



MINUTES REGULAR MEETING  
CITY COUNCIL CHAMBERS  
448 E. 1<sup>st</sup> Street

Salida, Colorado

August 16, 2011

6:00 p.m.

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

**PLEDGE OF ALLEGIANCE** –

Led by Mayor Charles Rose

**ROLL CALL** -

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

Absent was Steven Stewart.

**CITIZEN PARTICIPATION** -

Nancy Dominick, 6580 CR 105, thanked Councilor Damman for being an asset to our community. She voiced her concerns with the City.

Monika Griesenbeck asked if the \$300,000 used to purchase the current Public Works facility was returned to the Enterprise fund when the property at the old location was sold to Diesslin and Mazzeo. A brief discussion followed. Finance Director, Jan Schmidt will do some research and get the requested information to Ms. Griesenbeck.

Mike Corn 733 ½ West Sackett Avenue, voiced concerns about City finances.

Jim Miller thanked Councilor Damman for his time and service. He feels Damman has been a positive and good representative for this community. Miller supports the Natural Resource Center but feels it is important to have transparency.

Mayor Rose requested that Councilor Damman join him and Administrator Lewis at the lectern.

**PRESENTATION** –

Administrator Lewis spoke on behalf of the City staff who feels that Councilor Damman has been a real asset to the City. Council makes policy, while staff has to execute. Everyone at the City wishes you the best of luck. An appreciation plaque was presented to Councilor Damman.

Mayor Rose noted that it has been a pleasure working with Mr. Damman and he also wishes him the best of luck.

Councilor Damman noted that this is the best job he has ever had and feels that the rewards far outweigh the pay. When he was first elected he had no idea what he was getting into, although looking back at the last 3 ½ years were some of his best, largely due to good people on Council and a great City staff. Salida is a great community and it's been a pleasure serving the citizens.

### **SCHEDULED ITEMS-**

#### **1. Consent Agenda –**

- a. Approval of Agenda
- b. Approval of Minutes: July 5, 2011
- c. City Property requests: 1. Loyal Duke's Dog Race

#### BACKGROUND:

##### c. City Property requests:

1. The Salida Dog Club is requesting to use the Salida Trail System to hold Loyal Duke's Dog Race on Saturday, September 24, 2011 from 9:00 a.m. to 12:00 p.m.

There are no street closures requested. Please see the letter describing the route that is included in the packet for Council review.

Damman moved to combine and approve the remaining items on the consent agenda. Moore seconded the motion. With all in consensus, **THE MOTION CARRIED.**

#### **2. Transfer of real property to the Salida Natural Resources Center Development Corporation - 2nd reading-Public Hearing**

Ordinance 2011- 14 approving the transfer of the real property to the Salida Natural Resource Center Development Corporation.

Attorney Hanlon presented written materials that are included in the packet for the record. State Statute requires that the City approve the transfer of property via ordinance when the property has not been put to public use. Due to an error in my office, we failed to run this Ordinance parallel with the Resolution authorizing the Mayor to sign the special warranty deed transferring the Property in accordance with the terms of the Development Agreement by and between the City and the SNRCDC.

Consistent with any ordinance, Ordinance No. 14 will require two (2) readings and a public hearing and become effective thirty (30) days after publication at which time we will record both the Ordinance and the special warranty deed. Unfortunately, the special warranty deed was recorded inadvertently as Hanlon was out of town and unavailable at the time of recordation. While this is unfortunate, it is not a material defect to the process. If Council is disinclined to transfer the property via ordinance, an instrument to that effect can be recorded to remove any potential cloud on title.

Mayor Rose opened the public hearing and asked for anyone who wanted to speak to come to the podium and to write down their names for the record.

Monika Griesenbeck, urged Council not to transfer the land to a private corporation. She feels the land has great value and that public funds were spent to purchase the land that belongs to the citizens of this community.

Jim Miller wants Council to see the retainage schedule for the land, and until they do he feels it's

inappropriate for the city to move forward with the NRC. When City Council added two members of the Council to the SNRCDC it was don't to help alleviate concerns from the public.

Ms. Griesenbeck had an issue with the annexation of the property. Attorney Hanlon said that State Statute notes that at least 1/6 of the property has to be in contact with City lines before annexation is forced. She also feels that there will be a conflict of interest having the NRCDC members of Council vote on an issue with the NRC.

Moore moved to continue the public hearing Ordinance 2011- 14 approving the transfer of the real property to the Salida Natural Resource Center Development Corporation to the next Council Meeting on September 6, 2011. Damman seconded the motion. With all in consensus, THE MOTION CARRIED.

2. Ordinance reauthorizing Colorado Water Resources and Power Development Authority loan agreement bond –

Ordinance 2011-15 – an ordinance authorizing the execution and delivery of a loan agreement and governmental agency bond by the City of Salida, Colorado, acting by and through its Water Activity Enterprise, to the Colorado Water Resources and Power Development Authority, such governmental agency bond to be in a principal amount not exceeding \$545,000, for the purpose of financing extensions and improvements to the water system operated by such Enterprise; providing for application of the net revenues of such system to the payment of the principal of and interest on such governmental agency bond and providing other details in connection therewith.

Jan Schmidt, Finance Director, presented written materials that are included in the packet for the record. This loan is needed to pay for a Water Storage Facility project that addresses health risks and water conservation. Two phases of this water system rehabilitation project were presented to you last year. Due to cost savings on the work already completed, we are able to stretch those dollars further and address an even broader scope.

The work included in the first phase replaced the failed roof over the treated water tank for the South Arkansas Gallery System (Galleries) of the City of Salida. The Galleries consist of an infiltration gallery, chlorination system and a 1.25 million gallon water tank. Water from this tank is pumped into the City's distribution system. Prior to replacing the roof, one could lift up failed sections of the built up roof covering and see spaces where water, dirt and debris could potentially enter directly into the water tank. Improvements to the security fencing are also planned. Phase two consisted of attaching a liner to the concrete interior to stop the leakage being experienced.

Early this year, we engaged our engineering firm, Schmueser Gordon Meyer (SGM), to complete a Water System Capital Improvement Plan. We now have a fully vested, 10-year capital improvement plan (CIP). We requested and received approval from state to expand the scope of this water system rehabilitation project and utilize the unspent portion of the approved loan amount to address the two highest priority needs identified in the CIP.

- The CIP identified several sections of water distribution lines that need to be replaced. One of those sections was Sackett Avenue, which is scheduled as a road resurfacing project this year. The lines freeze frequently during winter months due to their shallow depth. Engineering plans to address proper drainage on the road will further reduce the depth of the existing water lines in some areas. Freezing of the line results in a loss of treated water and incremental energy consumption required for line repair work.

- The CIP also identified deficiencies associated with the Tenderfoot potable storage tank, which

was taken offline as a result. The replacement of valves and a vault access hatch along with the installation of telemetry system would enable the City to bring this tank back into service. This tank provides a potable water supply from a different water source than the City's other two storage tanks. It would also improve fire flows, which are well below the target levels in several areas of the City.

The state re-approved the loan last month in the amount \$545,000. The fixed rate of interest over the 20-year term is 2%. Annual debt service will be approximately \$33,500. Capital reserves of the water fund were not sufficient to pay for the improvements made last year or that will be made in the last phase of the water system rehabilitation.

Moore moved to approve ORDINANCE 2011-15 AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND GOVERNMENTAL AGENCY BOND BY THE CITY OF SALIDA, COLORADO, ACTING BY AND THROUGH ITS WATER ACTIVITY ENTERPRISE, TO THE COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY, SUCH GOVERNMENTAL AGENCY BOND TO BE IN A PRINCIPAL AMOUNT NOT EXCEEDING \$545,000, FOR THE PURPOSE OF FINANCING EXTENSIONS AND IMPROVEMENTS TO THE WATER SYSTEM OPERATED BY SUCH ENTERPRISE; PROVIDING FOR APPLICATION OF THE NET REVENUES OF SUCH SYSTEM TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH GOVERNMENTAL AGENCY BOND AND PROVIDING OTHER DETAILS IN CONNECTION THEREWITH. Baker seconded the motion. With all in consensus, THE MOTION CARRIED.

**3. Election IGA with Chaffee County -**

Resolution 2011-56 approving a Coordinated Mail Ballot Election and adopting the Uniform Election Code.

Janella Martinez Deputy City Clerk presented written materials that are included in the packet for the record. The Chaffee County Clerk and Recorder, Joyce M. Reno, will conduct a mail ballot election for the November 1, 2011 election.

This Resolution will approve the Mayors signature on the IGA with the County, including our participation in the coordinated mail ballot election and adoption of the uniform election code. The signed IGA must be returned to the County Clerk by August 23, 2011.

The IGA requests that the City designates its Designated Election Official ("DEO"). The DEO shall act as the primary contact between the City and the Chaffee County Clerk and Recorder. Staff recommends designating Deputy Clerk, Janella Martinez to serve as the DEO for the City of Salida.

The City of Salida will have four elected positions on the ballot, the Mayor and three City Council seats, one in each ward available. The deadline to return nomination petitions is August 22, 2011. The ballot language must be certified and delivered to the Chaffee County Clerk by September 2, 2011 after the Deputy Clerk verifies the nomination petitions.

Moore moved to approve RESOLUTION 2011-56 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO, APPROVING COORDINATED MAIL BALLOT ELECTION AND ADOPTING THE UNIFORM ELECTION CODE. The motion was seconded by Baker. With all in consensus, THE MOTION CARRIED.

Mayor Rose thanked those who have picked up petitions at this time.

## 6. Administrator/City Attorney/Deputy City Clerk

### a. Administrator's Report –

Jack Lewis, City Administrator, gave an update on the Waste Water Treatment Facility Project. The interim loan with the USDA was closed. The contract with Moltz Construction, who was the lowest responsible responsive bidder, was signed.

Administrator Lewis stated that it is not often that we have good news to share, although tonight he wanted to recognize two departments in the City. Julie Belle Ash called Lewis to thank the City Public Works Department for fixing the main to her house. She said they responded very quickly and were very professional. Mr. Adam Martinez had an incident of vandalism and was appreciative that the Police Department has apprehended the suspects.

### b. City Attorney Report – Karp, Neu, Hanlon PC

City Attorney, Karl Hanlon brief discussion subdivision underneath the SIA I need some kind of acknowledgement that I have the authority to act on that.

Nods of head of approval/.

### c. Deputy City Clerk -

Janella Martinez, Deputy City Clerk, presented written materials that are included in the packet for the record. Twelve water samples were submitted dated 6/07/11(2), 6/15/11(3), 7/05/11(2), 7/11/11(3) and 7/12/11(2). All tested safe as reported by the Colorado Department of Health.

Chaffee County Clerk & Recorder Joyce Reno requires certification of ballot items by the City on September 2, 2011. The last day to file nomination petitions with the City Clerk's office is August 22, 2011. Candidates have until August 25<sup>th</sup> to cure a petition, if needed.

If there is more than one candidate for an available seat, a public drawing by lot will have to be held. The drawing will be held on Friday, August 26, 2011 at 3:00 p.m. This drawing will decide the order of the names of candidates on the ballot. If any of the candidates are not able to be present, the candidate will appoint a representative to be present to observe the drawing.

## 12. Elected Official Reports -

### a. Treasurer-

City Treasurer, Eileen Rogers reported sales within the City, tax collections totaled \$350,946 in June. The total amount collected for the first half of 2011 now stands at \$1,672,973.

Compared to 2010, June collections decreased \$11,314, or 3.1%. The year-to-date collections are \$100,101, or 6.4%, greater than a year ago.

The "out of period" collections reported for the month of June of last year were significant enough to skew the comparisons. After adjusting for some of these more significant "out of period" payments, sales tax increased compared to 2010 by just over 2%.

Salida's share of the Chaffee County tax was \$122,718 in June and \$576,969 for the first half months of 2011. Compared to 2010, June revenue decreased \$8,306, or 6.3%. Year-to-date collections increased \$18,848, or 3.4%.

a. Mayor –

Mayor Rose only comments tonight to restate sentiments to Councilor Damman.

Mayor Rose asked whether or not Council needs to appoint someone to the open position with Dammans' resignation. A brief discussion followed.

b. City Council -

Councilor Baker thanked Damman for his service to the community. Baker asked Hanlon if having a member of Council on the 63-20 board created a conflict of interest not allowing him as a member of Council to vote. Hanlon explained that in order for there to be a conflict of interest a Council Member would have some kind of monetary gain, so he can't see how this would be considered a conflict of interest.

Yerkey noted that Damman knows where I stand on his participation and his lead.

Damman said he had one last motion to make.

Damman moved to increase wages of the Mayor to \$500 and City Council Members to \$350. Moore seconded the motion.

A motion was made by Baker to amend motion and postpone this decision until the September 6, 2011 regular City Council Meeting. Yerkey seconded this motion. With all in consensus, the motion carried.

Mayor Rose requested a motion to go into Executive Session.

**EXECUTIVE SESSION -**

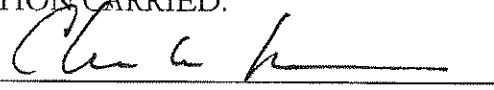
Yerkey made a motion to go into Executive Session for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators, under C.R. S. Section 24-6-402 (4)(e); AND THE FOLLOWING ADDITIONAL DETAILS ARE PROVIDED FOR IDENTIFICATION PURPOSES: To discuss legal issues. The motion was seconded by Moore. With all in consensus, THE MOTION CARRIED.

Mayor Rose announced the time as 7:12 p.m.

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

Executive Session concluded at 8:11 p.m. No decisions were made.

A motion was made by Moore to adjourn the meeting at 8:12 p.m. The motion was seconded by Damman. With all in consensus, THE MOTION CARRIED.



Mayor

[SEAL]

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**Deputy City Clerk**

Respectfully submitted by Janella Martinez, Deputy City Clerk

**CITY OF SALIDA, COLORADO**  
**RESOLUTION NO. 63**  
**(Series of 2011)**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO DECLARING A VACANCY ON THE CITY COUNCIL AND APPOINTING MICHAEL BOWERS TO FILL THE WARD THREE SEAT UNTIL THE TERM OF OFFICE OF A SUCCESSOR ELECTED AT THE NOVEMBER 1, 2011 ELECTION COMMENCES.**

WHEREAS, pursuant to C.R.S. §31-4-106, the Salida City Council hereby declares a vacancy caused by a Council member becoming a nonresident of Ward Three and stepping down from the Council accordingly; and

WHEREAS, C.R.S. §§31-4-106 and 31-4-108(2)(b) provide that in the event of a vacancy, the City Council shall fill the Council seat by appointment by a majority vote of the Council, and the appointed member will serve until the term of office of a successor elected at the next regular election has commenced; and

WHEREAS, the City Council acknowledges that Michael Bowers is running unopposed for the vacant Ward Three Council seat in the November 1, 2011 election and wishes to appoint Mr. Bowers to fill the vacated seat in accordance with state statute.

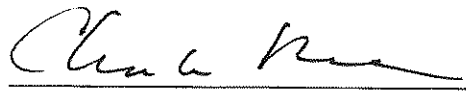
NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO THAT:

1. The Salida City Council incorporates the foregoing recitals as its conclusions, facts, determinations, and findings.
2. The City Council declares a vacancy to exist on the Council and appoints Michael Bowers to fill the Ward Three seat until the term of office of a successor elected at the November 1, 2011 election has commenced.

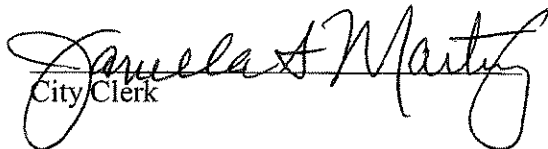
RESOLVED, APPROVED, AND ADOPTED this 4<sup>th</sup> day of October, 2011.

CITY OF SALIDA, COLORADO

By

  
\_\_\_\_\_  
Mayor

[SEAL]  
ATTEST:

  
\_\_\_\_\_  
City Clerk



**RESOLUTION NO. 64**  
**(Series 2011)**

**A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF SALIDA,  
COLORADO, APPROVING USE FEES FOR THE PRIVATE SOAKING POOLS AT  
THE SALIDA HOT SPRINGS AQUATIC CENTER.**

**WHEREAS**, the City Council has expended funds to refurbished three private soaking pools at the Salida Hot Springs Aquatic Center, and

**WHEREAS**, the City Council of the City of Salida Municipal Code calls for Council approval of user fees and,

**WHEREAS**, the following fees are deemed appropriate for the soaking pools:

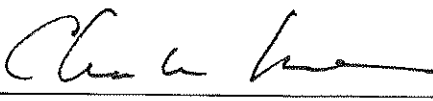
Per person per hour	\$12.00
Senior/military per person/hour	\$9.00
Per person per hour + pools	\$15.00
Two people/hour	\$18.00
Plus one (additional person)	\$6.00
Budget passes	\$90.00 for 10 punches
Upgrade from Business Coupon and;	\$5.00

**WHEREAS**, the Private Soaking Pools open October 16, 2011;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF SALIDA, COLORADO, USE FEES FOR THE PRIVATE SOAKING POOLS AT THE SALIDA HOT SPRINGS AQUATIC CENTER, are hereby approved:**

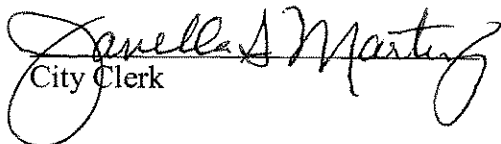
**RESOLVED, APPROVED, AND ADOPTED this 4<sup>th</sup> day of October, 2011.**

CITY OF SALIDA

By:   
\_\_\_\_\_  
Mayor

[SEAL]

ATTEST:

  
City Clerk