



**MEETING MINUTES OF THE CITY COUNCIL
City Council Chambers
448 East 1st Street, Room 190
City of Salida, Colorado
Tuesday, March 21, 2017 6:00 p.m.**

I. REGULAR MEETING CALLED TO ORDER –

II. PLEDGE OF ALLEGIANCE – Led by Mayor Jim LiVecchi

III. ROLL CALL

All Elected Officials were present with the exception of Clerk Schwitzer. All members of staff were present and the City Attorney was present for the Executive Session.

IV. PRESENTATION

Housing Policy Advisory Committee – Paige Judd

Judd gave an introduction and explained that an issue in the community is rental units have been in disrepair. She continued to state that there is not much that the City can do to help. And that the tenant may be reluctant to invite agencies and risk retaliation against them.

Andrea Carlstrom, Director of Chaffee County Public Health thanked the Mayor and others for starting the conversation about affordable housing. Carlstrom stated that since February 2016 CCPH has been contacted by 20 families regarding the conditions of rental housing in the community. Carlstrom stated that they are afraid of retaliation and there may be some overlooking of grave needs. Carlstrom stated that they went to one of the units, but the tenant ushered them away in fear that the neighbors would see that Public Health was trying to help them. She stated that she and Judd were not offering a clear solution, but felt that they could work collaboratively.

Judd stated that she spoke to COG and there is not a loan program for landlords to fix up their homes.

Brown-Kovacic stated that she came across a CML newsletter that had information for funding at the 30% AMI level. She stated that they will see what those applications look like.

Granzella asked if Chaffee county had more Section 8 cuts than other counties. Carlstrom referenced the total number of Section 8 vouchers in the County.

V. 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.*

Tom Bomer of Salida stated that the SNRCDC seemed to be solved, but the City Attorney has been working on the issue again. Bomer stated that he may not be an attorney, but felt that the Council may not all have been informed about the issue. Bomer stated that last year \$105k was paid to Kahn for a document that stated a TABOR violation occurred with the SNRCDC. Bomer expressed concern over the Council spending more money for issues related to the SNRCDC. Bomer suggested that there be a public discussion to see if the public wants to drop the issue.

Read McCulloch stated that there has been a lot of discussion regarding affordable housing. McCulloch stated that maybe things need to slow down to set goals and review tools to help with the problem. He continued to state that there are a few groups exploring what the tools might be and suggested looking into what other communities are doing. McCulloch stated that he sent a document with info about an organization that will

come into a community to look at the situation and help establish goals. He stated that there was a document distributed that he prepared.

Bob Grether of Salida stated that he was distressed to read about the indemnification demands of the SNRCDC. He stated that the last council action resulted in an offer falling through. He stated that if the demand goes forward and the current transaction fails, it could hurt the image of the City. He stated that if the deal goes through, there would be a remaining 100 acres that are free and clear.

Monika Griesenbeck of Salida stated that she is concerned about the short term rental items on the agenda. She stated that she attended the Planning and Zoning meeting when the final version was passed, only four members of the Planning Commission were present. And two of which were alternates. She asked that the items be continued. She stated that the issue ties into the housing discussion. She stated that she disagreed that it does not have an impact on long term rentals.

Francie Bomer stated that with 2016-97 the City Council dissolved the development agreement. She stated that it is a breach of public trust. She stated that just because the City thinks they can make demands, it doesn't mean that the City should. She stated that it looks like an attempt to block the sale of the land. And felt that it appeared the Mayor instructed the City Attorney to draft the document. Bomer stated that the Mayor stated the SNRCDC has consumed the community.

James Miller of Salida stated that there is a Russian term that describes a wagon and also a dictatorship. He stated that the City has the same issue, consisting of two members on Council and one person that is not a member. Miller stated that he holds the majority of City Council responsible for the situation. He stated that there is no good in the Council harassing the SNRCDC.

Joe Jordan of Salida stated that he has spoken several times before. He stated that he understood that the Council may be considering the City Attorney's retention. Jordan stated that it may be time to step back and take a look at the entire representation. He stated that his understanding is that the City has paid Kahn \$250k in the last year. He stated that Kahn is a litigator and it may not be the appropriate kind of lawyer. Jordan stated that it does not appear that the Council has been informed before the Council makes decisions. He continued to state that members of Council should be able to review bills and look over the process. Jordan stated that the sequences have all been things that happened before the Council knew what was going on.

Paige Judd thanked the City staff. Judd continued to state the SNRDC is on the cusp of doing something that they were tasked to do. She stated that instead of trying to squeeze money, there is a tremendous opportunity for the NRCDC and the City to work together. She stated that it seemed very disingenuous to go after the SNRCDC now. She stated that she has always advocated for using the land for the public good. She stated that the City should work together and there is much opportunity out there. Judd continued to state that she lives above the hospital on the mesa. She is fully on board and her neighbors are on board with three floors. She stated that the residents are not in favor of the fourth floor on the hospital facility.

Kim Parker stated that she was advocating for people that could not be there. She stated that her working group is advocating for housing for households that have area median income of 50%. She stated that she appreciated the question about subsidies that are local and would like to somehow coordinate that. Parker stated that there needs to be funds to build housing for those types of families and build it. The grant would need a housing authority to advocate for that.

VI. SCHEDULED ITEMS

1. Water Court Application-Colorado Board of Water Works (Jennifer Dilalla)

Dilalla explained that they need the Council's direction to file the water court application. She explained what it accomplishes by firming up the yield for the City's water. She stated that it would allow the City to store water upstream in good water years and allow more flow on dry years.

The City Council was in agreement to file a petition.

Rogers asked if there is any reason not to proceed with filing a petition.

Dilalla stated that there is not any reason not to.

Granzella stated that the City currently stores and pays for storage in Pueblo.

Dilalla stated that the primary purpose in the Pueblo storage is to ensure that the City can meet the winter water augmentation requirements.

Rogers motioned to direct the water counsel to proceed with filing a petition. Brown-Kovacic seconded the motion. With all in favor, THE MOTION CARRIED.

Brown-Kovacic asked if it needed to be voiced that the Council is interested in expanding the storage in north fork.

Brown-Kovacic motioned to instruct the water counsel to investigate expansion of storage in the north fork. Rogers seconded the motion. Rogers seconded the motion. With all in favor, THE MOTION CARRIED.

2. Consent Agenda (Christian Samora)

- a) Approval of Agenda
- b) Approval of Minutes: March 7, 2017
- c) Tenderfoot Transmitting, Inc Special Events Liquor License
- d) UV Sterilization Project Bid Award

Brown motioned to combine and approve the items on the Consent Agenda. Bowers seconded the motion.

Granzella stated he was very pleased with the bid on the UV project.

With all in favor, THE MOTION CARRIED.

3. Centennial Park Exercise Equipment Bid Award (Theresa Casey/Kevin Crowley)

Crowley gave an introduction and provided background information.

Casey stated that the request is back on the agenda and more information was provided in the City Council packet. She stated that it is a replacement of existing equipment as opposed to something new. She stated that they are requesting that Council approve the request.

Brown asked for clarification on whether or not it is subject to the competitive bid law. Brown continued to state that the project does not fit the definition of the bid law.

Hallett stated that there was mention to buy and replace equipment at Alpine Park. Casey stated that the merry-go-round is not compliant with the playground safety standards.

Brown-Kovacic motioned to approve the bid award for the Centennial Park Exercise Equipment to EXO Fit Outdoor Fitness. Rogers seconded the motion. With all in favor, THE MOTION CARRIED.

4. Aquatic Center Soaking Pool Engineering Design Bid Award (Theresa Casey)

Casey gave an introduction and provided background information. Casey explained that in late 2015 the City Council approved contracts for the soaking pool and spray feature. She stated that the City Council cancelled the agreement with DSI following an issue with the way the bid was awarded, but did not cancel the contract with the architect.

Brown-Kovacic clarified that phase II was listed at a higher amount.

Granzella asked if the price on Phase III will be close to the estimate.

Casey stated that it will be very accurate.

Bowers asked if the line replacement will have any effect on the project.

Brown-Kovacic motioned to approve the bid award for the Soaking Pool Project to Cloward H20. Rogers seconded the motion. With all in favor, THE MOTION CARRIED.

- 5. Adjustment of Ward Boundary Lines, 2nd Reading & Public Hearing** (Samora)
Ordinance 2017-05 an ordinance of the City Council of the City of Salida, Colorado, altering the City Ward Boundaries

Samora gave an introduction and provided background information.

Council Members Brown and Brown-Kovacic expressed concern about providing notice to citizens who would fall within the areas affected by the boundary changes. Samora stated that staff can send out notices and would work to have it complete by the end of the week.

Mayor LiVecchi opened the Public Hearing.

There was not any comment from the public.

Mayor LiVecchi closed the Public Hearing.

Brown motioned to continue the ordinance to the April 4, 2017 City Council Meeting. Bowers seconded the motion. With all in favor, THE MOTION CARRIED.

- 6. SteamPlant Fee Schedule Update** (Michael Varnum)
Resolution 2017-13 adopting a revised 2017 fee schedule for the Salida SteamPlant Event Center

Varnum gave an introduction and provided background information.

Rogers motioned to approve Resolution 2017-13, a resolution of the City Council, City of Salida, adopting a revised 2017 fee schedule for the Salida SteamPlant Event Center. Bowers seconded the motion.

Hallett asked how many dates are booked. Varnum stated that from May thru October there are not any Saturdays available.

Brown-Kovacic asked if non-profits pay the same rate as any other organization. Varnum confirmed that the rates for everyone are the same.

- 7. SteamPlant Facility Use Agreement Update** (Michael Varnum)
Resolution 2017-14 approving rental contracts for the SteamPlant Theater and Event Center

Varnum gave an introduction and provided background information.

Hallett asked if the contract had been expanded. Varnum stated that the contract has been condensed.

Rogers motioned to approve Resolution 2017-14, a resolution of the City Council, City of Salida, approving rental contracts for the SteamPlant Theater and Event Center. Bowers seconded the motion. With all in favor, THE MOTION CARRIED.

- 8. HRRMC Annexation Substantial Compliance** (Beverly Kaiser)
Resolution 2017-15 finding the Heart of the Rockies Regional Medical Center annexation petition to be in substantial compliance with State Statutes and setting a Public Hearing on said petition

Kaiser gave an introduction and provided background information.

Bowers motioned to approve Resolution 2017-15, a resolution of the City Council, City of Salida, finding the Heart of the Rockies Regional Medical Center annexation petition to be in substantial compliance with State Statutes and setting a Public Hearing on said petition. Rogers seconded the motion.

Brown clarified that after this resolution is passed, that it is a public hearing before the City Council.

Kaiser stated that it would be before both the City Council and the Planning Commission.

With all in favor, THE MOTION CARRIED.

9. Snyder Annexation Substantial Compliance (Beverly Kaiser)

Resolution 2017-16 finding the Snyder annexation petition to be in substantial compliance with State Statutes and setting a Public Hearing on said petition

Kaiser gave an introduction and provided background information.

Brown motioned to approve Resolution 2017-16, a resolution of the City Council, City of Salida, finding the Snyder annexation petition to be in substantial compliance with State Statutes and setting a Public Hearing on said petition. Bowers seconded the motion. With all in favor, THE MOTION CARRIED.

10. Citizen Appointments to the Planning Commission (Christian Samora)

Resolution 2017-17 approving citizen appointments to the Planning Commission

Samora gave an introduction and provided background information.

Samora called roll of the City Council to determine which of the two alternate Planning Commission Members would become a regular member. The consensus was that Dori Denning would become the regular Planning Commission Member and therefore, creating a vacant alternate seat.

Samora then called roll of the City Council to determine which of the new applicants would become the new alternate Planning Commission member. The consensus was that Donald Burnette would become the new alternate Planning Commission member.

Brown motioned to approve Resolution 2017-17, a resolution of the City Council, City of Salida, approving citizen appointments to the Planning Commission to be Dori Denning as a regular Planning Commission member and Donald Burnette as an alternate Planning Commission member. Granzella seconded the motion. With all in favor, THE MOTION CARRIED.

11. Citizen Appointments to the Historic Preservation Commission (Christian Samora)

Resolution 2017-18 approving citizen appointments to the Historic Preservation Commission

Samora gave an introduction and explained that there are three vacant positions on the commission, but there was only one applicant.

Hallett asked if others can be added to the Commission as a later time. Samora confirmed.

Brown motioned to approve Resolution 2017-18, a resolution of the City Council, City of Salida, approving citizen appointment to the Historic Preservation Commission to be Janine Zeman. Bowers seconded the motion. With all in favor, THE MOTION CARRIED.

12. Citizen Appointments to the Salida Airport Board (Christian Samora)

Resolution 2017-19 approving citizen appointments to the Salida Airport Board

Samora gave an introduction and provided background information.

Samora called roll of the City Council to determine who would be selected for appointment to the Salida Airport Board. After calling roll, the consensus of the City Council was to appoint Kyle Armstrong to the

Salida Airport Board.

Bowers motioned to approve Resolution 2017-19, a resolution of the City Council, City of Salida, approving citizen appointment to the Salida Airport Board to be Kyle Armstrong. Granzella seconded the motion. With all in favor, THE MOTION CARRIED.

13. Short-Term Business Licensing Amendment, 1st Reading (Beverly Kaiser)

Ordinance 2017-06 an ordinance of the City Council of the City of Salida, Colorado, to repeal and replace Article VI, Chapter 6 of the Salida Municipal Code pertaining to Short-Term Business Licensing

Kaiser gave an introduction and provided background information.

Brown-Kovacic stated that in the meeting with the planning commission there was discussion about funding an enforcement officer.

Bowers stated that he felt it really should be a fireman.

Brown asked where it would be in the code if it was left in.

Granzella stated that the fire department has requested to not do the inspection.

Bomer stated that if the fire department is taking responsibility for the property, then the City may be liable. Bomer continued to state that the owner may need to present something to their homeowners insurance.

Brown-Kovacic felt that maybe there should be an annual inspection and maybe the owner should be responsible to bring someone in to inspect the home.

Brown stated that usually when you buy a home that you typically choose someone off of a list.

Granzella asked how a person would determine if an inspector is qualified.

Brown suggested continuing the item. Bowers was in agreement.

Granzella asked about cost recovery as well.

Patterson summarized what Council was requesting.

Brown motioned to continue the ordinance to the next meeting. Rogers seconded the motion. With all in favor, THE MOTION CARRIED.

14. Short-Term Rental Housing Regulations, 1st Reading (Beverly Kaiser)

Ordinance 2017-07 an ordinance of the City Council of the City of Salida, Colorado, creating a new section, amended definitions, and amendments to Table 46-D in the Land Use and Development Code of the Salida Municipal Code in order to establish operational regulations for Short-Term Rental Businesses

Kaiser gave an introduction and provided background information.

Rogers asked if the Sage Generation room rentals would be impacted.

Brown-Kovacic asked about the enforcement. Kaiser stated that it will be addressed later on.

Brown-Kovacic motioned to approve Ordinance 2017-07 an ordinance of the City Council of the City of Salida, Colorado, creating a new section, amended definitions, and amendments to Table 46-D in the Land Use and Development Code of the Salida Municipal Code in order to establish operational regulations for Short-Term Rental Businesses, schedule a public hearing for April 18, 2017 and ordering the ordinance to be published in full. Rogers seconded the motion.

Granzella asked if the new Community Development Director will have time to look at it. Patterson stated that everyone will have to come up to speed.

With all in favor, THE MOTION CARRIED.

VII. EXECUTIVE SESSION

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 PURPOSE: Miller Bomer CORA & Harder COML Litigation/Mediation; and SNRCDC Divestiture. Granzella seconded the motion. With all in favor, THE MOTION CARRIED.

VIII. REPORT/DISCUSSION

Brown reported that they met in Executive Session and received advisement on a number of issues. Brown stated that there was also advisement on the indemnity demand. Brown referenced that the RV Dump will need to be removed and the solar panels will need to be removed.

Patterson stated that in regard to the RV dump station, the City could either renegotiate the lease or Council could direct staff to remove the equipment. He stated that he can work with Public Works to remove the equipment.

Granzella stated that he would like to have some partnership with Poncha Springs.

Patterson stated that he will need info from the attorney and it will take time to remove the solar panels.

Brown stated that there were also updates regarding the title issues surrounding the NRCDC property. Potentially forming a team of negotiators to determine how the buyer for Lot 4 can get a clean title.

Brown stated that in regard to the title to the FS Building, advisement was given as to what might be feasible and the best thing to do would be to issue a quitclaim deed.

The Council was in agreement.

Brown stated that on the other side there are complex issues relative to the property. Having received advisement, he wanted to seek a second legal opinion. Granzella stated he was in agreement for a second opinion. Bowers stated that he would like to recommend Lee Phillips. There was not any opposition to retain Lee Phillips.

The Bomer Harder, the CIRSA defense council has exhausted their budget and the Council may need to consider transfer that issue to another outside council.

Granzella motioned to approve engaging with Lee Phillips as outside counsel for the SNRCDC, CORA and COML matters. Bowers seconded the motion. With all in favor, THE MOTION CARRIED.

1. Repeal of Panhandling Regulations, 1st Reading (Guy Patterson)

Ordinance 2017-08 an ordinance of the City Council of the City of Salida, Colorado, repealing Section 10-5-40(a)(2) of the Salida Municipal Code and Creating Section 10-5-150, establishing regulations with regard to aggressive panhandling within corporate City Limits

Granzella motioned to continue the ordinance to April 4, 2017. Bowers seconded the motion. With all in favor, THE MOTION CARRIED.

2. Administrator/Deputy City Clerk

- City Administrator Report –Guy Patterson

Patterson reported that the Work Force Center had phone issues for a month and was not able to

receive a phone call for a month. He stated that the State was happy with the City's response, but CenturyLink was difficult to work with.

Two candidates will be interviewed for the Community Development Director position this week and an offer will likely be made.

Hallett asked how many applied. Patterson stated that there were 20 applicants. Patterson continued to state that he narrowed it down to five phone interviews and two in person interviews. Patterson has been meeting with staff regarding the budgets and has been very pleased with the response.

3. Elected Official Reports

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

Rogers stated that to be accurate, she listened to the January 3, 2017 Executive Session and the City Attorney did in fact speak about the MacDonald documents. She stated that she regretted making statements that were not accurate. She stated that it was more important that the Council received the documents a month after they had been received. Rogers stated that the Council Members were not involved in the decision making process in response to the letter.

Brown stated that he received a request from a senior citizen from Columbine Manor regarding dust at the recycling center. He stated that the citizen was very pleased after Public Works treated the area for dust and the conditions were greatly improved.

Bowers was contacted by Larry Sherwood regarding the placement of boulders regarding the placement of rocks for Fred Lowry. He will be meeting on Friday to select rocks for the dedication. Bowers stated that it will be about \$780 to have the etching completed.

IX. NEW BUSINESS

Granzella asked about getting parking lines painted.

Mayor LiVecchi stated that he is trying to standardize bidding and paperwork. He stated that he would like it up on an upcoming work session. Patterson stated that a waterline agreement was sent to the attorneys and a lot of changes were made. Staff would like to be proactive about having various agreements written to have a basic text with minimum requirements. Patterson stated that it will be helpful to have that draft language to start with.

Brown-Kovacic stated that it will be helpful for Council to have the opportunity to review the requirements for annexation agreements. Patterson stated that it would be like a proforma document that will have any requirements and statutory requirements.

X. OLD BUSINESS

Brown-Kovacic stated that she met with Patterson regarding the priority form. She stated that each Council member could list the goals included with Patterson's handout. She continued to stated that the objectives could also be prioritized.

The Council was in agreement to complete the forms and have them back to Council by the 3rd of April.

Brown-Kovacic stated that Steve Rabe sent out a future schedule. Brown-Kovacic continued to stated that there was a discussion scheduled on 3/20 regarding the City Attorney's contract. Kovacic stated that on February 7th there was a discussion regarding the City Attorney costs. She stated that ahead of time she would be glad to write out some suggestions for the Council packet.

Hallett stated that she felt it was premature. Hallett stated that there has never been another review on another attorney.

LiVecchi stated that he agreed there should be protocols in place. He stated that he was okay with that portion of it. He stated that he doesn't want the Council bombarding staff without going through Patterson or the Attorney.

Patterson stated that it could be placed on the next work session regarding the interaction between Council and staff and between Council and the Attorney.

Brown-Kovacic stated that she recommended that the stage and rails trails be taken out of the CTF fund and asked if a resolution needed to be done to accomplish that. Patterson clarified that the expenditure is \$1,000 from CTF to the Colorado Stage and Rails Trails.

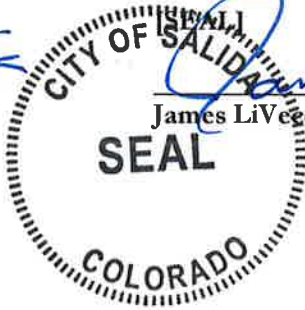
Brown-Kovacic stated that the GARNA request was withdrawn. Patterson stated that they are charged a sewer fee. He stated that it looks like the community garden is being leased. He stated that the account next door has a fee for a duplex and the fee cannot be waived because it is a duplex. He stated that the properties are adjoined. Patterson stated that it is basically one lot and the interior lot line has been vacated. Patterson stated that basically a check would need to be cut or to not honor the commitment. Patterson stated that he has a call into the organization.

Brown-Kovacic stated that at this point it will be left to Patterson to investigate the matter further.

The meeting adjourned at 11:57 P.M.

XI. ADJOURN -


Deputy City Clerk




James LiVecchi, Mayor