883 of the Polson Municipal Code, an ad hoc impact fee review board was assembled to review the petition request. On August 26th, the board met to discuss and arrive at a recommendation to forward to the City Commission.

ANALYSIS: After a review and discussion of the applicant's request, the board concluded that the applicant's request does not comply with the Sec. 2.06.883 of the Polson Municipal Code. Attached is a recommendation letter from the board that summarizes the board's recommendation decision.

IMPACT FEE REVIEW BOARD RECOMMENDATION: The board recommends that the City Commission deny Mr. Barsness' impact fee petition request for Lot 3-1.

SUGGESTED MOTION: *I MAKE A MOTION TO DENY MR. BARSNESS' IMPACT FEE PETITION REQUEST FOR LOT 3-1.*

ATTACHMENTS: i) Eric Barsness Impact Fee Review/Modification Request Form
ii) Impact Fee Review Board Recommendation Letter



CITY OF POLSON

106 First Street East
Polson, Montana 59860
T: 406-883-8200 | F: 406-883-8238
W: www.cityofpolson.com

Date Rec'd: 7.27.20
Fee: \$100 *pd.*

IMPACT FEE REVIEW/MODIFICATION REQUEST

Name: Eric Barsness Phone # 406-550-0206
Address: 815 Mill Road, Helena, MT 59602 Email: randbwoodwork@aol.com

You are requesting:

- Impact fee re-determination Refund of impact fees Credits or reimbursements against impact fees

Which fees are you requesting relief or modification from:

I am seeking that all impact fees be forgiven for Boettcher Tracts S10 T22N R20W Lot 3-1, Acres 0.5, H-267, a lot that I split off 917 11th Street in 2015.

What are your reasons for requesting relief or modification:

In 2004, I extended the city sewer up 11th Street and set a manhole cover after having it engineered by a professional as required by the city. This effort cost me \$7,500. It seems fair that I should not be asked to pay impact fees when I already bore the cost of installing city infrastructure. I have not recouped any of this investment from surrounding neighbors that have subsequently utilized this infrastructure.

Eric Barsness
Signature of Requestor

July 27, 2020
Date of Request*

*Please note that the City Commission will make a determination within 60 days of the filing of a complete application. The complete impact fee review/modification request process can be found in [Section 2.06.883](#) of the Polson Municipal Code.

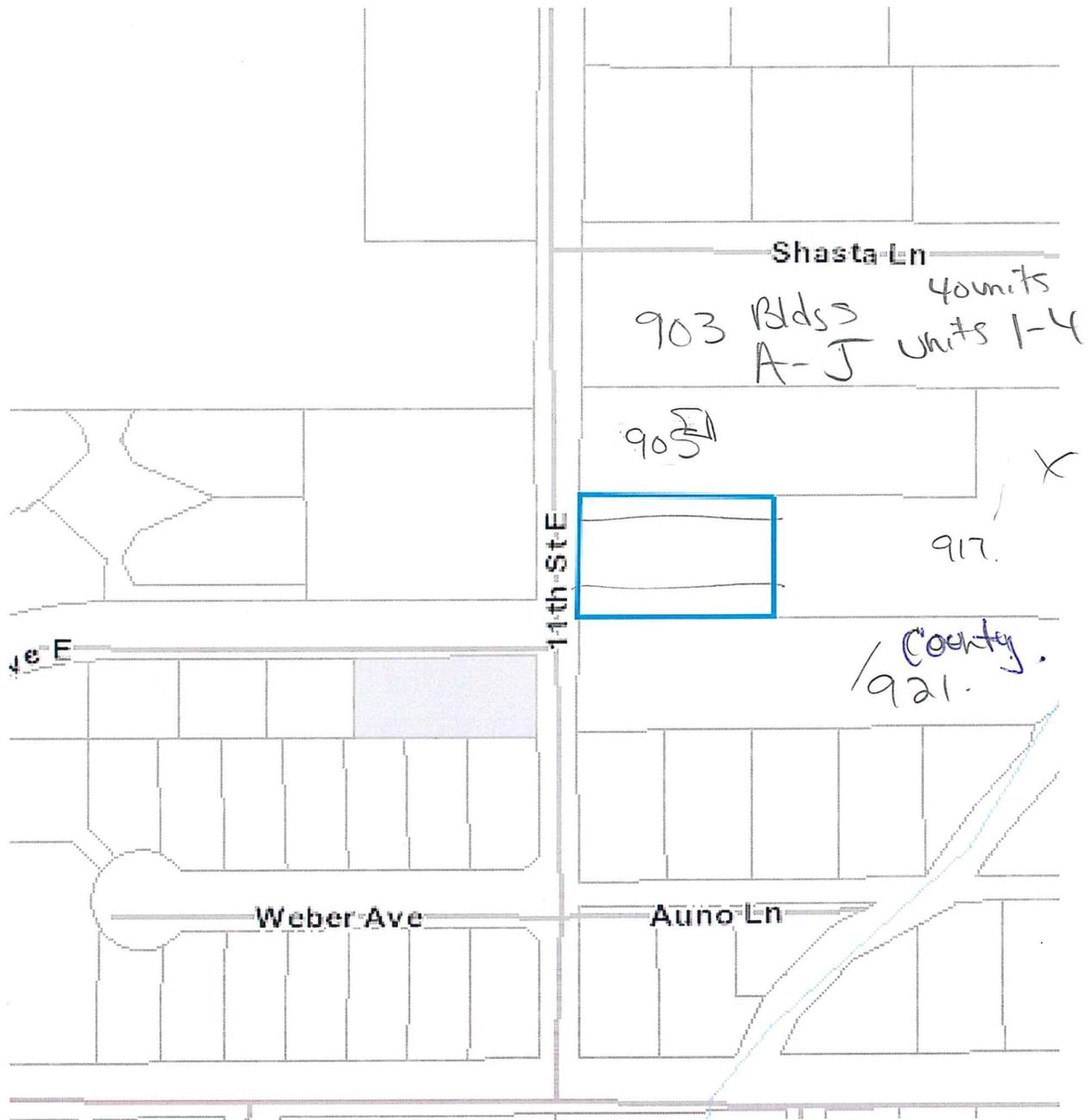
THIS SECTION TO BE COMPLETED BY STAFF	
Parks Assessed Fee: _____	Department Head Recommended Fee: _____
Water Assessed Fee: _____	Department Head Recommended Fee: _____
Sewer Assessed Fee: _____	Department Head Recommended Fee: _____
Fire Assessed Fee: _____	Department Head Recommended Fee: _____
Admin Assessed Fee: _____	Department Head Recommended Fee: _____
What would be the estimated total cost to the City: _____	

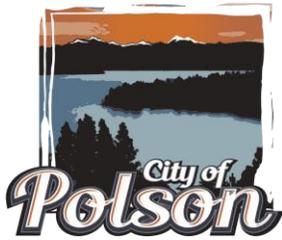
Rev. 3/2020

From: Eric Barsness <randbwoodwork@aol.com>
Sent: Friday, August 7, 2020 11:51 AM
To: bp@cityofpolson.com

In 2004 my septic system failed. I chose to bring the property into the city limits and hook up to city sewer. I had the sewer engineered and brought the city main up from Shasta st and installed a manhole at my own expense. I have since sold the house and kept a 1/2 acre lot. I am now selling the 1/2 acre lot and felt that since I had done all the city infrastructure at my own expense, it was fair to ask that the impact fees be excused. I am requesting 2.06.883 D. Thank you.

Sent from my iPhone





CITY OF POLSON

106 First Street East
Polson, Montana 59860
T: 406-883-8200 | F: 406-883-8238
W: www.cityofpolson.com

August 27, 2020

RE: Impact Fee Review Board Recommendation: Eric Barsness Impact Fee Review/Modification Request

Mayor and City Commissioners,

On August 7th, the City received an Impact Fee Review/Modification Request application from applicant, Eric Barsness. Mr. Barsness is requesting the City to waive assessed sewer impact fees that will be required to be paid when development of Lot 3-1 occurs. The total assessed sewer impact fee is unknown at this time as it is unknown as to what type of development will occur on the lot. However, at a minimum, \$1,531 would be assessed for a single-family dwelling. Mr. Barsness has stated that he extended City sewer up 11th Street East to provide City sewer to his lot in 2004 as a result of his septic system failing. Since that time, he has divided his lot into two: Lot 3-1 and 3-2. Lot 3-2 has a single-family dwelling that is on City sewer. Lot 3-1 is undeveloped. Because he extended the City sewer line that allowed others to utilize the infrastructure, he feels the sewer impact fee for Lot 3-1 should be waived.

Per [Section 2.06.883\(A\)\(3\)\(b\)](#) of the Polson Municipal Code (PMC), a final determination by the City Commission must be made within 60 days of receipt of the petition request. Additionally, the sole authority to decide on impact fee petitions shall reside with the City Commission, which shall receive and consider advice from an ad hoc review board that is formed by the City Manager.

Shortly after receiving the request, the Interim City Manager assembled an impact fee review board that consisted of himself, two City Commissioners, the City Planner, Water & Sewer Superintendent, and Building & Planning Technician. The board met on August 26th to review and discuss the nature of the request. The following facts came out of the board's review and discussion:

- Mr. Barsness stated that in 2004 his septic system failed. This prompted him to annex into the City and extend the City sewer up 11th Street East to provide sewer service to his lot. Per [Sec. 6.04.200](#) of the Polson Development Code, provision of utilities, including any extension of mainlines necessary to serve a development, shall be the responsibility of the developer.
- In seeking any credit against impact fees, the applicant must, *prior* to the applicant's construction or dedication of the system improvement, submit a petition to the City to determine impact fee credit eligibility. Failure to timely file a petition for impact fee credits shall waive any right to impact fee credits ([Sec. 2.06.883\(D\)\(a\)](#), Polson Municipal Code). The mainline has been constructed, and therefore is not eligible for impact fee credit.
- No petition for impact fee reimbursement agreement shall be available if more than ten years have passed since the system improvement ([Sec. 2.06.883\(D\)\(b\)](#), Polson Municipal Code). It has been over ten years since the mainline was installed.

Therefore, based upon the aforementioned facts, the board recommends that the City Commission not waive any assessed sewer impact fee for Lot 3-1.

Sincerely,

Brodie Moll, City Commissioner
Carolyn Pardini, City Commissioner
Wade Nash, Interim City Manager
Kyle Roberts, City Planner
Ashley Walker, Water & Sewer Superintendent
Beth Smith, Building & Planning Technician

CITY OF POLSON

CITY COMMISSION AGENDA ITEM SUMMARY

Agenda Item No.: 10 (Motion) Resolution 2020-___ Presenting the Question of a Resort Tax to the Electors of the city of Polson on a January 2021 Special Election Ballot

Meeting Date: September 9, 2020

Staff Contact: Cindy Dooley, Finance Officer; Kyle Roberts, City Planner

Phone and Email: 406-883-8213 | cityplanner@cityofpolson.com

AGENDA ITEM SUMMARY: This Agenda Item requests the City Commission make a motion to approve or deny a resolution presenting the question of a resort tax to the electors of the city of Polson on a January 2021 special election ballot.

BACKGROUND: In August 2016, the Economic Development Council (EDC), an advisory board to the City Commission, made a recommendation to the City Commission to adopt a resolution placing the question of a resort tax to the electors on the general election ballot. The recommendation was denied.

In early 2018, the City administration and a new mayor and City Commission identified the resort tax as a priority in the City's 2018-2021 Strategic Plan. Additionally, the Polson Growth Policy, a long-range policy document that serves to guide decisions about development, identifies the exploration of a resort tax as a goal. Polson remains designated by the Montana Department of Commerce as a resort community, and as such, Polson has the ability to implement a resort tax until the city's population reaches 5,500.

The EDC re-convened to begin exploring the resort tax with an initial recommendation to place the initiative on the November general election ballot. However, due to increased financial costs and logistical challenges, the EDC revised the proposed timeline and subsequently held a public hearing with the City Commission on August 24th.

ANALYSIS: The EDC is proposing a 12-month, 3% resort tax for the duration of 20 years. Revenue from the tax would be expended as follows: 80% provided for re-construction and/or preservation of existing streets, storm sewers, sidewalks, curbs, and gutters; 17% provided for property tax relief; and, 3% provided for administrative costs. Great detail of the proposal can be found in the EDC Resort Tax Informational Presentation (attached).

FINANCIAL CONSIDERATION: The City currently does not have adequate funding in its annual budget for street re-construction. Implementing a resort tax will provide the City much-needed additional funding for street re-construction projects. The City staff has been working with the Department of Revenue economists to provide a projection of revenue for the resort tax. Estimates of resort tax revenue from food and beverage and lodging establishments are in the \$600,000 to \$700,000 range per year. A projection of revenue from luxury items is being worked on and will be available at the meeting.

RECOMMENDATION: Following the recommendation of the EDC, staff would also recommend approval of the resolution to place the resort tax on a January 2021 special election ballot.

SUGGESTED MOTION: *I MAKE A MOTION TO APPROVE RESOLUTION 2020-___ TO PRESENT THE QUESTION OF A RESORT TAX TO THE ELECTORS OF THE CITY OF POLSON ON A JANUARY 2021 SPECIAL ELECTION BALLOT.*

ATTACHMENTS: i) Resolution 2020-___ Presenting the Question of a Resort Tax to the Electors of the city of Polson
ii) EDC Resort Tax Informational Presentation, September 9, 2020

**CITY OF POLSON
RESOLUTION 2020-_____**

**PRESENTING THE QUESTION OF A RESORT TAX TO THE
ELECTORS OF THE CITY OF POLSON**

WHEREAS, Section 7-6-1501(8), MCA, defines a resort community as an incorporated municipality with a population of less than 5,500 according to the most recent federal census, that derives the primary portion of its economic well-being related to current employment from business catering to the recreational and personal needs of persons traveling to or through the municipality for purposes not related to their income production and which has been designated by the Department of Commerce as a resort community;

WHEREAS, the Montana Department of Commerce has designated the City of Polson as a resort community;

WHEREAS, Section 7-6-1502, MCA, authorizes a resort community to present the resort tax question to the electors of a resort community by resolution; and

WHEREAS, Section 7-6-1504(1), MCA, authorizes the governing body to call a special election on the resort tax question or to have the resort tax placed on the ballot at the next regularly scheduled election;

WHEREAS, it appears in the best interests of the citizens and taxpayers of the City of Polson that relief from the burden of fixing and maintaining the streets of Polson fall proportionately upon the tourist users.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1. Pursuant to section 7-6-1504 (1) and (2) MCA, the Polson City Commission presents to the electors residing in the City of Polson the question of the adoption of a resort tax for the City of Polson in accordance with this resolution.

2. The resort tax presented to the electors shall be structured as follows:

(a) The rate of the resort tax shall be three percent (3%) of the retail value of all goods and services as defined herein sold, except for goods and services sold for resale, by the following establishments:

- (i) hotels, motels, and other lodging or camping facilities;
- (ii) restaurants, fast food stores, and other food services establishments;
- (iii) taverns, bars, night clubs, lounges, and other public establishments that serve beer, wine, liquor, or other alcoholic beverages by the drink; and
- (iv) destination recreational facilities.

(b) The rate of the resort tax for any gift item, luxury item, or other item normally sold to the public or to transient visitors or tourists shall be three percent (3%).

3. If approved by the electors, the resort tax shall become effective on July 1, 2021, effective 12 months a year, and the duration of the resort tax shall be for twenty (20) years.

4. The purposes to be funded by the resort tax include:

(a) Property tax reduction for taxpayers residing in the City of Polson in an amount equal to seventeen percent (17%) of the resort tax revenues derived during the preceding fiscal year;

(b) Provision for the repair and improvement of existing streets, storm sewers, sidewalks, curbs and gutters, in an amount equal to eighty percent (80%) of resort tax revenues derived during the preceding fiscal year;

(c) Cost of administering the resort tax in an amount equal to three percent (3%) per year.

6. The election shall be held on January __, 2021, the date of a special election, to be conducted as authorized by Section 7-6-1504(5), MCA.

7. The question to be presented to the electors and the ballot issue shall be in substantially the same form as Exhibit "A" attached to this resolution; provided, however, that the City Attorney may further redraft Exhibit "A." to conform to state law, if necessary.

BE IT FURTHER RESOLVED, that the City Clerk is hereby instructed to file this Resolution in the City's Book of Resolutions.

___ ayes ___ nays ___ abstentions

Date of Passage:

Effective Date: Immediately

Paul Briney, Mayor

Attest:

Cora Pritt, Clerk

EXHIBIT "A"

**THIS BALLOT SHALL BE MARKED WITH AN "X" IN
THE SQUARE BEFORE THE QUESTION
SUBMITTED TO A VOTE OF THE PEOPLE**

BALLOT ISSUE

To reduce municipal property taxes; and

To impose a resort tax in Polson of 3% on:

The retail value of all goods and services sold by lodging or camping facilities; restaurants, fast food stores, and other food service establishments; all public establishments serving alcoholic beverages by the drink; destination recreational facilities; and luxuries sold by other establishments.

The tax will take effect July 1, 2021, effective 12 months a year, for 20 years, and must be used:

17% property tax relief;

80% existing streets, storm sewers, sidewalks, curbs, and gutters;

3% administrative costs;

_____ FOR the resort tax

_____ AGAINST the resort tax

City of Polson
Economic Development Council

Resort Tax Informational Presentation

September 9, 2020

Polson Economic Development Council

Advisory Board to the City Commission

Members:

Rich Forbis, Chair

Gerry Browning, Vice Chair

Becky Dupuis

Brian Cannavaro

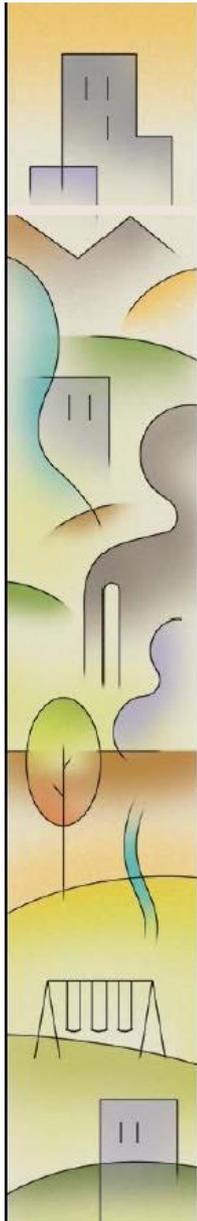
Mandy Smith

Kirk Foreman

Bob Martin, City Commission representative

Cindy Dooley, Staff representative

Kyle Roberts, Staff representative





Tonight's Presentation

To the Polson City Commission

1. Provide information on City needs
2. Provide information on the Resort Tax
3. Present Proposal
4. Questions



What is the City's #1 Challenge?

It's all about the Streets!



This was also the Heart & Soul project's #1 governance value concern that came from the neighborhood meetings.



Main Street
Streetscape project
funded by CTEP,
Sidewalk loan fund,
SID and Tax
Increment funding

Current Street Department Funding

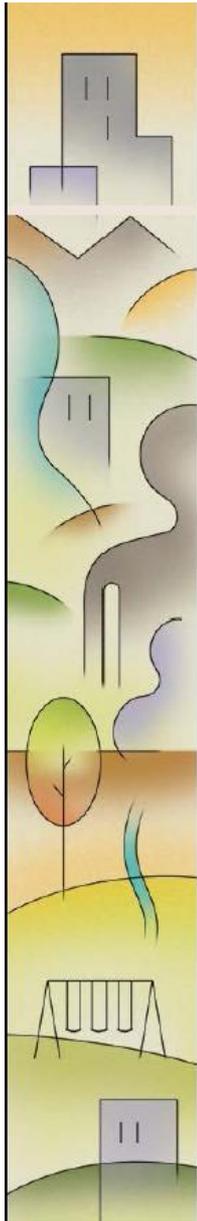
- **General Fund (tax dollars) operating expenditures have averaged \$217,095 per year over the last 4 years**
 - **Pays personnel costs**
 - **Pays administrative and operating costs for the department**
 - **Pays utilities, repairs and maintenance**
 - **Pays additional winter costs of snow removal**

Fuel Tax allocation revenue – City receives an average of \$100,785 per year (15-70-101 MCA)

- **Can be used for construction, reconstruction, maintenance and repair of the City's streets and equipment used to maintain the streets**
- **Currently this allocation is just enough each year to snow plow and de-ice the streets, durapatch the potholes, stripe the streets, pay for small paving jobs and set aside some money for future equipment purchases, down payments or debt service**

Special Fuel Tax allocation

- **City started receiving in FY19. Money received is for street maintenance and requires a match from City's budget**



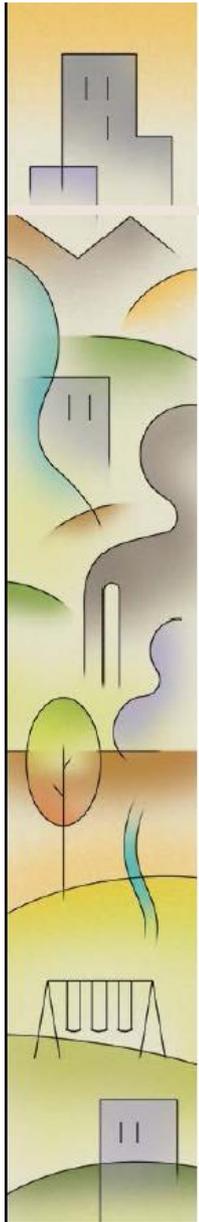
How much does a reconstructed street cost?

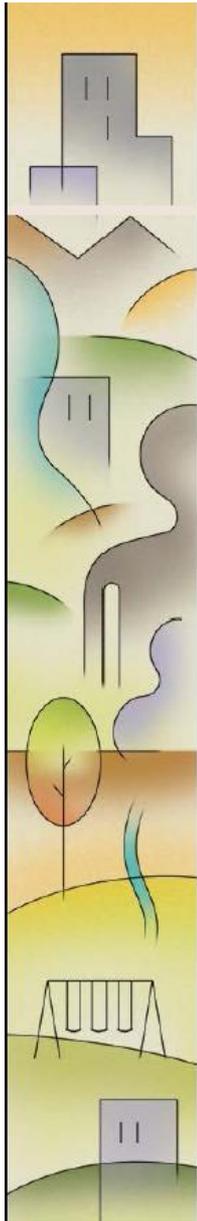
- To rebuild one block of street it costs about \$335,000 including curb, sidewalk, storm drain, asphalt and engineering fees.
- Costs are rising every year
- The current City street department budget does not have enough funding for reconstruction!



What are the options for funding streets?

- Do nothing and allow the streets to disintegrate
 - However, survey results have shown that streets are the #1 concern for citizens
- Raise city taxes through a special levy (requires vote)
 - Only city taxpayers will pay for the street reconstruction and maintenance but others will drive on the street
- Implement SIDs (special improvement districts) on a street-by-street or defined area of streets for street reconstruction
 - Only property owners adjacent to the street will pay the SID but others will drive on the street
- Street Maintenance Districts
 - Property owners adjacent to the street are assessed to maintain the streets for chip sealing, seal coating, overlay, etc.
- Look for other sources of revenue
 - Grant funding is virtually nil for street reconstruction
 - 2 cent gas tax option (requires vote)
 - Montana resort tax option (requires vote)





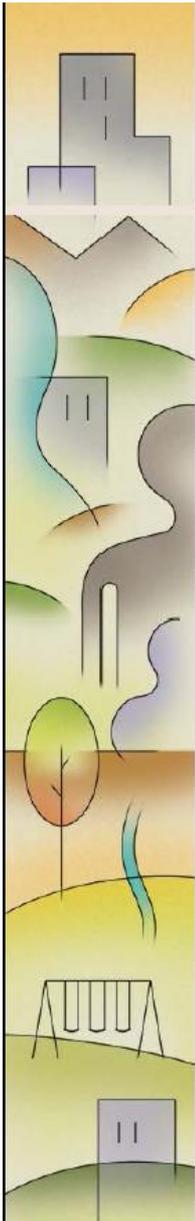
Why does resort tax exist in Montana?

“Resort taxes serve the function of creating a funding source for designated resort areas to finance a variety of services.”

“It allows communities with high numbers of visitors, but relatively few residents, to manage the wear-and-tear on **local infrastructure** without overburdening **local citizens.**”

~Northern Rocky Mountain RC&D (Resource, Conservation & Development)

Montana's Resort Tax Areas and Communities

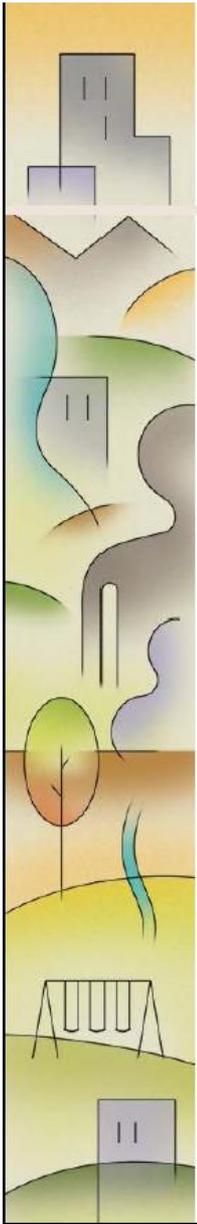


	Year Enacted:	2010 Census	Tax Rate:	Collection period:	FY 2015 Revenue
West Yellowstone	1986	1,271	3%	Year round	\$1,710,600
Virginia City¹	1991	190	3%	April 1-Oct 1	\$65,000
Big Sky	1992	2308	3%	Year round	\$4,104,636
St. Regis	1992	319	3%	Year round	~\$190,000
Whitefish	1996	6,357	3% (2% prior to July 1, 2015)	Year round	\$2,205,563
Red Lodge	1998	2,125	3%	Year round	~\$700,000
Cooke City	2006	75	3%	Year round	~\$150,000
Craig	2010	43	3%	April 1-Nov 15	\$120,406
Gardiner	2014	875	3%	June 1-Sept 30	~\$350,000
Wolf Creek	2014	510 (635 in zip code)	3%	April 1-Nov 15	\$25,338

Columbia Falls 2021 4,688 3% Year round \$450,000 (projected)

Agenda Packet Page #57

Source: An Assessment of the Resort Tax: Collections and Usage in Montana Communities, Kara Grau, The University of Montana - Missoula



Paving projects in West Yellowstone
Agenda Packet Page #58

Montana Resort Tax Law

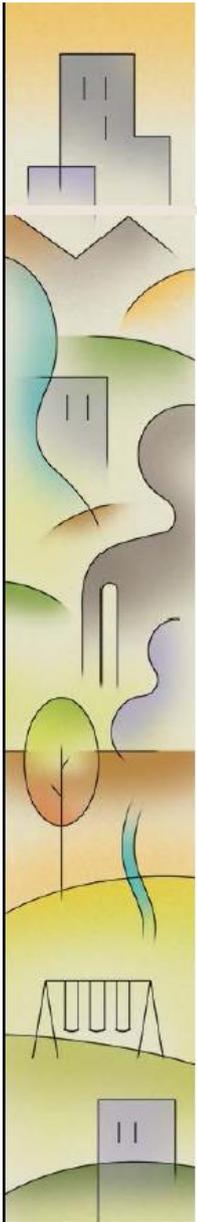
MCA – Title 7, Chapter 6, Part 15

A resort community is defined as:

- an incorporated city with a population of less than 5,500 according to the most recent federal census
- derives the primary portion of its economic well being from employment related to the recreational and personal needs of persons traveling to or through the municipality
- has been designated by the department of commerce (DOC) as a resort community

The city of Polson meets these requirements:

- Census estimate population at 2019 is 5,060
- Has tourist related employment as the primary source of economic well being based on DOC analysis
- Received resort community designation on March 20, 2009 and was reaffirmed by DOC on May 21, 2015



History of Resort Tax in Polson

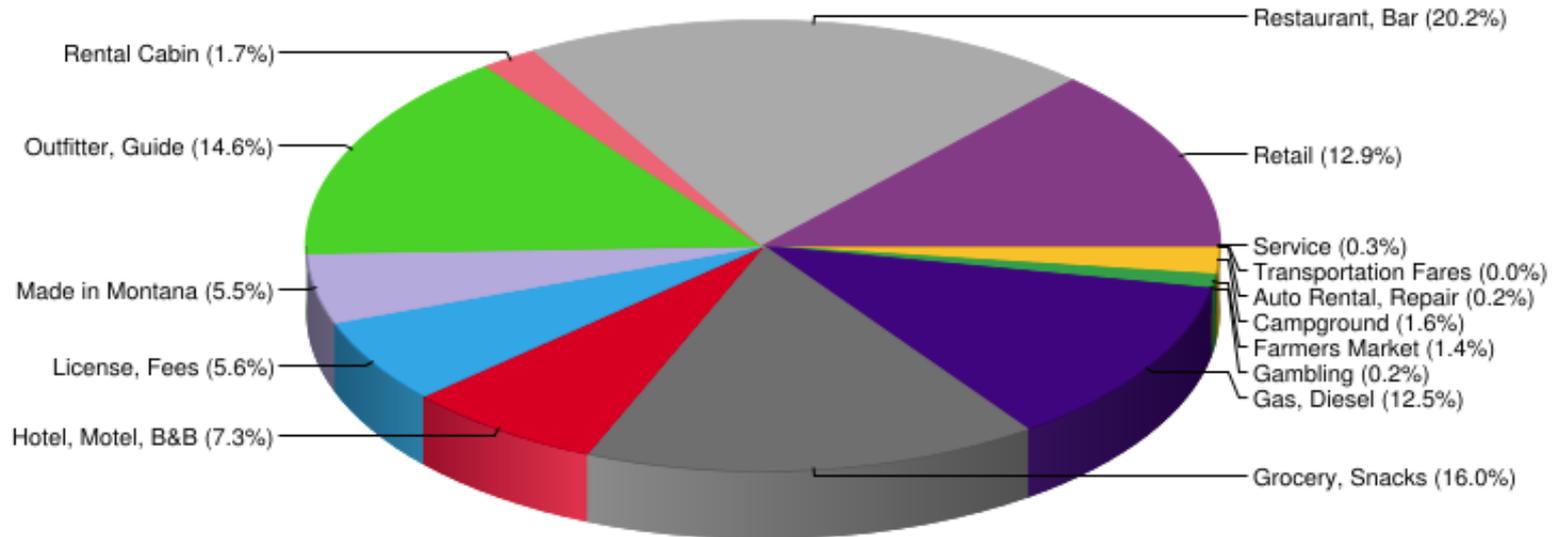
- A resort tax measure was presented to the City of Polson electorate on November 3, 2009, following several meetings and a public hearing. The measure was presented as a 3% tax for a ten year term, payable by non-exempt persons for use by the City for funding any activity, undertaking or administrative service that the municipality is authorized by law to perform.
- The measure was defeated by a vote of 186 For and 956 Against
- The City paid for a Resort Tax Community Assessment that was completed in June, 2014 that reviewed the cities and districts that currently have a resort tax and their issues faced in getting the tax approved and the implementation challenges and successes since approval. This study is available on the City's website under the [Economic Development Council page](#).
- The EDC reviewed the study and began formulating a renewed presentation on the resort tax in May 2015 as a source of funding for street reconstruction.
- A proposed resort tax ballot measure was presented to the City Commission on August 1, 2016, which failed on a 5-1 vote
- In 2018, a largely-new City Commission identified the resort tax as a priority in the 2018-2021 City Strategic Plan

Is Polson a Resort Community?

- Based on the Montana Department of Commerce qualification, Polson sees the most economic benefit from tourist related activity.
- FY2019 Lake County Bed Tax Collections were \$355,002 (4% of the lodging rate) (KwaTaqNuk does not collect the bed tax). The bed tax increased 18% over the FY2018 collections. Since 2011 there has been a 124% increase in bed tax collections for Lake County. Lodging facilities would be subject to a 3% resort tax.
- The biggest expenditures for tourists are restaurants, groceries, outfitters/guides and retail in that order; restaurants and retail would be subject to a 3% resort tax.
- A 2018 report from the University of Montana Institute for Tourism and Recreation Research reported that nonresident traveler spending was \$30,302,000 for Lake County in 2018.

Travelers Expenditures – Lake Co.

2018 Nonresident Expenditures % for Lake County: \$30,302,000



*Data Source: Institute for Tourism and Recreation Research

Top 5:

1. Restaurant/Bar	\$6,128,000	20.2%
2. Grocery & Snack	\$4,855,000	16.0%
3. Outfitter, Guide	\$4,422,000	14.6%
4. Retail	\$3,911,000	12.9%
5. Gas, Diesel	\$3,775,000	12.5%

What Items are Taxed by State Law?

The retail value of **all** goods and services sold, except for goods and services sold for resale, by the following establishments:

- Hotels, motels, and other lodging or camping facilities
- Restaurants, fast food stores, and other food service establishments
- Taverns, bars, night clubs, lounges, and other public establishments that serve beer, wine, liquor, or other alcoholic beverages by the drink
- Destination ski resorts or other destination recreational facilities.



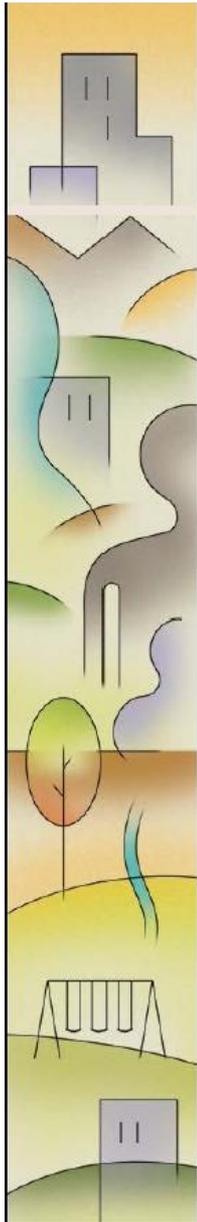
The retail value of luxury items (items defined by the resort community) by establishments that sell those items

What other establishments would typically collect the tax on luxury items?

- Retail establishments and street vendors selling any luxury item
- Fraternal Organizations if space is rented or used by the public and nonmembers
- Movie and Live Theaters
- Non-profit organizations unless activity is 100% for fund-raising
- Supermarkets/grocery stores selling any luxury item

What are luxury items?

“Luxuries” – are defined by the MCA code as any gift item, luxury item, or other item normally sold to the public or to transient visitors or tourists. It does not include food purchased unprepared or unserved, medicine, medical supplies and services, appliances, hardware supplies and tools, or any necessities of life.



The EDC's suggested luxury items

All luxuries shall be taxed, and "luxuries" shall mean any gift item, luxury item or other item normally sold to the public or to transient visitors or tourists; but the term does not include food purchased unprepared or unserved, medicine, medical supplies and services, appliances, hardware supplies and tools or any necessities of life. The term luxuries shall be defined to include, but shall not be limited to:

Hotels, Motels and Other Lodging or Camping Facilities:

All goods and services sold
Conference, convention or event room or space rentals
Lodging based on rental periods of less than thirty (30) days

Lodging for which the state bed tax is payable:

Bed and breakfasts
Campgrounds and RV parks
Condominium rentals
Hotels and motels

Attractions:

Bowling alleys – limited to liquor/food
Concerts

Golf courses:

Cart rentals
Green fees
Memberships
Merchandise sales

Movie and live theaters

Rodeos

Retail sales of goods (excluding sales for resale) of:

New and Used Books of local interest

Cameras and supplies

Candles

Clothing limited to logo wear, recreational clothing, gear and accessories that have been screen printed, embroidered, or otherwise imprinted with designs depicting or containing words such as Montana, Columbia Falls, Flathead County/Valley, Glacier Park or any combination thereof

Finished craft items, including those sold at arts and crafts fairs, other than those that are household furnishings

Jewelry and art including decorative dishes and dishwares not used for meals

Mail order and catalog sales

Motorcycles, snowmobiles, jet skis, etc.

Pictures and picture frames, posters, prints, handcrafted cards

Secondhand stores and antiques

Souvenir, imprinted and gift items with logos

Sporting goods including sold as used or on consignment, except when sold at a garage sale:

Bicycles except stationary fitness or exercise bicycles

Supermarket nonfood items:

Tobacco and tobacco products and nicotine delivery systems (aka vaping)

Services:

Guides and outfitters:

Hunting, fishing, rafting, horseback rides, etc.

Recreational services and labor

The EDC's suggested luxury items cont'd

Restaurants, Fast Food and Other Food Service Establishments:

All goods and services sold, including delivery charges, but not tips
Foodstuffs intended for immediate human consumption
Fraternal organizations which provide food and beverages or rent their facilities to the public and nonmembers
Soda pop, gum and candy, including individual, bulk, and packaged candy quantities
Vending machines

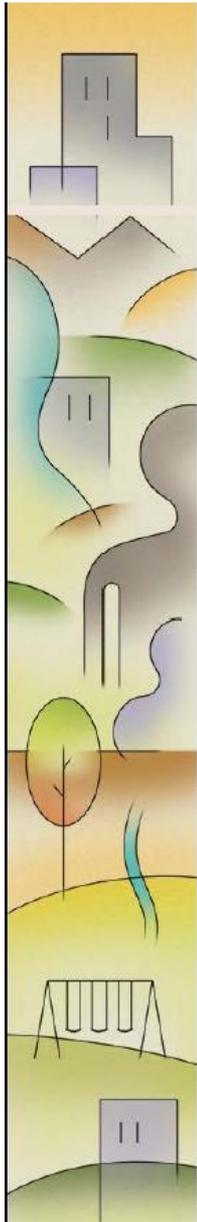
Taverns, Bars, Nightclubs, Lounges and Other Public Establishments

Serving Beer, Wine, Liquor or Other Alcoholic Beverages by the Drink:

All alcoholic beverages, including beer and wine, sold by the drink or at retail
All goods and services sold
Private liquor stores

Rentals:

Automobiles, trucks, trailers, RVs, jeeps, etc.
Conference, convention or event room or space rentals
Golf, ski and sports equipment
Motorcycles, bicycles, ATVs, etc.
Snowmobiles, boats, jet skis, etc.



The EDC's suggested exemptions to tax

Sale or rental of the following goods and services shall be exempt from the tax:

Appliances:

Computers and computer supplies including webcams
Electronic communication and entertainment devices
Kitchen counter devices (mixers, toasters, etc.)
Stoves, refrigerators, freezers, washers, dryers, dishwashers, trash compactors
Telephone equipment
Vacuum cleaners

Food Purchased Unprepared Or Unserved:

Food items eligible for purchase with food stamps (except soda pop or candy)
Food items not purchased for immediate consumption; including a loaf of bread, noncarbonated drinks, fitness drinks for later consumption
Vitamins

Hardware Supplies and Tools:

Implements and supplies used in the construction, improvement, maintenance or repair of buildings and their furnishings
Lawn and garden equipment and supplies

Hotels, Motels and Other Lodging or Camping Facilities:

Lodging based on rental periods in excess of thirty (30) days

Medicine, Medical Supplies and Services:

Doctors, dentists, chiropractors, opticians
Medical supplies, items sold to be used for curative, prosthetic or medical maintenance purposes including exercise or fitness bicycles, fitness balls
Medicine, substances sold for curative or remedial properties, including nonprescription drugs
Psychologists, counselors, social workers
Therapeutic massage

Necessities of Life:

Funeral directors
Supermarket nonfood items:
Baby and child care products:
Disposable diapers, powder, lotion, etc.
Cleaning supplies
Deodorant
Laundry detergent and bleach
Paper products

Personal hygiene:

Combs, brushes, sunblock, lip balm
Dietary supplements
Feminine hygiene: Kotex, Tampax, douche
Soap and shampoo, lotions
Toilet paper
Toothpaste and mouthwash
Vitamins

Utilities:

Public and private including propane, heating oil, garbage, power, telephone, internet and cell phones

Other Items and Services:

Auto mechanical parts
Automotive accessories
Batteries
Building contractors and tradesmen: Plumbers, electricians, carpenters, roofers, drywallers, painters, masons, pest control, paving, excavating, HVAC, well drillers
Charcoal
Computer services

The EDC's suggested exemptions to tax cont'd

Sale or rental of the following goods and services shall be exempt from the tax:

Other Items and Services cont'd:

Contractor and homeowner equipment including vacuums and floor cleaners
Craft items and supplies including poster board
Dishes and dish wares used for meals or cooking
Furniture and home furnishings including lawn and patio furniture and used furniture
Gambling revenues
Gasoline
Housewares and sundries
Lawn, garden, landscaping supplies and compost
Light bulbs
Motor oil
New and used car and truck sales
Newspapers
Nonprofit and charitable events: Fraternal organizations which provide food and services only to members
Nonprofit fundraisers
School sports events

Other business and professional services:

Appliance repair
Auto repair and related services
Bank charges and interest
Car wash, towing
Hair salons and barbers
Health clubs
House cleaning and janitorial services
Insurance agents:
Health, life, auto, bonds
Interior decorators
Landscaping, snow removal and lawn care

Laundry, dry cleaning and laundromats
Movers and ministorage units
Photo developing
Preschools and childcare
Printers and publishers

Professional services:

Lawyers, architects, accountants, appraisers, engineers, tax services, surveyors
Real estate commissions
School bus services
Security brokers and financial managers
Shipping agents (UPS)
Taxidermist
Taxis & Ride Sharing Services
Travel agent fees
Upholstery shops
Veterinarians
Safe deposit boxes
School supplies
Stationery and office supplies
Street legal motorcycles
Tires
Wholesale merchandise purchased for resale at retail

Options for the Tax

- Flexible Rate: 0% to 3% - **EDC suggesting 3%**
- Year-round or Seasonal? – EDC suggesting **Year-round** collection
- Sunset provision: Standard term is 20 years – EDC suggesting **20 years**
- One **Special Revenue Fund** of the City for all collections and disbursements of the tax (revenue would not be placed in the General Fund)
- City of Polson would collect and disburse all funds
- EDC would advise City Commission on spending funds

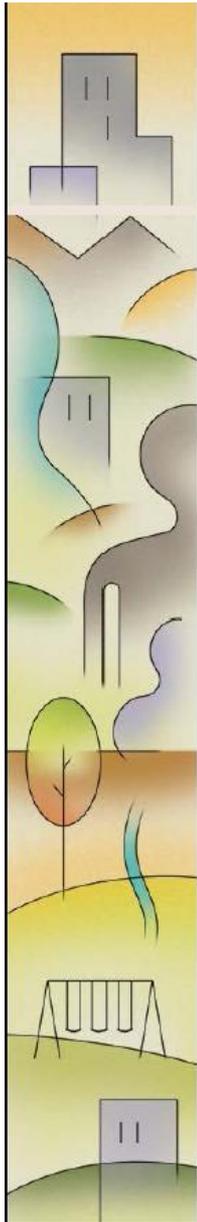
What about Tribal Exemptions?

- Tribal enterprises on the reservation are not required to collect state or local taxes such as a bed tax or resort tax.
- Enrolled tribal members of the Confederated Salish and Kootenai tribes are not required to pay state and local employment taxes, excise taxes or property taxes (for property in trust or owned by the CSKT) while living and working on the Flathead Indian Reservation.
- Enrolled tribal members do pay the state gasoline tax but the State of Montana has an agreement to share the gasoline tax with the CSKT government.
- Enrolled tribal members would be required to show identification to be exempt from the resort tax similar to the former requirements in the state of Washington for Montana residents requesting exemption from Washington sales tax
- Merchants would retain signed documentation for the exempt sale
- It would **not** be the merchant's responsibility to identify tribal members exempt from the tax – this is the tribal member's responsibility.

Proposed Spending Allocation

- 3% would be retained by the vendor to offset costs of implementation and collection
- The remaining balance of the tax would be allocated as follows*:
 - 17% to property tax relief in the form of a rebate on property tax bills for city of Polson residents
 - 80% to street reconstruction and preservation including sidewalk, curb, gutter and storm drainage
 - 3% to the City to offset administrative costs of the tax
- **Monitoring spending**
 - The EDC or an appointed board would monitor the use of Resort Tax proceeds to assure compliance with the voter-approved Resort Tax Ordinance
 - The EDC would advise the City Commission on matters pertinent to approval or denial of street projects or expenditures. Ultimate decision would be reserved for the City Commission

*This is 100% of the 97% that the City would receive



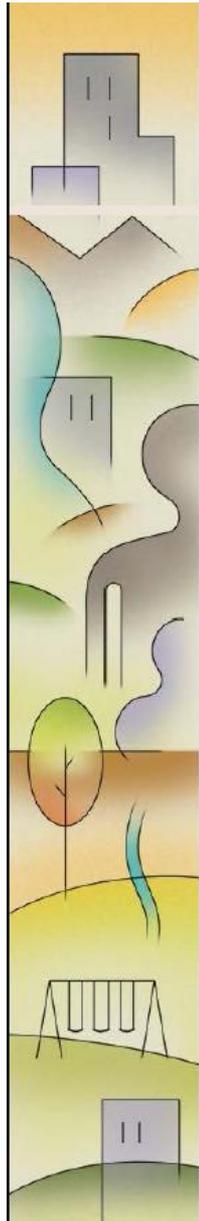
Implementing the Tax

How would the tax be collected?

- The tax would be collected by any establishment named in the MCA selling any good or service or by any merchant/vendor selling a product deemed as a luxury item within the city limits
- The tax would be collectible on purchases made beginning July 1, 2021 and continuing year-round
- Forms would be supplied to the vendor for payment calculation and exempt sales documentation and payments would be remitted monthly by the 15th of the following month to the city of Polson **OR remit quarterly?**

Who would pay the tax?

- Any non-exempt person purchasing an item that has been deemed a luxury item or goods and services purchased from establishments listed in the MCA and the Resort Tax Ordinance



Are Resort Tax Collections Public Information?

- Privacy is legally required to be maintained by the administrator collecting the tax
- Individual information on a vendor is never public information
- The City may distribute information on an aggregate basis by business type
- The City would contract with a licensed auditor to randomly audit 5 to 10 businesses each year for compliance

How is the Resort Tax Collected?

The Resort Tax is collected at the register and should never be included on the price tags of items.



If an item costs \$15.00 the vendor will collect \$15.00 for the item and charge 45 cents extra in tax at the register. A vendor can also choose to absorb the tax (not collect extra from the customer) and then remit based on their gross taxable sales

Sample tax amounts:

\$5.00 item: tax would be 15 cents

\$50.00 item: tax would be \$1.50

\$75.00 item: tax would be \$2.25

Some Resort Tax Pros and Cons

PROS

- Improve Polson's appearance with beautiful streets and sidewalks
- Capture tourist dollars that are going untapped
- Provide property tax relief

CONS

- Merchant Concerns:
 - Business may decrease
 - Sale issues if not using POS system
 - Bookkeeping issues
 - Similar business outside city won't collect tax
 - Tribal exemption
 - Audit concerns
- Public Concerns:
 - Local citizens may pay majority of the tax
 - Tribal exemption
 - It's a tax

What are the steps to implementation of a resort tax?

- ✓ Be designated as a resort tax community
- ✓ Population under 5,500 as of last federal census
- ✓ Hold Public Meetings to inform public about the resort tax
 - ✓ EDC meetings with guest speakers
 - ✓ Presentations to business and civic organizations ongoing
- ○ Submit recommendation to the City Commission to place the resort tax measure on the ballot
 - Presentation by EDC to the City Commission
- Submit measure to the voters at a special election
 - EDC would recommend a special election ballot measure for January or February 2021 (ballot measure would be submitted no later than 85 days prior to special election)
 - Continue information meetings, advertisement, brochures, etc. to educate
- If the resort tax is passed:
 - City Commission would pass a Resort Tax Ordinance to establish the law
 - City would work with vendors to establish collection methods
 - Collection would begin in July 2021

Economic Development Council Proposal to City Commission

Place referendum ballot measure on a special election ballot in
January or February 2021:

- The ballot measure would ask the question of implementing a resort tax in the city limits of Polson:
 - City Commission would pass a Resolution placing the measure on the ballot (must be submitted to the Election Office no later than 85 days before the special election)
 - City Commission would pass a Resolution of Intent indicating the establishments and luxury items that would be taxed
 - City Commission would hold public information meetings, advertise and have brochures and other information available to educate the public

Sample Ballot Language for Resort Tax

BALLOT ISSUE

To reduce municipal property taxes; and
To impose a resort tax in Polson of 3% on:

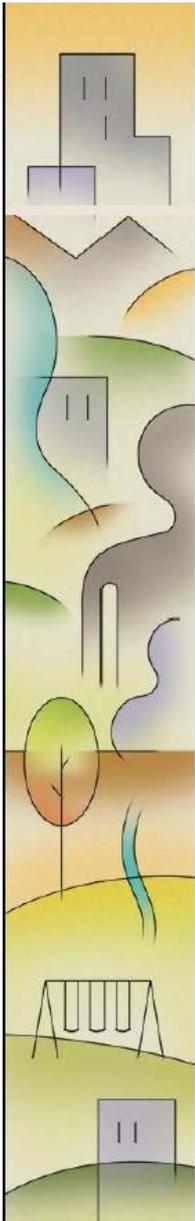
The retail value of all goods and services sold by lodging and camping facilities; restaurants, fast food stores, and other food service establishments; all public establishments serving alcoholic beverages by the drink; destination recreational facilities; and luxuries sold by other establishments.

The tax will take effect July 1, 2021, for 12 months a year for 20 years, and must be used as follows:

- 17% property tax relief;
- 80% reconstruction and/or preservation of existing streets, storm sewers, sidewalks, curbs, gutters; and
- 3% administrative costs.

_____ FOR the resort tax

_____ AGAINST the resort tax



Comparison of Resort Tax and Street Levy Ballot Measures

RESORT TAX

- Referendum ballot measure
- Primarily for street reconstruction and preservation
- Tax is on purchase of goods and services
- Collected by vendors
- Tax paid by tourists and local citizens
- Provides property tax relief

STREET LEVY

- Referendum ballot measure
- Only for street reconstruction and preservation
- Tax is on real estate property in Polson
- Collected by County on property tax bill
- Tax paid only by property owners
- No property tax relief

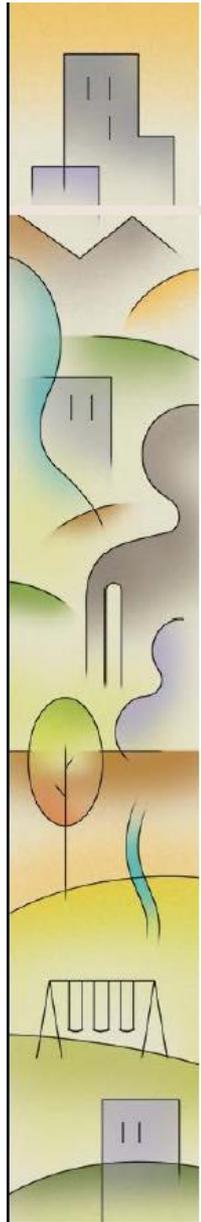
It's all about
finding funding for streets
with the least impact
to our Citizens!



More Information

The Economic Development Council members can be reached by contacting staff representatives: Cindy Dooley, 883-8204, finance@cityofpolson.com, or Kyle Roberts, 883-8213, cityplanner@cityofpolson.com

QUESTIONS???



CITY OF POLSON

CITY COMMISSION AGENDA ITEM SUMMARY

Agenda Item Number: 11

Meeting Date: September 9, 2020

Staff Contact: Cindy Dooley, Finance Officer

AGENDA ITEM SUMMARY: Approval of City Manager Employment Agreement

BACKGROUND: At the July 28, 2020 Special City Commission meeting, Edwin Meece was selected as the City Manager candidate that the City would open negotiations with. At the August 17, 2020 Regular City Commission meeting a City Manager Negotiations committee was formed with Commissioners Marchello, Moll and Isbell and staff representative Cindy Dooley, Finance Officer to formulate an employment agreement and conduct discussions with Mr. Meece.

ANALYSIS: Attached is the employment agreement that has been agreed upon by Mr. Meece and the City Manager Negotiations committee. This is a two year employment agreement.

FINANCIAL CONSIDERATIONS: The base salary is \$84,000 annually and is subject to Cost of Living Adjustments beginning July, 2021 and other increases at the discretion of the City Commission based on satisfactory performance reviews.

STAFF RECOMMENDATION: Passage of this employment agreement is the recommendation of the City Manager Negotiations committee.

SUGGESTED MOTION: *I move to approve the City Manager Employment Agreement with Edwin R. Meece as presented in both form and substance.*

ATTACHMENTS: City Manager Employment Agreement

*ERM
9/3/2020*

**POLSON CITY MANAGER
EMPLOYMENT AGREEMENT**

THIS AGREEMENT is made and entered into this ____ day of September, 2020 by and between the City of Polson, a municipal corporation, with offices at 106 1st Street East, Polson, MT 59860, hereinafter referred to as "City" and Edwin R. Meece of 611 N. 9th Street, Livingston, Montana, hereinafter referred to as "Employee".

WHEREAS, the City wishes to employ the services of Employee as City Manager of the City of Polson, and

WHEREAS, the City and Employee desire to provide for certain procedures, benefits and requirements regarding the employment of Employee by the City; and

WHEREAS, Employee wishes to accept employment as City Manager of said City under the terms and conditions cited herein.

WITNESSETH:

IN CONSIDERATION of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

1. Duties

- A. City agrees to employ Employee as the City Manager of the City of Polson to perform all duties as specified by law, the City Charter, ordinances and resolutions and to perform such other duties as assigned by the Polson City Commission.
- B. City expects that Employee will attend and observe such meetings of subordinate City advisory boards as necessary for the full and proper execution of Employee's duties, or as may be directed from time to time by the Commission.
- C. Employee warrants that he will perform such duties with the highest degree of skill and judgment in accordance with accepted standards for the profession.
- D. City and Employee agree that Employee is exempt from the compensatory time requirement of the City of Polson Employee Personnel Manual (hereinafter referred to as "Personnel Manual"), and is required to manage his work hours and duties in such manner so as to meet the requirements of Section 1.A., above.

2. Salary

- A. **Base Salary:** The annual salary of Employee shall be \$84,000.00 for the initial term of this agreement; however the City Commission may use its discretion to increase the annual salary following any satisfactory performance review. The salary is payable in twenty-six bi-weekly installments and at the same time that other salaried employees are paid. Employee must complete a bi-weekly time card to track vacation leave and sick leave use.
- B. Following the initial term of this agreement, the City Commission shall review Employee's performance and salary, and if Employee is continued under

POLSON CITY MANAGER EMPLOYMENT AGREEMENT

contract, the City Commission shall determine his annual salary for the prospective term.

- C. Nothing in this term shall be construed by Employee as a right to continued employment beyond the term specified in each employment agreement as the same may from time to time be agreed.
- D. The base salary paid by the City shall include any cost of living adjustment beginning July 1, 2021, if any such increase is approved by the City Commission from year to year.

3. Term of Employment

- A. Employee's term of employment shall begin as of the date first mentioned above and continue for a period not to exceed two years unless extended in writing by a new employment agreement.
- B. Nothing in this agreement shall prevent, limit or otherwise interfere with the right of the City Commission, by an affirmative vote of four members of the City Commission, to terminate the services of Employee at any time either for the City's convenience or for the default of Employee, subject only to provisions set forth in Section 4 of this Agreement.
- C. In the event the agreement is not renewed at the end of its term, all compensation, benefits and requirements of the agreement shall remain in effect until the expiration of the term of the Agreement unless Employee voluntarily resigns as set forth in Section 6.
- D. Employee shall be bound by the terms of the Personnel Manual, as existing and as the same may be amended from time to time. In the event of conflict between this agreement and the Personnel Manual this agreement will control.

4. Termination by City

- A. The City may terminate employment of Employee without cause pursuant to this Agreement or the Personnel Manual by giving written notice of termination to Employee by certified or registered mail, return receipt requested or personally as more fully explained in Section 16.
- B. City may terminate Employee for cause as a result of violation of any of the City's policies or directives, because of action involving personal gain, or moral turpitude. Employee shall receive notice of any charges against Employee, and possible sanctions being considered. Employee shall also be advised of the date and time when City will consider charges and possible sanction. Employee will be afforded an opportunity to refute the charges, either orally or in writing, before the City and to have representation of his choice at the hearing. Options available to the City, other than termination include oral and or written reprimand, or suspension with pay. If the Employee is terminated for cause, severance will not be paid. In some situations, rather than termination for cause, an agreement

POLSON CITY MANAGER EMPLOYMENT AGREEMENT

for resignation may be reached. In this event, severance shall not be included in the agreement for resignation.

In addition to the above, grounds for removal for cause may include:

- i. Incompetency, inefficiency, or inattention to or dereliction of duty;
 - ii. Dishonesty, intemperance, immoral conduct, insubordination, or discourteous treatment of the public or of fellow employees.
 - iii. Any other willful failure of good conduct tending to injure the public service; and
 - iv. Neglect of duty and or excessive absence.
- C. For the purpose of this agreement, "termination by City" shall be deemed to have occurred upon the following events, or any of them:
- i. A majority of the governing body (four members of the City Commission) votes to terminate the Employee at a duly authorized public meeting.
 - ii. If City, the citizens by vote duly and regularly had, or the Montana Legislature acts to amend any provisions of the code pertaining to the role, powers, duties, authority, responsibilities of the Employee's position that substantially changes the form of government, the Employee shall have the right to declare that such amendments constitute termination.
 - iii. If City reduces the base salary, compensation or any other financial benefit of the Employee, unless it is applied in no greater percentage than the average reduction of all department heads, such action shall constitute a breach of this agreement and will be regarded as a termination.
 - iv. A breach of contract declared by either party, with a 30 day cure period for either Employee or City. Written notice of a breach of contract shall be provided in accordance with the written notice provisions of this Agreement contained in Section 16. If the alleged breach is cured and the employment agreement remains in effect, no termination of the contract will have been deemed to occur.

5. Severance Pay

- A. Except as set forth in Section 7.A. a severance payment shall be paid to Employee when employment is terminated without cause as defined in Section 4. If Employee is terminated without cause, City shall provide a severance payment equal to six months' base salary at the current rate of pay together with the value of any then-existing accrued vacation leave and applicable portion of sick leave (hereinafter referred to as "severance"). This severance shall be paid out according to the Personnel Manual unless otherwise agreed to by City and Employee.

POLSON CITY MANAGER EMPLOYMENT AGREEMENT

- B. Severance shall be paid to Employee when the Agreement is considered lapsed under the following conditions:

Employee will request from the City Commission, in writing, no earlier than three (3) months and no later than two (2) months prior to the expiration of this Agreement whether the City anticipates, in good faith, that a renewal of the contract of employment will be given to Employee. The City Commission must respond, in writing, within fifteen (15) days thereafter. If a majority of the City Commission shall respond in the affirmative, the parties will commence negotiations for such renewal. If the City through the City Commission does not extend its offer of further employment the Agreement will lapse at the expiration of its term and Employee will receive severance. If the City Commission responds in the affirmative and then fails to bargain in good faith or refuses to negotiate thereafter without sufficient cause, the City will pay Employee the severance pay stated in Subsection 5.A. above.

6. Termination by Employee

Employee may terminate his employment with City by written notice of termination to the City Commission by certified, registered mail or in person following written notice provisions contained in Section 16. Employee shall provide a minimum of 30 days notice unless City and Employee agree otherwise. In the event of such termination, Employee shall not be entitled to receive any severance. Employee shall be entitled to receive accrued vacation leave and the applicable portion of sick leave accumulations to the effective date of resignation in accordance with the Personnel Manual.

7. Performance Reviews

- A. The first six (6) months of Employee's employment shall be considered a probationary period of employment. During this period City, by and through its City Commission, shall conduct a three (3) month and a five (5) month employment review. During this probationary period City may terminate Employee with or without cause by giving Employee two (2) weeks written notice of such termination, as defined in Section 16. If Employee is terminated within the probationary period, Employee shall not be entitled to severance pay as defined in Section 5.
- B. Following the probationary period City, by and through its City Commission, shall conduct a performance review in July of each fiscal year, subject to a process, form, criteria, and format for the evaluation which shall be mutually agreed upon by the City and Employee. The City by and through its City Commission will conduct quarterly benchmark sessions (October, January and April of each fiscal year) where the City Commission and Employee discuss progress on goals, organizational management, current issues, desired improvement and other City Commission concerns.
- C. The process, at a minimum, shall include the opportunity for both parties to:

POLSON CITY MANAGER EMPLOYMENT AGREEMENT

- i. Receive written, named comments from the City staff and the public
 - ii. Anonymous comments will be received but will not be part of the evaluation process or the written evaluation
 - iii. Prepare a written evaluation,
 - iv. Meet and discuss the evaluation in an executive session if Employee so desires and
 - v. Present a written summary of the evaluation results.
- D. City will complete and deliver the final written evaluation to Employee within thirty (30) days of the evaluation meeting. Upon mutual agreement with Employee, the City will provide the public with a summary of the evaluation results.

8. Moving and Relocation Expenses

Employee residency within the City of Polson is highly desired. The City will provide a taxable lump sum payment of \$5,000 to help defray the cost of relocation and temporary housing. If Employee resigns his position or is terminated for cause within two years of the start date, Employee agrees to repay the allowance at a prorated percentage based on time of service.

9. Retirement Benefits

Employee is afforded the opportunity to participate in the Montana Public Employee Retirement Administration's (MPERA) Public Employees' Retirement System (PERS), subject to the rules and regulations pertaining to such participation. In the event Employee opts out of PERS, the City will contribute an amount equal to the current Employer's PERS contribution rate, (currently 8.77%) to an Internal Revenue Service recognized retirement program of the Employee's choosing. If MPERA increases the Employer's contribution rate for the PERS program, the increased rate will also be given to Employee. Employee may also choose to contribute to his retirement program through a payroll withholding deduction.

10. Health and Life Insurance Benefits

- A. City shall provide group health care benefits consistent with those provided to all City employees. In the event Employee holds as a primary underwriter Veteran's Administration or other-sourced health care insurance, then and in that event the City shall pay over to Employee a cash equivalent of 75% of the City's employer share of the premium cost for the coverage requested. This amount shall be adjusted annually in accordance with the City's employer share of the premium cost.
- B. In addition, Employee will be covered under the City's workers compensation insurance plan.
- C. The City shall pay for a \$25,000 term life insurance premium on Employee's life, and the beneficiary shall be at the election of Employee.

POLSON CITY MANAGER
EMPLOYMENT AGREEMENT

- D. If allowed under the City's existing health insurance plan for City employees, City shall provide basic dental and vision insurance.

11. Vacation Leave and Sick Leave

- A. Vacation leave will be in accordance with the Personnel Manual. In accordance with Montana law, Employee will be credited with the documented years of Montana government service as of the effective date of this Agreement to determine the rate of accrual each bi-weekly pay period.
- B. Employee will accrue sick leave at the rate of 3.69231 hours each bi-weekly pay period.
- C. Employee is entitled to accrue and use vacation leave and sick leave in accordance with the Personnel Manual.

12. Vehicle Car Allowance

- A. The City hereby agrees to pay Employee reasonable general expenses for maintenance, repair and fuel for Employee's personal vehicle on behalf of City, in the form of a taxable automobile allowance in the amount of \$200.00 per month. The Parties contemplate that Employee will use his own personal vehicle for the pursuit of City business.
- B. Employee must provide evidence of liability insurance in the following amounts \$500,000 per individual per occurrence on the vehicle and name the City as an additional insured non-contributing party.
- C. This allowance is to compensate Employee for the use of his vehicle, including but not limited to, costs associated with regular maintenance, mileage, insurance, taxes, licensing, depreciation, oil and gas expenses, and all other sundry and miscellaneous expenses associated with the operation of a motor vehicle. The parties intend that Employee will use his personal vehicle for all in-state travel required of him in pursuit of his duties as City Manager. Employee is responsible for all costs and expenses arising out of the use of his personal vehicle for City business. When the vehicle is used for travel outside the Polson vicinity (50 miles or more), the City will reimburse Employee at the standard mileage rate for the miles traveled. In the event that Employee may be traveling in a group of City staff or board members, he may, in his discretion, travel with the group in a City vehicle.

13. Professional Memberships, Conferences and Education

- A. City agrees to budget for and to pay Employee's membership dues and subscriptions for the following associations: Montana League of Cities and Towns, International City/County Manager Association (ICMA), and Great Open Space City Managers Association (GOSCOMA) which is desirable for Employee's continued professional participation, growth and advancement, and for the good of City.

POLSON CITY MANAGER
EMPLOYMENT AGREEMENT

- B. City acknowledges the value of having Employee participate and be directly involved in local civic clubs or organizations. As such, City agrees to budget for and to pay Employee's membership dues to civic organizations which he chooses to join and participate in including Rotary, Kiwanis, Lions or other similar service organizations.

- C. City also agrees to budget for and to pay, in an amount not to exceed \$3,000.00 annually, registration, travel and meal expenses of Employee in accordance with the Personnel Manual for short courses, institutes and seminars that are necessary for the Employee's professional development and for the good of City including attendance at the national ICMA conference. All expenses shall be approved by the City Commission as part of its annual budget.

14. Technology

The City shall provide Employee with customary personal equipment including computer, software, fax/modem, and cell phone for Employee to perform the job and to maintain communication.

15. Indemnification

Employee indemnification shall be governed by MCA 2-9-305.

16. Written Notice Provisions

- A. Notices pursuant to this Agreement shall be given by depositing in the custody of the United States Postal Service, certified mail or registered mail postage prepaid, return receipt requested, addressed as follows, or by hand delivery:

CITY: Mayor, City of Polson, 1061st St E, Polson, MT 59860

EMPLOYEE: Mr. Edwin R. Meece, (current address on file in City's payroll system)

- B. Alternatively, notice required pursuant to this Agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service.

17. General Provisions

- A. Integration: This Agreement sets forth and establishes the entire understanding between City and Employee relating to employment of the Employee by City. Any prior discussions or representations by or between the parties are merged into and rendered null and void by the Agreement. The parties by mutual written agreement may amend any provision of this agreement during the term of the agreement. Such amendments shall be incorporated and made a part of this agreement.

POLSON CITY MANAGER
EMPLOYMENT AGREEMENT

- B. Binding Effect: This Agreement shall be binding on City and Employee as well as their heirs, assigns, executors, personal representatives and successors in interest.

- C. Severability: The invalidity or partial invalidity of any portion of this Agreement will not affect the validity of any other provision. In the event that any provision of this Agreement is held to be invalid, the remaining provisions shall be deemed to be in full force and effect as if they have been executed by both parties subsequent to the removal or judicial modification of the invalid provision.

- D. Applicable Law: This Agreement shall be governed in all respects by the laws of the State of Montana.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed, in duplicate, the day and year first above written.

CITY OF POLSON

EMPLOYEE

Paul Briney, Mayor
On the advice and consent of a Majority of the
City Commission

Edwin R. Meece

ATTEST:

Cora E. Pritt, City Clerk

September 2, 2020

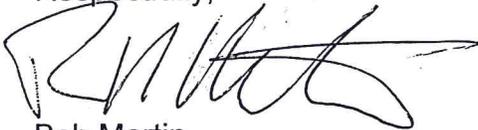
Mayor Paul Briney
City of Polson
106 1st Street East
Polson, MT 59860

Paul,

As we recently discussed, I am in the process of moving my place of residence to Swan Lake and will no longer be eligible to be a City of Polson Commissioner. Given this, I hereby tender my resignation as the Ward 2, City Commissioner effective at the close of the September 9th, 2020 City Commission meeting.

I have served as a Commissioner since July of 2017 and have thoroughly enjoyed working with the City staff, City residents and elected officials. I will miss these associations and working to make Polson a better place to live.

Respectfully,

A handwritten signature in black ink, appearing to read 'Bob Martin', with a long horizontal flourish extending to the right.

Bob Martin

Copy furnished:

Each Commissioner
City Manager
City Clerk