



## MEETING MINUTES OF THE CITY COUNCIL

City Council Chambers  
448 East 1<sup>st</sup> Street, Room 190  
City of Salida, Colorado  
Tuesday, April 19, 2016 6:30 p.m.

### I. REGULAR MEETING CALLED TO ORDER –

### II. PLEDGE OF ALLEGIANCE – Led by Mayor Jim LiVecchi

### III. ROLL CALL

All elected officials and staff were present..

### IV. PROCLAMATION

Mayor LiVecchi read aloud a Proclamation regarding the renaming Chipeta Mountain to the highest point on the Chipeta massif.

### V. PRESENTATION

**Economic Development presentation by Wendell Pryor**

### VI. 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.*

Rocky Tingler of Salida thanked Jan Schmidt for the job that she has been doing with the City. He continued to state he is concerned that good employees are leaving. He stated that one of the reasons Woods is in Salida is because of the City Administration. Tingler stated that he hoped Jan's replacement could have the same experience and skills.

Harry DeKing of Salida stated that he and his wife own a vacation rental. He asked if there has been any real problem. He stated that he has only had one problem in an 8 year period. DeKing continued to state that the license fee is not clear whether it will be an annual fee or a one-time fee. He stated that the other people should be required to have inspections completed as well. He stated that recently VRBO.com drastically raised the rates and felt that it may have a larger effect on people that do not rent out their property very much.

Paige Judd of Salida thanked the Council for considering short term rentals. She continued to state that there is no mention of short term rentals in the code. She stated that she did not want to shut down short term rentals, but wanted to balance the rights of the full time residents and those who rent their homes out. Judd stated that she felt the short term rentals should be treated as a business in a residential zone district. She suggested that the City Council and the Planning Commission add the short term rentals to the land use code. Judd closed by thanking Jan Schmidt for her years of service with the City.

### VII. SCHEDULED ITEMS

07:01:43

**1. Consent Agenda** (Christian Samora)

- a) Approval of Agenda
- b) Approval of Minutes: April 5, 2016
- c) Public Works Parking Lot Drainage Project Bid Award
- d) C Street Rehabilitation and Teller Intersection Bid Award
- e) Alpine Park Diagonal Walkway Bid Award
- f) Final Settlement for 2014 Salida Aquatic Center Project
- g) Final Settlement for the Hwy 50 Sidewalks Project Phase III
- h) Final Settlement for the 2016 Wastewater Water Line Extension Project
- i) Articipate Special Events Liquor License – May 26
- j) Salida Rotary Club Special Events Liquor License – May 28-29
- k) Salida Chamber of Commerce Brewers Rendezvous – July 9

Granzella stated that he wanted to pull C and D for further discussion. Bowers stated that he would like to pull F for further discussion. Hallett stated that she would also like to also discuss C further.

**Brown motioned to pull “C”, “D” and “F” from the consent agenda, combine the remaining items and approve. Bowers seconded the motion. With all in favor, THE MOTION CARRIED.**

**Public Works Parking Lot Drainage Project Bid Award**

Granzella clarified with Salmi that the minor contract revisions are contingency. Hallett asked who would be doing the project management and design. Salmi stated that CrabTree would have those responsibilities.

**Rogers motioned to approve the Public Works Parking Lot Drainage Project Bid Award and to authorize the City Administrator to enter into a construction services agreement between the City of Salida and Avalanche Excavating. Brown-Kovacic seconded the motion. In a 4-2 roll call vote, THE MOTION CARRIED. Bowers and Hallett had the dissenting votes.**

**C Street and Teller Intersection**

Granzella asked Mayor LiVecchi if the neighbors had input regarding the project. Mayor LiVecchi stated that they did.

**Rogers motioned to approve the C Street Rehabilitation and Teller Street Intersection Project Bid Award and to authorize the City Administrator to enter into a construction services agreement between the City of Salida and Avalanche Excavating. Brown-Kovacic seconded the motion. With all in favor, THE MOTION CARRIED.**

**2014 Salida Aquatic Center Project Final Settlement**

Bowers asked if it included the locker room late fees. Casey stated that it only had to do with the 2014 Aquatic Center HVAC project.

**Rogers motioned to approve the 2014 Salida Aquatic Center Project Final Settlement. Brown-Kovacic seconded the motion.**

Hallett asked what took so long. Casey stated that there would several items that took a while to sort out before the final settlement could be made.

**With all in favor, THE MOTION CARRIED.**

07:11:50

**2. Short Term Vacation Rental Licensing & Regulations, 1<sup>st</sup> Reading (Jan Schmidt )**

Ordinance 2016-11 creating a new Article V of Chapter 6 of the Salida Municipal Code in order to establish short-term rental business licenses

Schmidt gave an introduction and provided background information.

Hallett was concerned about the City Administrator taking on the responsibility. Schmidt explained that it would be the responsibility of the Administrator, but would be delegated where appropriate.

Bowers asked about the new licenses that are not grandfathered in. Schmidt stated that there was not specific discussion. Bowers asked how many vacation rentals were operating. Schmidt stated that there are likely 30-50 operating without paying occupational lodging tax. Bowers asked if they would be allowed in any zone. Schmidt stated that it is a gap in the land use code.

Granzella stated that \$250 seemed inexpensive for the penalty. Granzella felt the penalty should be at least \$1,000. Rogers was in agreement. Granzella asked about the ADU restriction. Schmidt stated that the restriction was in the land use code.

Bowers asked that in the event there is a \$1,000 fine would there be a period of amnesty to come into compliance. Rogers suggested that they be given 30 days to register. Schmidt stated that the businesses already paying OLT, they would be a qualifying renewal business.

Bowers stated that he would like to see a limit of 200 rentals. MacDonald stated that the housing needs assessment would help to provide numbers to work with.

Brown-Kovacic stated that this would be a starting point and could help to provide better data. Brown-Kovacic stated that the \$250 fine will not have much of an impact and was in favor of considering a higher fine. Brown-Kovacic suggested that maybe the fines could be a new housing fund in a reserve fund.

**Rogers motioned to approve Ordinance 2016-11, an ordinance of the City Council, City of Salida creating a new Article V of Chapter 6 of the Salida Municipal Code in order to establish short-term rental business licenses, ordering the ordinance published in full and schedule a public hearing for May 3, 2016. Granzella seconded the motion. With all in favor, THE MOTION CARRIED.**

**07:39:20**

**3. Limited Defense Agreement Proposal (Ben Kahn)**

Resolution 2016-38 approving a limited defense agreement between the City and the City Administrator

Kahn gave an introduction and explained that this had been discussed in executive session. He continued to state that the resolution should be passed with a time limit for the Administrator to sign the agreement.

Brown-Kovacic stated that her understanding is that none of the complaints have been reviewed yet and asked if it is the appropriate time. Kahn stated that it would be the appropriate time so that the Administrator may respond. He continued to state that the administrator has the right to get a copy of the complaints and respond to them. Brown-Kovacic stated that she was under the impression that the Mayor and Attorney would review them and see if they are of substance. Kahn stated that it would not be fair to the Administrator to not have the opportunity to review.

Bowers suggested giving the City Administrator 3 days to accept the agreement. Rogers suggested a month to accept the agreement. Kahn stated that it is a voluntary agreement. He continued to state that he spoke to CIRSA and they suggested something that has a time limit.

Brown-Kovacic suggested two weeks.

Granzella suggested May 1.

MacDonald asked when the complaints would be provided. Kahn stated that the complaints would be provided in the morning.

Brown stated that he did not understand the resistance to accept what is essentially a gift. He continued to state that the Administrator could go out and hire her own Council.

MacDonald stated that she believes the complaints may be frivolous. She continued to state that she is simply asking to see the complaints before obligating the City to spend \$3,000 of taxpayer dollars.

Kahn stated that the complaints could be given to the administrator and the item could be revisited. Rogers stated that she did not agree.

Bowers stated that it is a hand held out to Ms. MacDonald and felt it comes down to whether or not the Administrator wants it. He continued to state that the resolution could be passed and she could choose to accept it or not.

**Granzella motioned approve Resolution 2016-38, a resolution of the City Council, City of Salida approving a limited defense agreement between the City and the City Administrator, allow the City Administrator see the complaints and to give the City Administrator until Monday, May 2<sup>nd</sup>, 2016 to execute the limited defense agreement. Rogers seconded the motion. With all in favor, THE MOTION CARRIED.**

08:00:30

**4. Settlement in Auxier Budget Case No 14CA1092 (Ben Kahn)**

Resolution 2016-39 approving a settlement agreement between the City of Salida and Jeff Auxier

Kahn gave an introduction and provided background information.

Brown-Kovacic stated there was a whereas-clause related to Auxier maintaining a position and she objected to that whereas clause. She continued to state that there have been a number of settlements. Kahn stated that it would wipe the slate clean with the exception of issues that his clients are involved in.

Brown-Kovacic stated that it is her understanding that the settlement came from the Court. Kahn stated that he would see it in a way that the City would have to pursue the settlement if the payments are not being made.

**Brown motioned to approve Resolution 2016-39, a resolution of the City Council, City of Salida approving a settlement agreement between the City of Salida and Jeff Auxier. Bowers seconded the motion. In a 4-2 roll call vote, THE MOTION CARRIED. Rogers and Brown-Kovacic had the dissenting votes.**

08:12:22

**5. Great Outdoors Colorado Grant Agreement for Riverside Park Playground (Theresa Casey)**

Resolution 2016-35 authorizing the City Administrator to enter into an agreement on behalf of the City and with Great Outdoors Colorado, accepting the terms of a grant for the Riverside Park Playground Renovation Project

Casey gave an introduction and provided background information.

Mayor LiVecchi stated that it was a great job by everyone involved.

**Bowers motioned to approve Resolution 2016-35, a resolution of the City Council, City of Salida authorizing the City Administrator to enter into an agreement on behalf of the City and with Great Outdoors Colorado, accepting the terms of a grant for the Riverside Park Playground Renovation Project.**

**Brown-Kovacic seconded. With all in favor, THE MOTION CARRIED.**

08:15:06

**6. Salida Aquatic Center Parking Lot Bid Award (Bob Salmi)**

Resolution 2016-36 approving the award of an agreement for the Aquatics Center Repave Project and authorizing the City Administrator to enter into a construction services agreement between the City and Pavement Management Services

Casey gave an introduction and provided background information.

LiVecchi asked how the money will be shifted. MacDonald stated that in the next budget amendment it will be reallocated, but would not change the bottom line.

Granzella asked where the drainage would go. Casey stated that there will be a rain garden and the water will be directed to that area.

**Brown-Kovacic motioned to approve Resolution 2016-36, a resolution of the City Council, City of Salida approving the award of an agreement for the Aquatics Center Repave Project and authorizing the City Administrator to enter into a construction services agreement between the City and Pavement Management Services. Granzella seconded the motion. With all in favor, THE MOTION CARRIED.**

08:20:42

**7. Jones Street Water Main Looping Project Bid Award (Bob Salmi)**

Resolution 2016-37 approving the award of an agreement for the 2016 Jones Street Water Looping Project and authorizing the City Administrator to enter into a construction services agreement between the City and Avalanche Excavating, Inc

Salmi gave an introduction and provided background information.

Bowers asked where the budget amendment would be charged. Salmi stated that it would be in the water enterprise. Bowers asked how much was saved on the C Street project. Salmi stated it was about \$60k.

Hallett asked why the project is being done. Salmi stated that on Jones Street by the School there is not a water line. He continued to state that by the carwash the businesses are operating on a 1" main. Salmi stated that something better needed to be done to serve the hardware store.

**Granzella motioned to approve Resolution 2016-37, a resolution of the City Council, City of Salida approving the award of an agreement for the 2016 Jones Street Water Looping Project and authorizing the City Administrator to enter into a construction services agreement between the City and Avalanche Excavating, Inc. Brown-Kovacic seconded the motion. In a 5-1 roll call vote, THE MOTION CARRIED. Bowers had the dissenting vote.**

08:27:10

**8. Settlement in Lake County Case No 98CW173 (Dara MacDonald)**

MacDonald stated that the Council received memos and stipulations the day prior. She continued to state that both cases involve exchange of water above Salida on the Arkansas.

Granzella stated that he is not terribly familiar with either of the cases.

**Brown motioned to concur with the water counsel's recommendation regarding the stipulation in the Lake County case number 98CW173 and authorize counsel to proceed. Brown-Kovacic seconded the motion. With all in favor, THE MOTION CARRIED.**

08:30:42

**9. Settlement in Colorado Springs Case No 05CW096 (Dara MacDonald)**

MacDonald gave background information and gave a brief history of events in the case.

**Brown-Kovacic motioned to direct the water Counsel to accept the stipulation in the Colorado Springs Case number 05CW096. Rogers seconded the motion. With all in favor, THE MOTION CARRIED**

**Administrator/City Attorney/Deputy City Clerk**

- City Administrator Report –Dara MacDonald

**Expansion of F Street Parking**

MacDonald asked for direction regarding an expanded parking area at the end of F Street.

MacDonald continued to state that an additional \$10k a year lease would provide about 42 additional parking spaces. LiVecchi asked how much it would cost to enclose the area. MacDonald stated it was about \$2k to enclose the other portion of the parking lot.

**The Council was in favor of moving forward with staff working with Union Pacific to expand the F Street parking.**

**Shrine Hall Parking**

MacDonald reported that the owners of the Shrine Hall offered to rent the parking lot for \$500/month. For 25 parking spaces.

**The Council was not in favor of moving forward with an agreement to lease the parking are at the Shriner Building.**

MacDonald stated that there is an upcoming May 3<sup>rd</sup> Sales Tax class by the Department of Revenue.

- Deputy City Clerk Report – Christian Samora

**10. Elected Official Reports**

- City Clerk – Betty Schwitzer
- City Treasurer – Theresa Cortese
- City Council- Michael Bowers, Hal Brown , Cheryl Brown-Kovacic, Rusty Granzella, Melodee Brown-Kovacic and Eileen Rogers.

Brown-Kovacic reported that there was an organizational kick off meeting on April 14<sup>th</sup>. She stated that it was a broad group of different organizations and met with the contractor to discuss the scope of work for the contractor. Brown-Kovacic asked that the Audit Committee give reports.

Brown stated that he would be happy to meet with Brown-Kovacic. He continued to state that there is a share in the openness and transparency. Brown stated that the change order request should go through the Audit Committee then go to Council.

Granzella thanked Jan Schmidt for her service to the City.

Hallett asked for clarification about the \$15k resolution that the NRCDC passed. MacDonald stated that it would not be required to go through Council according to the development agreement. MacDonald gave several examples.

Rogers stated that the Transportation Committee looked at the need for parking in the Browns

Canyon Area. She stated that they will likely be looking for a letter of support from the Council for funding. Rogers commended Schmidt for her service.

Brown-Kovacic commended Schmidt for her service.

- Mayor – James LiVecchi

Mayor LiVecchi stated that the big agendas are a positive reflection on staff and all the positive things going on. He thanked those in the audience. He also commended Schmidt.

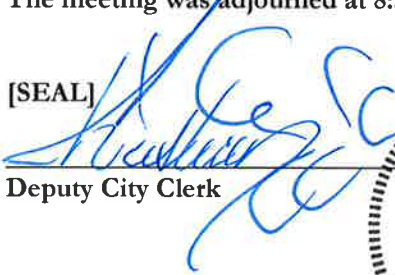
**VIII. NEW BUSINESS**

**IX. OLD BUSINESS**

Granzella stated that the netting project at Marvin Park is underway.

**X. ADJOURN –**

- XI. The meeting was adjourned at 8:57 p.m.**

[SEAL]  
  
Deputy City Clerk



  
Mayor