



MEETING MINUTES OF THE CITY COUNCIL

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

I. REGULAR MEETING CALLED TO ORDER –

II. PLEDGE OF ALLEGIANCE – Led by Mayor James LiVecchi

III. ROLL CALL

All Elected Officials and Staff were present. The City Attorney was present for the Executive Session.

IV. PRESENTATION

a. Harriett Alexander Airport (Zech Papp)

Papp gave an update for the airport and presented a proposed new name and new logo for the airport. The proposed new name for the airport is “Salida Airport Harriett Alexander Field”. The approval of the name change and logo will be at a future meeting.

b. Loyal Duke’s Gravesite Renovations (Nick Avignon)

Avignon presented proposed restoration and improvement at the Loyal Dukes gravesite on Tenderfoot Mountain. The Council was in favor of allowing the improvements to move forward. Bowers suggested that perhaps the jail inmates could be a valuable asset in the restoration process.

V. CITIZEN PARTICIPATION – *Citizen participation is for items not on the agenda and for agenda items that are not scheduled public hearings.*

Monika Griesenbeck of Salida stated that she wanted to address the ongoing situation with the NRCDC. Griesenbeck stated that it appears that there is a rogue organization. Griesenbeck stated that the SNRCDC was given the land and she stated that people are confused as to what the SNRCDC is. Griesenbeck read several descriptive statements regarding the NRCDC that were made by the previous City Attorney, City Administrator, bylaws, City Website and the NRCDC Audited financial statements.

Harry Brull of Salida stated that he felt there has not been an improvement in how well the Council is working together. He stated that consensus is not agreement, but rather a solution that everyone can live with. Brull continued to state that important decisions should not be made on majority rule. Brull felt there should be more discussion.

Dr. Jody Pedit of Salida stated that she has spent the last six months trying to understand the SNRCDC situation. Pedit continued to state that a decision should be made carefully.

Jeff Auxier stated that if a Council member is placed on the SNRCDC Board, then they could not vote on the Council on the SNRCDC issues. Auxier stated that past Council Members had to resign when they wanted to vote on the concert. Auxier continued to state that the Vandaveer property has eaten up a lot of the City’s time over the last nine years. He stated that it was purchased illegally. He stated that the former president signed the notes, then approved the notes when he was on the City Council. Auxier felt that revenues were being funneled into the development of Vandaveer. Auxier stated that the placement of the RV Dump station helped to complete the sewer infrastructure across the property.

Shawn Gillis of Salida stated that last summer he remembered several community participation meetings at the SteamPlant. He stated that he did not recall anyone talking about doing a fire sale. Gillis stated that those who ran for

Council did not include the fire sale of Vandaveer in their campaigns. He stated that for transparency it should have been talked about ahead of time. He stated that something really important happened at the November 29, 2016 City Council meeting. Gillis stated that a lot of it was a lot of emotion going on. Gillis stated that he watched members of City Council ignore everything that was being said.

Forrest Whitman of Salida stated that it would be a good time to think of all the positive things that are going on in the City of Salida. He stated that there are many different things to do and participate with in the community.

Louise Fish of Salida stated that the commitment to transparency is out the window. She stated that there is hypocrisy. She stated that now there is a proposal to have two members of the Council on the SNRCDC Board, which would be a conflict of interest. Fish asked what other plans there are that have not been shared with the public. Fish stated that she would be surprised if the Bank does not foreclose. Fish asked that the Council take some time to think about it.

Tom Bomer of Salida stated that he supports the members who are attempting to make sure the right thing is done.

Sasha Linet of Salida stated that it is a rare opportunity for the City to have a resource. He urged the Council to keep Vandaveer.

Ken Matthews of Salida stated that the SNRCDC filed a lawsuit against the City of Salida. Judge Murphey issued an order restraining the City Council from removing the Board. Matthews stated that he was to serve the order onto City Council.

Pete Cordova of Salida stated he has been a resident about 41 years. He stated that he was alerted that he was quoted in a memo that was prepared by Ben Kahn. Cordova quoted the information in the memo. He stated that he was speaking on behalf of himself and not on behalf of the bank or of Lowry. He stated that the statements were not true. Cordova stated that he took offense in the Statements that were made. Cordova stated that he was disappointed in Brown, Bowers, LiVecchi.

Lori Lau of Salida stated that she is in Ward 3 and she stated they are not being listened to. She stated that there were 360 people that asked Council to not vote the way that they did. She stated that four of the Council Members are not listening to the constituents. Lau stated that she didn't feel the Council was supporting the will of the people.

James Miller of Salida stated that Brown, Bowers, Hallett and LiVecchi turned down the golden opportunity for affordable housing on the SNRCDC property. Miller stated that the same TABOR issue was used for the administrator's contractor. Miller stated that the property belongs to the citizens. Miller stated that he understands why the document was not released because he felt it was an embarrassment.

Kim Hoover of Salida stated that the people have spoken at Council Meetings and SNRCDC Meetings. Hoover felt that the people overwhelmingly support the current SNRCDC Board. She stated that the people do not want a portion of Council to push a forced fire sale of the land. Hoover stated that the TABOR expert lawyers agree that there is not a TABOR violation. Hoover stated that the Council Members were elected to represent the people of Salida. She stated it is the Council's duty to honor what the people want.

VI. SCHEDULED ITEMS

07:00:23

- 1. Consent Agenda** (Christian Samora)
 - a. Approval of Agenda
 - b. Approval of Minutes – November 15, 2016
 - c. Approval of Minutes – November 29, 2016
 - d. 2015 Pipe Relay Sewer Project
 - e. 2016 Riverside Park Playground Replacement Project
 - f. 2016 Marvin Park Change Order

Granzella asked for more information regarding the Marvin Park change order. Rabe stated that there was poor soil and more concrete was needed to set the poles.

Brown-Kovacic asked if the sewer line project was a carryover from the previous year. Rabe confirmed.

Granzella motioned to combine and approve the items on the Consent Agenda. Rogers seconded the

motion to approve. With all in favor, THE MOTION CARRIED.

2. SNRCDC Board Update (Ron Mazzeo)

Mazzeo was not present to provide an update.

07:03:30

3. Wastewater Treatment Plant Mixing Zone Study (David Lady)

Resolution 2016-89 approving a professional services agreement between the City of Salida and JVA, Inc for completing Task 2 of the Mixing Zone Study for the Wastewater Treatment Plant

Lady gave an introduction and provided background information.

Granzella asked if it was an annual project needing approval. Lady stated that he did not expect it to be an annual project. Lady explained that it is a professional services agreement and the first phase was complete in 2015 and in 2016.

Granzella motioned to approve Resolution 2016-89, a resolution of the City Council, City of Salida, approving a professional services agreement between the City of Salida and JVA, Inc for completing Task 2 of the Mixing Zone Study for the Wastewater Treatment Plant. Bowers seconded the motion. With all in favor, THE MOTION CARRIED.

07:07:25

4. Disposition of the 3% Sales Tax, 2nd Reading & Public Hearing (Steve Rabe)

Ordinance 2016-25 regarding the disposition of the proceeds of the three percent (3%) sales tax imposed by Ordinances No. 1, Series of 1992 and No. 34 of Series of 2008

Mayor LiVecchi opened the Public Hearing.

There was not any comment from the public.

Rogers motioned to approve Ordinance 2016-25, an ordinance of the City Council, City of Salida, regarding the disposition of the proceeds of the three percent (3%) sales tax imposed by Ordinances No. 1, Series of 1992 and No. 34 of Series of 2008 and ordering the ordinance to be published by title only. Granzella seconded the motion. With all in favor, THE MOTION CARRIED.

07:09:40

5. Creation of Special Revenue Funds, 2nd Reading & Public Hearing (Steve Rabe)

Ordinance 2016-26 to repeal in its entirety and re-enact Section 4-2-60 Special Funds – of the Salida Municipal Code

Rabe gave an introduction and provided background information.

Mayor LiVecchi opened the Public Hearing.

Monika Griesenbeck of Salida commended the City Council for enacting the ordinance. She also thanked the audit committee.

Mayor LiVecchi closed the Public Hearing.

Brown motioned to approve Ordinance 2016-26, an ordinance of the City Council, City of Salida to repeal in its entirety and re-enact Section 4-2-60 Special Funds of the Salida Municipal Code with the exception that the language regarding the Airport in paragraph “P” is stricken and ordering the ordinance published by title only. Granzella seconded the motion.

Brown-Kovacic stated that she was concerned about the process and stated that the public, staff and the SteamPlant Board is unaware of the change being made.

Brown-Kovacic motioned for the SteamPlant fund to be removed from the ordinance. Rogers seconded the motion.

Rabe stated that the intent is to repeal and re-enact. Rabe stated that there is not a change in those three funds.

Brown stated the his understanding was that the disposition was on the ballot and that the Council would subsequently approve the special funds.

Brown-Kovacic stated that the SteamPlant is no longer listed as an enterprise fund. Rabe stated that the fund is exactly as they are currently in the Municipal Code. Brown-Kovacic was just concerned that everyone be aware of it.

Brown-Kovacic amended the motion to amend to exclude the third whereas clause.

With all in favor, THE MOTION CARRIED to remove the third whereas clause.

With all in favor to approve the ordinance as amended, THE MOTION CARRIED.

07:19:03

6. Approval of the 2017 Budget and Public Hearing (Steve Rabe)

Resolution 2016-90 summarizing expenditures and revenues for each fund, and adopting a budget for the City of Salida, Colorado, for the calendar year beginning on the first day of January 2017, and ending on the last day of December 2017

Rabe gave an introduction and provided background information.

Granzella asked where the comparative number would be for 2017 in Sales tax. Rabe stated that he ran it straight across and in comparison, the estimate is \$5.2m, which is a 7% increase over the year prior.

Rogers asked if there is a written narration of what he did. Rabe stated that he will be communicating very directly with the Department Heads.

Mayor LiVecchi opened the Public Hearing.

Jeff Auxier of Salida stated that it was refreshing for information to be presented in a professional and trustworthy manor. Auxier stated that it is not quite the same budget that was previously presented. Auxier stated that there is more detail and you can read the information at a glance. Auxier stated that there are not projects listed in the Streets funds. Auxier stated that he took a lot of grief for the expense of that lawsuit. He stated that Salmi stated that there are savings when items are going out to bid sooner. Auxier stated that the Colorado Financial manual states that there should be seven years of information.

Mayor LiVecchi closed the Public Hearing.

Rabe clarified that in Canon City the budget has provided seven years of data.

Brown motioned to approve Resolution 2016-90, a resolution of the City Council, City of Salida, summarizing expenditures and revenues for each fund, and adopting a budget for the City of Salida, Colorado, for the calendar year beginning on the first day of January 2017, and ending on the last day of December 2017. Rogers seconded the motion. With all in favor, THE MOTION CARRIED.

07:44:35

7. Appropriating Funds for 2017 (Steve Rabe)

Resolution 2016-91 appropriating sums of money to the various funds and spending agencies, in the amounts and purposes set forth below, for the City of Salida, Colorado, for the 2017 budget year

Rabe gave an introduction.

Brown motioned to approve Resolution 2016-91, a resolution of the City Council, City of Salida, appropriating sums of money to the various funds and spending agencies, in the amounts and purposes set forth below, for the City of Salida, Colorado, for the 2017 budget year. Bowers seconded the motion. With all in favor, THE MOTION CARRIED.

07:45:50

- 8. Water Treatment Plant UV Project Design and Engineering Loan Agreement** (Steve Rabe)
Resolution 2016-92 approving a loan agreement between the City of Salida and Colorado Water Resources And Power Development Authority for the Design and Engineering of the Water Treatment Plant UV project

Rabe gave an introduction and provided background information.

Rogers motioned to approve Resolution 2016-92, a resolution of the City Council, City of Salida, approving a loan agreement between the City of Salida and Colorado Water Resources And Power Development Authority for the Design and Engineering of the Water Treatment Plant UV project. Bowers seconded. With all in favor, THE MOTION CARRIED.

07:48:48

- 9. Refinancing of Water & Sewer Bonds Series 2016, 1st Reading** (Steve Rabe)
Ordinance 2016-27 an ordinance of the City of Salida, Colorado, acting by and through its water activity enterprise, authorizing the issuance of water and sewer refunding revenue bonds; providing for the use of net bond proceeds to refund, pay and discharge all of the water and sewer revenue refunding and improvement revenue bonds, series 2007; providing for the payment of the bonds from the net revenue derived from the operation of the water and sewer system, and making certain covenants in connection therewith; providing for the form, payment, and other details in connection with the bonds; authorizing the execution of agreements and documents in connection with the bonds; and declaring an emergency.

Rabe gave an introduction and provided background information.

Bowers motioned to approve Ordinance 2016-27 an ordinance of the City of Salida, Colorado, acting by and through its water activity enterprise, authorizing the issuance of water and sewer refunding revenue bonds; providing for the use of net bond proceeds to refund, pay and discharge all of the water and sewer revenue refunding and improvement revenue bonds, series 2007; providing for the payment of the bonds from the net revenue derived from the operation of the water and sewer system, and making certain covenants in connection therewith; providing for the form, payment, and other details in connection with the bonds; authorizing the execution of agreements and documents in connection with the bonds, declaring an emergency, setting a Public Hearing for December 20, 2016 and ordering the ordinance to be published in full. Brown seconded the motion. With all in favor, THE MOTION CARRIED.

10. Administrator & Deputy City Clerk

- Interim City Administrator Report – Steven Rabe
- Deputy City Clerk Report – Christian Samora

11. Elected Official Reports

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

1) Audit Committee – Auditor Proposal

Brown provided background information regarding the process and reported that the selection of McMann was a unanimous choice of the Audit Committee.

Brown-Kovacic stated that she was glad to see the City go back to a Colorado Firm.

Rogers stated that in the citizen comments there are questions being raised. Rogers stated that

it's been several months without the questions in Citizen Participation. Brown was in agreement that the questions need to be answered. There was consensus to move forward with a discussion regarding answering questions of the public.

- Mayor – James LiVecchi

VII. NEW BUSINESS

Approval to Release Privileged & Confidential NRCDC Document

Rogers motioned to release most recent November 25, 2016 NRCDC Statement of Fact document. Brown-Kovacic seconded the motion.

Brown asked if the motion would result in publishing the document.

In a 4-2 roll call vote, **THE MOTION CARRIED.**

LiVecchi stated that he went to the soap box derby at Pikes Peak. Rabe stated that Salida has good streets to have the soap box derby event. It was not clear where the event could be held in Salida.

VIII. OLD BUSINESS

LiVecchi stated that he wants to start discussions in January regarding the Hot Springs Pool soaking pools.

IX. EXECUTIVE SESSION.

08:23:16

At 8:25 A.M. Brown motioned to adjourn to Executive Session for a conference with the City Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. Section 24-6-402(4)(b). AND THE FOLLOWING ADDITIONAL DETAILS ARE PROVIDED FOR IDENTIFICATION PURPOSES: Final SNRCDC Compliance Plan implementation issues, including but not limited to Resolutions 2016-81 and 2016-88 and proposed Resolutions 2016-93 and 2016-94. Granzella seconded the motion. With all in favor, **THE MOTION CARRIED.**

12. SNRCDC Board of Directors Removal (Ben Kahn)

Resolution 2016-93 removing the current Board of Directors of the Salida Natural Center Development Corporation

13. SNRCDC Interim Board of Directors Appointment (Ben Kahn)

Resolution 2016-94 appointing an interim Board of Directors of the Salida Natural Resources Center Development Corporation

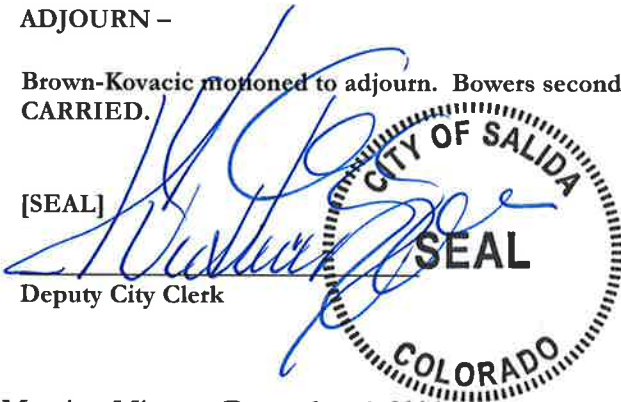
Rogers motioned to table Resolutions 2016-93 and 2016-94 until the December 20, 2016 City Council Meeting. Granzella seconded the motion. In a 5-1 roll call vote, **THE MOTION CARRIED.** Hallett had the dissenting vote.

X. ADJOURN –

Brown-Kovacic motioned to adjourn. Bowers seconded the motion. With all in favor, **THE MOTION CARRIED.**

[SEAL]

Deputy City Clerk



James LiVecchi, Mayor

James LiVecchi