



MEETING MINUTES OF THE CITY COUNCIL

City Council Chambers
448 East 1st Street, Room 190
City of Salida, Colorado
Tuesday, February 7, 2017 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. The City Attorney was present for the Executive Session.

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.*

Theresa Gilson from the Salida Childhood Center stated that in the past there is a large waiting list with as many as 80 children. Gilson stated that the focus is very different with only 46 children on the waiting list and only one meets income qualifications. She stated that 37% to 44% qualify for the program. She stated that if families are unable to stay in Salida due to the cost of housing, it would impact all preschool children in the county.

Lawton Eddy thanked the Council for starting the housing conversation. Eddy stated that it is very exciting. She has been meeting with the housing committee for several months. She stated that the greatest need for housing is for the 80-120% Area Median Income and below 80% Area Median Income. Eddy stated that the reality is that only one of the housing projects will require lower income. Eddy stated that there needs to be new housing that is devoted to residents within affordable price ranges. Eddy stated that, as a business owner, she feels the pain of hiring and keeping people that have trouble finding housing.

Paige Judd thanked the Council for starting the affordable housing conversation. She agreed that there needs to be requirements for affordable property even if the property has already been annexed into the City. Judd stated that she did a look at the Chaffee County Assessor's webpage and of four different projects, the average prices are all over \$300k. She stated that the project near the jail had an average sale price was \$460k while Crestone Mesa has an average price of \$317k. She stated that the private market will build more expensive homes for people that do not live here. Judd encouraged the Council to continue the conversation. Judd stated that all their apartments will all be at 80% Area Median Income and could finish the project in ten months.

Vern Davis of Salida stated that there is controversy regarding the 1099 form that will be used in regard to the Dominick Settlement. He stated that if his memory serves him correctly, the SteamPlant liquor license is in Dara MacDonald's name.

Ken Matthews of Salida stated that he would like to echo what Judd stated and would like to see a change in the code and possibly an impact fee. He stated that on page four there are steps for senior care. He stated that they are important things that the community should consider. Matthews referenced Sage Generation and invited the Council to an event at the Presbyterian Church to help with the issue of senior care and housing.

Read McCulloch thanked the Council for the work. McCulloch stated that he has a copy of the code that had

12.5% of affordable housing being required. McColloch asked when it was removed. Rabe stated that it was done by resolution, but it was never codified into the Municipal Code. Rabe stated that the language could be incorporated into the code to have enforceable authority.

James Miller of Salida thanked Steve Rabe for his help, and welcomed Guy Patterson as the new City Administrator. Miller stated that everyone would like to put the Dominick matter behind them, but he felt the agreement was in Dominick's favor. Miller stated that there was a system installed and felt that now with the large payment, the system will now be adequate.

Monika Griesenbeck of Salida stated that she disagreed with the previous speaker. Griesenbeck stated that she really liked the Administrator's tasks that was included in the packet. She stated that she hoped the new administrator would continue to include the same information. Griesenbeck stated that she served on the citizen's taskforce and urged the Council to form another taskforce. Griesenbeck stated that she would like to know what part of the legal cost were a result of lawsuits.

Nancy Dominick stated that the system has not ever worked well.

V. EXECUTIVE SESSION

Brown motioned to enter 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: Dominick Matter. Bowers seconded the motion.

Rogers requested time for discussion following the motion and second. Mayor LiVecchi declined the request.

In a 4-2 voice vote, THE MOTION CARRIED. Rogers and Brown-Kovacic had the dissenting votes.

VI. SCHEDULED ITEMS

1. Dominick Settlement & Mutual Release (Benjamin Kahn)

Resolution 2017-11 approving a settlement agreement and mutual release with Nancy Dominick

Kahn gave an introduction and provided background information. Kahn stated that one of the matters has been pending for 13 years and the other for five years. Kahn stated that the Mayor instructed him to pursue a potential settlement. The Hahn report contained information regarding potential ways to resolve the conflict. The court then issued an order for mediation. The City then participated in the mediation, after which there was a formal proposal from the City. There were follow up proposals exchanged through the months of December and January. The City worked with Dominick's counsel to reach the agreement that is before the Council for consideration.

Kahn stated that the water counsel felt it was in the best interest of the City and Kahn recommended approving the agreement.

Brown motioned to approve Resolution 2017-11, a resolution of the City Council, City of Salida approving a settlement agreement and mutual release with Nancy Dominick. Granzella seconded the motion.

Brown-Kovacic stated that she felt it has been difficult for Dominick and hoped it would work out well.

Rogers requested that if Dominick or Davis wanted to speak, that they have the opportunity to do so.

Dominick stated that if the City issues a 1099 she will have to pay taxes. She stated that there is no reason to issue a 1099. Dominick stated that she will not be whole. She stated that the engineer will be \$300k and she owes the attorney almost \$100k and has already paid 100k in attorney's fees. Dominick stated it has been a lot of suffering and she will not be making any money.

With all in favor, THE MOTION CARRIED.

2. **Consent Agenda** (Christian Samora)
 - a) Approval of Agenda
 - b) Approval of Minutes: January 13, 2017
 - c) Approval of Minutes: January 17, 2017
 - d) Elks Lodge Special Events Liquor Permit
 - e) Street Tree Maintenance Project Bid Award
 - f) Hunt Street Reconstruction Project Bid Award
 - g) Elevator Replacement Project Final Settlement

Brown motioned to combine and approve the item on the Consent Agenda. Granzella seconded the motion.

Granzella asked about Hunt Street and wanted to make sure everything was kosher with the bid. Lady stated that the City has been working with Crabtree; he stated the design of Hunt Street was reviewed.

Brown-Kovacic asked what the minor contract changes were. Lady stated it was contingency and it may be zero when the project is complete.

Brown-Kovacic asked if Terra Firma can identify new trees and remove them if needed. Lady stated that there is a lot of flexibility and they will have the ability to revise what the priorities are. Brown-Kovacic asked who is responsible for notification. Lady stated that staff will be working to ensure that contact is made with the property owners.

With all in favor, THE MOTION CARRIED.

3. **Fleet Vehicle Bid Award** (Doug Bess/David Lady)
Resolution 2017-05 approving the award of purchasing new trucks for the 2017 fleet vehicles project and authorizing the City Administrator to execute a purchase order between the City of Salida and Town & Country Salida

Bess gave an introduction and provided background information. Bess indicated that the total cost of all vehicles is below the budgeted amount.

Brown-Kovacic motioned to approve Resolution 2017-05, a resolution of the City Council, City of Salida, approving the award of purchasing new trucks for the 2017 fleet vehicles project and authorizing the City Administrator to execute a purchase order between the City of Salida and Town & Country Salida. Rogers seconded the motion. With all in favor, THE MOTION CARRIED.

4. **Interim City Administrator Contract Extension** (Steven Rabe)
Resolution 2017-06 approving an agreement for professional services with Steven G. Rabe to fulfill the function of Interim City Administrator

Rabe gave an introduction and provided background information.

Brown motioned to approve Resolution 2017-06, a resolution of the City Council, City of Salida, approving an agreement for professional services with Steven G. Rabe to fulfill the function of Interim City Administrator. Brown-Kovacic seconded the motion. With all in favor, THE MOTION CARRIED.

5. **City Administrator Employment Contract** (Steven Rabe)
Resolution 2017-07 appointing Guy Patterson as City Administrator for the City of Salida

Rabe gave an introduction and provided background information.

Brown asked if there was a City vehicle for the City Administrator to use. Rabe confirmed.

Rogers motioned to approve Resolution 2017-07, a resolution of the City Council, City of Salida
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appointing Guy Patterson as City Administrator for the City of Salida. Brown seconded. With all in favor, THE MOTION CARRIED.

Patterson thanked the Council and stated he is looking forward to the opportunity. He stated that he is looking forward to working with the Council and staff.

6. Memorandum of Understanding for Emergency Service with Cañon City (Steven Rabe)

Resolution 2017-08 Approving a memorandum of understanding between the City of Salida and the City of Cañon City for emergency services aide

Russ Johnson gave an introduction and provided background information.

Hallett asked if the County was involved. Johnson stated that they work well with the County and Buena Vista. It would be a backup for resources as well as the fact that Cañon City has good negotiators.

Brown asked what kinds of costs may be incurred. Johnson stated that it would be mainly personnel costs.

Brown motioned to approve Resolution 2017-08, a resolution of the City Council, City of Salida, Approving a memorandum of understanding between the City of Salida and the City of Cañon City for emergency services aide. Bowers seconded the motion.

7. Appropriation of Additional Sums of Money for PD Grant (Steven Rabe)

Resolution 2017-09 a resolution appropriating additional sums of money in the General Fund for 2017

Rabe gave an introduction and provided background information.

Granzella motioned to approve Resolution 2017-09, a resolution of the City Council, City of Salida, appropriating additional sums of money in the General Fund for 2017. Bowers seconded the motion. With all in favor, THE MOTION CARRIED.

8. Appropriation of Additional Sums of Money for Riverside Park (Steven Rabe)

Resolution 2017-10 a resolution appropriating additional sums of money in the General Fund for the 2017 Budget

Rabe gave an introduction and provided background information.

Bowers motioned to approve Resolution 2017-10 a resolution of the City Council, City of Salida, appropriating additional sums of money in the General Fund for the 2017 Budget. Rogers seconded the motion. With all in favor, THE MOTION CARRIED.

9. Administrator/Deputy City Clerk

- City Administrator Report –Steven Rabe
Rabe included a written report in the City Council packet.
- Deputy City Clerk Report – Christian Samora
Samora included two fee waiver requests in the packet and the City Council had no objections.

10. 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.

Brown-Kovacic stated that the CHT has programs available and is qualifying for people at 80 Area Median Income or less.

Rogers stated that she was informed that the Attorney is continuing to search for expenditures related to the SNRCDC. Rogers stated he is currently looking at the 2014 Budget. Rogers stated that last year's total attorney's fees have exceeded \$230k. Rogers stated that, alone, SNRCDC and TABOR costs exceeded \$105k.

Rogers motioned to immediately stop attorney investigations related to SNRCDC expenditures until the entire council determines any further need and approves funds and parameters for future searches. Brown-Kovacic seconded the motion.

LiVecchi stated that there will be legal fees to get to the full divestiture.

Brown stated that he had a question about making a motion on an item not on the agenda.

Brown-Kovacic stated that one of the issues is not knowing what's going on.

Brown-Kovacic intended to suggest a work session to review the contract for the City Attorney.

Bowers agreed that it should be looked at.

Granzella stated that he does not agree with the motion, but wanted to be more in the loop.

Brown-Kovacic stated that she didn't think anyone wants to manage staff and that it is the Administrator's job to do that. She stated that the Council is responsible for the Attorney. Brown-Kovacic stated that the assignments have budget implications.

Rogers withdrew the motion. Prior to the expiration of the contract the Council will review the roles.

VII. NEW BUSINESS

Brown-Kovacic stated that she has been attending the SBA meetings. She stated that at the last SBA meeting they discussed having a work session to discuss the Association's priorities with the Council.

Bowers stated that he is concerned about the businesses in Salida. He stated that it directly correlates with the housing issues. He would like the City to develop a plan to give incentives to bring new businesses in.

VIII. OLD BUSINESS

Rogers described a recent series of events concerning the delayed release of two official legal documents to City Council members. Rogers stated that two documents, dated November 16th and December 1st were handed out at the Executive Session held on January 3, 2017. Rogers stated that time sensitive information relating to the former City Administrator, Dara MacDonald's, termination and severance pay was received without comment or discussion. Rogers continued to stated that Ms. MacDonald's offer to discuss the matter was included in the November 16th document and was unanswered until the middle of January when a response was given indicating that the City would not respond to the letter. Rogers stated that Council Members had not participated in discussion to reach that decision.

Rogers stated that her efforts at transparency were based on the citizen's right to know and that most Council Members have been denied a voice in these and other official matters and, thus, the citizens have been denied representation. Rogers continued to state that every Council Member must be given all appropriate information in a timely manner and given every possible opportunity to participate in the decision making process.

Granzella clarified that the City Council doesn't need to worry about the Over The River lease. Rabe confirmed.

Rabe stated that the moratorium on Short-Term Rentals would need to be extended for a few months.

LiVecchi stated that there will be a Town Hall for the Housing Task Force.

Brown-Kovacic asked if the Planning Commission would be involved. LiVecchi stated that the Council would be speaking with the Planning Commission.

IX. ADJOURN -

Brown motioned to adjourn at 8:25 P.M. Bowers seconded the motion. With all in favor, THE MOTION CARRIED.

[SEAL]

Deputy City Clerk



James L. LiVecchi
Mayor