



MEETING MINUTES OF THE CITY COUNCIL

City Council Chambers
448 East 1st Street, Room 190
City of Salida, Colorado
Tuesday, February 2, 2016 6:00 p.m.

I. REGULAR MEETING CALLED TO ORDER –

II. PLEDGE OF ALLEGIANCE – Led by Mayor Jim LiVecchi

III. ROLL CALL - All members of City Council and staff were present. Jon Hoistad was present as the City Attorney.

IV. CITIZEN PARTICIPATION – 3 minute time limit. *Citizen participation is for items not on the agenda and for agenda items that are not scheduled public hearings.*

Nancy Dominick of Chaffee County presented the Council with two photographs of wildlife that she had photographed from her property. Dominic stated that she always receives snide remarks and looks from City Staff. She stated that in 2004 when the Vandaveer property was purchased the water was diverted. She stated that she has been fighting for almost seven years for the water. She stated that it has cost the City almost \$300,000 and cost her almost \$100,000. She stated that she should be treated nicely. She thanked the Council.

Monika Griesenbeck of Salida stated that she noticed the background review for the fee schedule states that during the 1/20/2016 work session, City Council directed staff to implement a 2% increase in the water and waste water rates. She stated that did not believe the work session is the correct venue for official action. She gave a copy of her statement to the Deputy City Clerk.

Jeff Auxier of Salida thanked Public Works for doing a great job during the snow storm. He stated that the sign-in sheets are barring the possibility of someone in the audience wanting to speak. He asked that the mayor think about it. He stated that he did not know what the process was. He stated that he would like to ask the council to consider the physical proximity of officials and to have the City Attorney sit by himself. He stated that the attorney needs to not sit with staff because it has been a big problem for a number of years. He believed it would provide more objective advice.

Vern Davis of Salida stated that he felt some people wanted to increase the water and sewer rates by 2% to subsidize the Tiny Home Project. Davis stated that the project would be a \$1.4 million loss using the “pod” method for the taps rather than using the regular tap fees.

Mayor LiVecchi stated that the sign in sheets are to help avoid cross examination of previous speakers.

Rogers clarified that no direction given regarding the water rates, but rather direction was given for staff to bring back the rate change for consideration.

V. PRESENTATION (10 Minutes)

1. Salida Council for the Arts – Lisa Marvel

Lisa Marvel and Sue Ann Hum presented an overview of all the different projects and services that the Salida Council for the Arts offers.

VI. NEW BUSINESS

None.

VII. OLD BUSINESS

Hallett stated that she wanted to follow up regarding the policy discussion. LiVecchi stated that a meeting was set up and Hallett could not make it. Hallett stated that she wants it to be in a public meeting. LiVecchi stated that he would like to meet with Hallett and MacDonald, then to have a public meeting.

Bowers asked for the status of the Harrington Ditch. LiVecchi stated that he spoke with the Buena Vista prison and the Canon City prison, who requested an agreement. LiVecchi stated that there is a window that they will have to contend with. Bowers stated that they may be looking at a March first date to start and Mr. Edmonds would like to be updated about what is going forward. LiVecchi stated that the title work will be completed and sent to the surveyor. MacDonald stated that work has not been done since the Council removed it from the budget.

Joe DeLuca stated that the survey will likely be done after the ditch is cleaned.

Brown-Kovacic asked for clarification because she thought the survey had to be done first. MacDonald stated that it would be helpful to understand what the rights are to assist in the cleaning process. MacDonald continued to state that the cleaning of the ditch needs to happen before mid-April.

Bowers asked if Salmi has been in contact with DOC. Salmi stated that he has been in contact since Friday morning. Bowers asked that Salmi contact Clyde Edmonds. Salmi stated that he did speak to Edmonds.

DeLuca explained that the ditch could be cleaned after all of the survey work is done, but with the urgency it's not completely possible. He continued to explain that their recommendation was to get title work, then have the survey done, which would provide guidance. He stated that the contractor will need specifications when the ditch is being cleaned and to be in such a way that it creates a trail along the ditch for future maintenance. He stated that the frost in the ground is very deep. DeLuca continued to state that vegetation could be cleaned, but the excavation is not a possibility until the ground can thaw.

Brown suggested to get the Department of Corrections crew in to cut vegetation and to have further excavation done in the fall after all of the survey work is done and the specifications are written.

Direction was given to staff to proceed with pursuing Department of Corrections Labor to clean the vegetation along the Harrington Ditch to be completed prior to the spring runoff.

VIII. SCHEDULED ITEMS

1. **Consent Agenda** (Christian Samora)
 - a) Approval of Agenda
 - b) Approval of Minutes: January 5, 2016
 - c) Approval of Minutes: January 19, 2016
 - d) Salida Elks Lodge Annual Sweetheart Dance – February 13-14, 2016
 - e) Final Settlement of Waste Water Rehabilitation Project

Brown stated that for the approval of the agenda there are items in the budget amendment that may need more discussion. He stated that he would like to see the Harrington funding as a separate item from the rest of the amendment.

Brown motioned to approve items B through D on the Consent Agenda. Granzella seconded the motion. With all in favor, THE MOTION CARRIED.

Rogers motioned to approve the agenda. Granzella seconded the motion. With all in favor, THE MOTION CARRIED.

Brown motioned to approve the Final Settlement for the Wastewater Rehabilitation Project. Rogers seconded the motion. With all in favor, THE MOTION CARRIED.

2. Adoption of Fee Schedule (Jan Schmidt)

Resolution 2016-08 establishing or updating fee schedules to various chapters of the Salida Municipal Code

Schmidt gave an introduction to the agenda item and provided background information.

Granzella asked what the 2% would amount to in a year. Schmidt stated that the total projected amount for water is \$30,000 and \$23,400 in the wastewater fund. She continues to state that the increase would be less than two dollars a month on the average customer bill.

Granzella stated that they discussed what water projects they would do and gave direction to pursue the UV project for the water supply. He felt that the small increase would be for the UV project with the use of some general fund dollars while maintaining the enterprise fund status.

Rogers stated that they need to keep the backflow and cross connects in mind as well because they need to be done in 2016.

Brown Kovacic stated that there is a need for a regular schedule of maintenance and the real issue is how the infrastructure will be paid for. She stated that they are currently under two state notices concerning the backflow and UV. She stated that she is committed to try and prevent the large increases such as what was done in 2011. She stated that the solution is to have the smaller incremental increases.

Granzella motioned to approve Resolution 2016-08, a resolution of the City Council, City of Salida, establishing or updating fee schedules to various chapters of the Salida Municipal Code. Rogers seconded the motion.

Brown stated that any raise in fees would not accomplish repairing the infrastructure and compliance issues that face the City. He stated that the cumulative increase since 2006 has been 138.7% and 2016 is the first year that there have not been fee increases. He stated that he would support a small increase to keep up with inflation if there is a plan in place and that 2A funds could be used for the infrastructure. He stated that the allocation of cost could also be examined as well.

Schmidt stated that the increase is a little over 100% when summer and winter rates are blended. She continued to state that a lot of the costs such as legal services are not allocated, they are direct expenses to the water fund.

Hallett stated that she wants to make sure that they have the actual cost of delivery for the water and wastewater.

Granzella stated that he was fine with the 0% increase, but he felt it was to cover the UV project a 2% increase was a medium in the road to help secure grants.

Granzella stated that he would amend the motion to include 10% of general fund money while maintaining the enterprise fund status.

Bowers stated that he has been an advocate for not raising rates. He stated that he is concerned about the allocations of the fund and would also like to take a look at that. He stated that he is in opposition unless it can be shown to him that it is completely necessary. He stated that he is not opposed to raising rates to keep up with inflation.

Roger stated that the 2% may be the difference on whether they get the DOLA grant or the 1% loan

because they have to show that the City can repay it.

Discussion continued.

In a 4-3 roll call vote, THE MOTION CARRIED. Hallett, Brown, and Bowers had the dissenting votes.

3. First Budget Amendment of 2016 and Public Hearing (Jan Schmidt)

Resolution 2016-09 appropriating additional sums of money to defray expenses in excess of amounts budgeted for the 2016 Budget Year

Schmidt introduced the agenda item and provided background information.

Brown-Kovacic asked about the loss of revenue from Eagle Med. MacDonald stated that Eagle Med had specifically requested that the fire department be on standby when they were flying a patient out. When Eagle-Med was purchased they did not need the standby.

Hallett asked if the expenditures have been broken out into a period of time. Schmidt stated that if the work isn't complete then the amount will be appropriated into the following year.

Granzella asked if the hospital district requires that a fire truck be there. MacDonald stated that it was more important to have the standby in the old location for the hospital due to power lines and other potential obstacles.

Mayor LiVecchi opened the public hearing.

Jeff Auxier of Salida stated that in the 2016 Budget there's \$40,000 for concrete stamping, there's \$100,000 for sidewalks and another \$100,000 for project engineering for 2017. He stated that the items are supposed to be listed by street. He felt that staff had not complied with the 2A ordinance. He stated that the money could have been used to fund the need for the rate increase.

Monika Griesenbeck of Salida stated that the 5 minutes is required by law. She continued to state that the rate increase was in the budget amendment before Council made a formal motion to approve it.

Rogers motioned to approve Resolution 2016-09, a resolution of the City Council, City of Salida appropriating additional sums of money to defray expenses in excess of amounts budgeted for the 2016 Budget Year. Brown-Kovacic seconded the motion.

Brown stated that he is compelled to support the motion because it is necessary to get the money in the budget for the Harrington ditch.

With all in favor, THE MOTION CARRIED.

4. Finding of Fact concerning the 7800 W HWY 50 Annexation (Dan Osborn)

Resolution 2016-10 making findings of fact, determinations, and conclusions concerning the 7800 W. Hwy. 50 Annexation

Osborn introduced the agenda item and provided background information.

Hoistad provided additional information regarding the requirements that need to be met.

Brown asked if there is an annexation agreement requirement. Osborn stated that it was a straight forward annexation and an annexation agreement was not created.

Granzella motioned to approve Resolution 2016-10, a resolution of the City Council, City of Salida making findings of fact, determinations, and conclusions concerning the 7800 W. Hwy. 50 Annexation. Bowers seconded the motion.

With all in favor, THE MOTION CARRIED.

5. Annexation of 7800 W Hwy 50, 2nd Reading & Public Hearing (Dan Osborn)

Ordinance 2016-03 annexing to the City of Salida a certain tract of land in unincorporated Chaffee County known as the 7800 W. Hwy 50 Annexation

Osborn provided an introduction and background information.

Mayor LiVecchi opened the public hearing.

Sam Mick of Salida stated that he was told he has to annex and has already paid the fees. He stated that he is trying to save some cost and asked not to have to extend the water main across the property. Mick stated that whether he has to extend the line or not, he will be annexing into the City.

Mayor LiVecchi closed the public hearing.

Brown asked Sam Mick if he would rather not annex. Mick stated that had he received correct information, he would not have purchased the property, but he would annex regardless.

Osborn stated that it is a matter of extending the water line across the property.

Granzella asked if there was a history of not requiring that it be extended.

MacDonald stated that Mick is benefitting from Sonic extending the line in front of their property.

Bowers asked what the cost of the water line was and if Mick would like the Council to vote it down.

Brown-Kovacic motioned to approve Ordinance 2016-03, an ordinance of the City Council, City of Salida annexing to the City of Salida a certain tract of land in unincorporated Chaffee County known as the 7800 W. Hwy 50 Annexation and ordering the ordinance to be published by title only. Rogers seconded the motion.

Brown-Kovacic stated that she is not willing to set a precedent and apologized for the difficulty.

Rogers stated that her suspicion was that the cleaning up the codes may have caused the confusion. She stated that the code needs to be followed.

Brown stated that it is disturbing to hear stories like this and felt like something needs to be done to make it right.

Brown-Kovacic amended her motion to include the extension of the water line, tie into the water line and limit the use of the existing well to non-domestic uses. With all in favor, THE MOTION CARRIED.

6. Zoning of 7800 W Hwy 50, 2nd Reading & Public Hearing (Dan Osborn)

Ordinance 2016-04 zoning certain real property known as the 7800 W. Hwy 50 Annexation under the C-1, Commercial Zone District

Osborn gave an introduction and provided background information.

There was not any public comment in the public hearing.

Brown motioned to approve Ordinance 2016-04, an ordinance of the City Council, City of Salida zoning certain real property known as the 7800 W. Hwy 50 Annexation under the C-1, Commercial Zone District. Bowers seconded the motion. With all in favor, THE MOTION CARRIED.

7. **Finding of Fact concerning the Papp & City Annexation** (Dan Osborn)

Resolution 2016-11 making findings of fact, determinations, and conclusions concerning the Papp Annexation

LiVecchi stated that he and his wife met with city officials in Walsenburg regarding the tiny homes. He said they told him they wanted to control it and make sure it doesn't turn into a trailer park. He stated that the property would have green houses and would employ several people. He stated that he also spoke to someone at Sprout Tiny Homes..

LiVecchi stated that he received a petition encouraging affordable housing.

Osborn gave an introduction and provided background information.

Granzella asked if the annexations are separate from the annexation agreements. Osborn stated that the zoning and the annexation agreement could move forward separately.

Hoistad explained that approving the first and not the second would put the City in an odd position because only half of the Wastewater Treatment Plant would be in the City.

Joe DeLuca stated that he felt there has been a very good experience with the City staff working on this. He stated that they started on this in May 2015.

Joe DeLuca gave a presentation

Rogers stated that she understood the concept of the project of tiny homes rather than apartments.

Granzella asked if there would be propane. DeLuca stated that there may be one at the proposed restaurant, but all of the units would be electric. He continued to state that the water treatment plant is there and asked if there should be a note in the agreement regarding the police response time. He asked if there would be sidewalks. DeLuca stated that there would be sidewalks throughout. Osborn stated that the 60-foot right of way accommodates the roads, sidewalks and trails.

Hallett asked if it was special zoning for a planned development. Osborn stated that the Planned Development zoning would be an overlay.

Mayor LiVecchi opened the public hearing.

Gary Yeager of Salida stated that his biggest concern would be the building code for a regular home to be used to construct these. He was also concerned about the tap fees. He asked how many people can live in a one bedroom apartment. He felt there needs to be restrictions on the quality.

Vern Davis of Salida asked if there will be noise restrictions on the building site.

Harry DeCain of Salida stated that he has a vacation rental in the summer time. He stated that he has heard rumors about the City Council addressing problems with vacation rentals. He stated that his property does not contribute to the problem because he is in Salida for half of the year.

Nancy Dominick of Salida stated that the wildlife will be no-more if the tiny homes go in. She felt the Tiny Homes need to remove their well. She was concerned about parking and snow removal. She stated that there are 164 signatures on a petition opposing it. She stated that it is the future slums of Salida and that she would call the cops a lot due to the noise.

Cathy Chohon of Salida did not feel that staff reviewed the document or give citizens a chance to comment. She did not feel that the Papp property would be urbanized. She did not agree that it was a natural extension of the City's boundaries. She asked about a boat ramp at Papp's property. MacDonald stated that she has never heard of a boat ramp or any other compensation given to Papp. Chohon continued to state the bridge was built 31 years prior. She also stated that she felt the UP would have a big concern about the

trespassing.

Hoistad stated that for clarification one single public hearing was opened for both annexations.

Nancy Dominick felt that if Sam Mick has to relinquish his well that she assumed that Papp will have to do the same. Dominick stated that she spoke to Papp and was told the City promised a boat ramp. Papp stated that she did not speak with Dominick.

MacDonald clarified the situation with Mick and the use of his existing well.

Vern Davis of Salida stated that Papp is asking for mixed use zone district. He asked if the property next door wanted to annex, would he extend the line. Brown stated that it is being zoned as R2. MacDonald stated that whomever develops the property would be responsible for extending the line.

Wendell Prior of Salida stated that the project being considered is ideal. He continued to state that Rod Stambaugh brought a team of people to talk about tiny homes before even talking about money. He stated that it is a \$16,000,000 dollar investment into the community. He stated that the money will turn over 3 to 7 times. He encouraged that maximum flexibility be given to the developer. He stated that it fits the entrepreneurial spirit of Chaffee County.

Jay Segasky of Salida commended those who brought the project forward. He stated that he did not have an issue with the concept, but he did have an issue with the location. He was concerned about the proximity to the treatment plant and to the cow pins in the industrial areas around the development.

Vern Davis of Salida stated that the new sand along the banks of the river came in the last summer with the high waters. He stated that there was a mudslide and the bridge was closed for several days.

Rod Stambaugh stated that it is a \$25,000,000 investment into the community. He stated they did a similar project in California assuming a salary of \$30,000 and about 70% of that salary being spent in the community. He stated that the economic impact annually would be about \$97,000,000 in the community.

Granzella asked if the agreement had to be approved. MacDonald stated that the annexation could be approved pending the agreement.

Brown motioned to approve Resolution 2016-11, a resolution of the City Council, City of Salida making findings of fact, determinations, and conclusions concerning the Papp Annexation. Granzella seconded the motion. In a 5-1 roll call vote, THE MOTION CARRIED. Bowers had the dissenting vote.

8. **Annexation of Papp & City of Salida, 2nd Reading & Public Hearing** (Dan Osborn)
Ordinance 2016-05 annexing to the City of Salida a certain tract of land in unincorporated Chaffee County known as the Papp Annexation

Granzella motioned to approve Ordinance 2016-05, an ordinance of the City Council, City of Salida annexing to the City of Salida a certain tract of land in unincorporated Chaffee County known as the Papp Annexation and ordering the ordinance published by title only. Brown seconded the motion. In a 5-1 roll call vote, THE MOTION CARRIED. Bowers had the dissenting vote.

9. **Finding of Fact concerning the Angler's Ridge & City Annexation** (Dan Osborn)
Resolution 2016-12 making findings of fact, determinations, and conclusions concerning the Angler's Ridge Annexation

Brown motioned to approve Resolution 2016-12, a resolution of the City Council, City of Salida making findings of fact, determinations, and conclusions concerning the Angler's Ridge Annexation. Rogers seconded the motion. In a 5-1 roll call vote, THE MOTION CARRIED. Bowers had the dissenting vote.

10. **Annexation of City of Salida & Angler's Ridge, 2nd Reading & Public Hearing** (Dan Osborn)
Ordinance 2016-06 annexing to the City of Salida a certain tract of land in unincorporated Chaffee County known as the Angler's Ridge Annexation

Brown motioned to approve Ordinance 2016-06, an ordinance of the City Council, City of Salida annexing to the City of Salida a certain tract of land in unincorporated Chaffee County known as the Angler's Ridge Annexation subject to annexation agreement and ordering the ordinance to be published by title only. Granzella seconded the motion. In a 5-1 roll call vote, THE MOTION CARRIED. Bowers had the dissenting vote.

11. **Zoning of Papp Annexation, 2nd Reading & Public Hearing** (Dan Osborn)
Ordinance 2016-07 zoning a part of certain real property known as the Papp Annexation under the Residential Mixed Use Zone District

Rogers motioned to approve Ordinance 2016-07, an ordinance of the City Council, City of Salida zoning a part of certain real property known as the Papp Annexation under the Residential Mixed Use Zone District and ordering the ordinance to be published by title only. Brown seconded the motion. In a 5-1 roll call vote, THE MOTION CARRIED. Bowers had the dissenting vote.

12. **Zoning of City of Salida Annexation, 2nd Reading & Public Hearing** (Dan Osborn)
Ordinance 2016-08 zoning certain real property containing the Salida Wastewater Treatment facility under the Industrial Zone District

Rogers motioned to approve Ordinance 2016-08, and ordinance of the City Council, City of Salida zoning certain real property containing the Salida Wastewater Treatment facility under the Industrial Zone District and ordering the ordinance to be published by title only. Brown seconded the motion. With all in favor, THE MOTION CARRIED.

13. **Zoning of Angler's Ridge Annexation, 2nd Reading & Public Hearing** (Dan Osborn)
Ordinance 2016-09 zoning a certain real property known as the Angler's Ridge Annexation under the Residential Mixed Use Zone District

Granzella motioned to approve Ordinance 2016-09, an ordinance of the City Council, City of Salida zoning a certain real property known as the Angler's Ridge Annexation under the Residential Mixed Use Zone District pending approval of annexation and ordering the ordinance to be published by title only. Rogers seconded the motion. With all in favor, THE MOTION CARRIED.

Brown motioned to continue all of the remaining agenda items to the next regular City Council Meeting and adjourn. Brown-Kovacic seconded. With all in favor, THE MOTION CARRIED.

14. **Angler's Ridge Annexation Agreement** (Dan Osborn)
Resolution 2016-13 approving an annexation agreement with Anglers Ridge, LLC for the annexation of certain real property into the City

15. **Amendment to Natural Resource Center Development Corporation Bylaws** (Dara MacDonald)
Resolution 2016-14 approving an amendment to the bylaws of the Salida Natural Resource Center Development Corporation

Administrator/City Attorney/Deputy City Clerk

- City Administrator Report –Dara MacDonald
- City Attorney Report – Karp, Neu, Hanlon, PC
- Deputy City Clerk Report – Christian Samora

16. Elected Official Reports

- City Clerk – Betty Schwitzer
- City Treasurer – Theresa Cortese

- City Council- Michael Bowers, Hal Brown , Cheryl Brown-Kovacic, Rusty Granzella, Melodee Hallett and Eileen Rogers.
- Mayor – Jim LiVecchi

IX. ADJOURN –

[SEAL]

City Clerk

Deputy

Mayor



