



**MINUTES REGULAR MEETING
CITY COUNCIL CHAMBERS
448 E. 1st Street**

Salida, Colorado

February 15, 2011

6:00 p.m.

The meeting was called to order at 6:00 p.m.

PLEDGE OF ALLEGIANCE -

Led by Mayor Chuck Rose.

ROLL CALL -

Present at roll call were Mayor Chuck Rose and Council Members Keith Baker, Tom Yerkey, Scott Damman, Jim McCormick, Jay Moore, and Steven Stewart. Also present were City Treasurer Eileen Rogers, City Administrator Jack Lewis, Deputy City Clerk Janella Martinez and City Attorney Karl Hanlon.

Absent was City Clerk Betty Schwitzer.

CITIZEN PARTICIPATION -

Mayor Rose said those wishing to speak would be limited to 3 minutes. This section is meant for people to speak on items not on the agenda.

Bill Schultz, lives in Salida and wants to thank the City Council for having a good functioning staff, administration, and Mayor in the City. Mr. Schultz encouraged the current trend of working towards long term planning. Revenues from public works projects are derived from funds charged for services provided and these funds also help pay for public safety. Revisions of City codes should encourage construction, revisiting parking space requirements and plan for a higher density town. Mr. Schultz feels that the City could use a good engineer, and with expected growth, City staff should also increase. Some suggested projects included paving roadways, replacing bridges and maintaining air quality on the east side of the river.

PRESENTATION -

SCHEDULED ITEMS-

- 1. Consent Agenda -**
 - a. Approval of Agenda
 - b. Approval of Minutes: January 25, 2011
 - c. City Property use request -

- 1.) The American Cancer Society is requesting to hold the **Tenderfoot Cancer Climb** a fundraiser for the American Cancer Society Marathon/Half Marathon on April 30th, 2011 from 8:00 a.m. to 1:00 p.m.

Dan Higgins, Tenderfoot Cancer Climb event Chair, is requesting to hold a fundraiser for the American Cancer Society on April 30th, 2011 from 8:00 a.m. to 1:00 p.m. This event will start at Riverside Park with a hike up Tenderfoot Mountain and back to Riverside Park. The city will require insurance for this event. This request includes an amplified sound permit from 8:00 a.m. to 1:00 p.m. No street closures are requested.

A motion was made by Damman to combine and approve the consent agenda. The motion was seconded by Moore. With all in consensus, THE MOTION CARRIED.

2. **Mutual Aid Agreement for Northern Saguache Fire Protection District –**
Resolution 2011-14 approving a Mutual Aid Agreement between the City and Northern Saguache Fire Protection District.

Don Taylor, Fire Chief, presented written materials that are included in the permanent record. Jurisdictions across the United States utilize mutual aid assistance in the event of a large scale incident or disaster. After the regional emergency management exercise held in June of 2010, one of the areas of concern was the development of formal mutual aid agreements with agencies outside of Chaffee County. The agencies would typically not be affected by a local disaster and could provide assistance when Chaffee County agencies would likely be affected by the incident and unable to assist. The mutual aid agreement is the same template utilized for agreements with agencies within Chaffee County and western Fremont County. Taylor requests the Council approve the resolution and authorize the Mayor to execute the agreement on behalf of the city.

A motion was made by Stewart to approve RESOLUTION 2011-14 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO, APPROVING A MUTUAL AID AGREEMENT BETWEEN THE CITY AND NORTHERN SAGUACHE FIRE PROTECTION DISTRICT. The motion was seconded by Moore. With all in consensus, THE MOTION CARRIED.

3. **Mutual Aid Agreement for NorthWest Fire District - (Don Taylor)**
Resolution 2011- 15 approving a Mutual Aid agreement between the City and the Northwest Fire Protection District.

Don Taylor, Fire Chief, presented written materials that are included in the packet for the record. Jurisdictions across the United States utilize mutual aid assistance in the event of a large scale incident or disaster. After the regional emergency management exercise held in June of 2010, one of the areas of concern was the development of formal mutual aid agreements with agencies outside of Chaffee County. The agencies would typically not be affected by a local disaster and could provide assistance when Chaffee County agencies would likely be affected by the incident and unable to assist. The mutual aid agreement is the same template utilized for agreements with agencies within Chaffee County and western Fremont County. Taylor requests the Council approve the resolution and authorize the Mayor to execute the agreement on behalf of the city.

A motion was made by Stewart to approve RESOLUTION 2011-15 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO, APPROVING A MUTUAL AID AGREEMENT BETWEEN THE CITY AND NORTHWEST FIRE PROTECTION DISTRICT. The motion was seconded by Yerkey. With all in consensus, THE

MOTION CARRIED.

4. Geothermal Grant for Poncha Hot Springs –

Resolution 2011-16 approving the Purchase Order Agreement between the City of Salida and the Governor's Energy Office regarding grant funding for geothermal exploration at the Poncha Hot Springs.

Jack Lewis, City Administrator, presented written materials that are included in the packet for the record. Council approved Staff to pursue a grant with the Governor's Energy Office in July of last year. In August the City was notified that it had been awarded one of the \$50,000 grants. The purpose of the grant is to collect all the raw data that exists pertaining to the area around the hot springs into one data base, and to drill a series of test holes to measure the temperatures at depths up to 600 feet to further understand if the site has geothermal potential for the production of electrical energy. It has taken a long time for the State to finally authorize the grants mostly due to a NEPA process that is still under review on the projects.

Staff is requesting Council to approve the grant and to authorize the City Administrator to sign the grant documentation once the final NEPA process is complete. The budget impact to the City is minimal and no direct funding is required. The City will administer the grant. The City Attorney has reviewed the grant documentation and found it to be acceptable.

Jim Miller asked Administrator Lewis if this grant is only for the geothermal site itself, or does it include studies for a small hydroelectric site at this end.

Administrator Lewis said the grant will be for gathering data from the source. They will be drilling 4-5 test holes to see if there is any geothermal energy there.

A motion was made to pass by Moore RESOLUTION 2011-16 OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO APPROVING THE GEOTHERMAL POWER AND DIRECT-USE GRANT FOR \$50,000 BETWEEN THE CITY AND THE STATE OF COLORADO AND TO AUTHORITY THE CITY ADMINISTRATOR TO FINALIZE AND SIGN THE AGREEMENTS. The motion was seconded by Damman. With all in consensus, THE MOTION CARRIED.

Councilor McCormick asked how soon would the work begin. Administrator Lewis said as soon NEPA process is complete.

2. Administrator/City Attorney/Deputy City Clerk

a. Administrator's Report –

Administrator Lewis distributed a letter for the Mayor and Council from Chrith Marchase on behalf of the Police Department. It is with regret that Lewis announced that Ms. Marchase has resigned to take another position with a different organization.

b. City Attorney Report – Karp, Ncu, Hanlon PC

City Attorney Karl Hanlon said that he met with Building Inspector, Bill Paradise, Fire Chief, Don Taylor and City Planner, Michael Yerman to work through some issues found in the International Building and International Fire Codes. Michael Yerman drafted some language and delivered that county wide today. Any revisions will be brought back to Council at a future meeting.

He announced that the topics for discussion during the Executive Session this evening will be about the Unique Theater, Medical Marijuana and the WWTP project.

c. Deputy City Clerk -

Six water samples were submitted dated 1/3/11(2), 1/4/11(2), and 2/8/11(2). All tested safe as reported by the Colorado Department of Health.

Although there is snow on the ground and the temperature has been plummeting, it's time to start thinking about our many local events. The review committee for City events will be meeting for the first time this year on February 22, 2011. With FIBArk, Quizno's, and Art Walk being the larger of these events, volunteers will be organizing other annual events that are sure to keep our community busy as well as beneficial to our businesses.

7. Elected Official Reports -

a. Treasurer-

City Treasurer Eileen Rogers presented the sales tax report to City Council. Sales tax reported for the month of December 2010 was \$281,025, bringing the total for calendar year 2010 to \$3,416,916. Collections were \$9,856, or 3.3%, greater than December 2009 primarily because of adjustments in the month filed by a couple of vendors. The full year revenue was \$44,870, or 1.3% less than 2009.

Salida's allocation of Chaffee County's sales tax collections for December was \$124,758 compared to \$107,419 for December 2009. The allocation for calendar year 2010 totaled \$1,266,678 compared to \$1,232,600 in 2009. The full year revenue was \$17,339, or 2.8% greater than 2009. Both November and December 2010 were about \$20,000 greater than expected due to amendments filed by a large vendor. These amendments are still being researched for accuracy.

Based on the sales tax collections data, the taxable sales revenue generated by retailers in Salida during calendar year 2010 totaled \$113.9 million. This was a 1.3% decrease from 2009. Compared to 2008, which was the year with the highest level of reported revenue, taxable sales decreased by 6.7%.

Total sales tax revenue collected on calendar year 2010 sales exceeded the amended budget by \$222,394. The additional funds increased the City's general fund reserves. City Council may be looking to use some of the additional reserves during 2011 to reduce debt or invest in additional capital projects.

Another sales tax change will also be discussed further in 2011. That is the potential repeal of the collection fee vendors are allowed to keep if they file and remit taxes on time. The repeal of this 3-1/2% fee would increase general fund revenue by approximately \$100,000. Seven large chain and utility companies would be affected by more than half of the total amount. The remaining retailers would be affected by about \$80 annually on average. (This assumes 600 active retailers as reported in the state's sales tax database). The state and several local jurisdictions have repealed the fee to increase funds, with the justification that automated systems have reduced the burden placed upon vendors to collect and remit sales tax. If approved by the council, the change would go into effect no sooner than July 2011. If you would like to provide feedback on this topic, please contact your council person or Jan Schmidt at City Hall.

b. Mayor -

c. City Council -

Councilor Moore said there was a recent editorial in the Mountain Mail about government entities now being able to post information on their website due to passage of a recent bill. The article listed the municipalities in the area including the County, but failed to list the largest district. Moore said the Hospital is the largest employee and is a taxing entity that should have also been included in this article.

EXECUTIVE SESSION

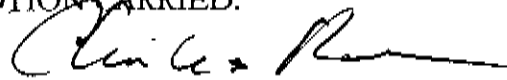
A motion was made by Damman to go into Executive Session for a conference with the City attorney for the purpose of receiving legal advice on specific legal questions under C. R. S. Section 24-6-402(4)(b); AND THE FOLLOWING ADDITIONAL DETAILS ARE PROVIDED FOR IDENTIFICATION PURPOSES: To discuss legal advice regarding the Unique Theater, Medical Marijuana, and the WWTP project. The motion was seconded by Moore. With all in consensus, THE MOTION CARRIED.

Mayor Rose announced the time as 6:32 p.m.

Those present during the executive session were Mayor Chuck Rose and Council Members Keith Baker, Scott Damman, Jim McCormick, Jay Moore, Steven Stewart, and Tom Yerkey. Also present were City Administrator Jack Lewis and City Attorney Karl Hanlon.

Executive Session concluded at 7:47 p.m. No decisions were made.

A motion was made by Moore to adjourn the meeting at 7:48 p.m. The motion was seconded by Damman. With all in consensus, THE MOTION CARRIED.



Mayor

[SEAL]



Deputy City Clerk

Respectfully submitted by Janella Martinez, Deputy City Clerk

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