



**MEETING MINUTES OF THE CITY COUNCIL**  
**City Council Chambers**  
**448 East 1<sup>st</sup> Street, Room 190**  
**City of Salida, Colorado**  
**Tuesday, December 2, 2014 6:00 p.m.**

**I. REGULAR MEETING CALLED TO ORDER**

**II. PLEDGE OF ALLEGIANCE** – Led by Mayor Jim Dickson

**III. ROLL CALL**

Present at roll call were Mayor Jim Dickson, Council Members Keith Baker, Tom Yerkey, Eileen Rogers, Mike Bowers, Melodee Hallett and Hal Brown. Also present were City Treasurer Cheryl Brown-Kovacic, City Clerk Betty Schwitzer, City Administrator Dara MacDonald, City Attorney Karl Hanlon and Deputy City Clerk Christian Samora.

**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.*

Jason Gallegos stated that he had comments about the budget, which he will express at the appropriate time in the meeting.

Jimmy Descant of Salida asked about the third sculpture in Salida. MacDonald indicated that the RFP for the third sculpture was not released pending the discussions of the Public Art Task Force, because the Council wanted to have further discussions about the recommendations made by the Public Art Task Force. Hallett asked when the discussion would take place. MacDonald stated that it would potentially be at the work session on the second Monday in January. Mr. Descant indicated that he would like to see the third sculpture completed by the end of the year. MacDonald clarified that the funds were in the 2014 budget and stated that the Council could choose to include it in 2014. Baker would like to get a recommendation from the Art Committee before taking action. Brown asked if the money would be placed in a capital reserve account. MacDonald stated that it will be placed in a reserve account and can be easily picked up in the first budget amendment of 2015. Mr. Descant continued to ask several questions in regard to the public access channel.

Cynda Green of Salida asked what would happen to the funds for the sculpture if they are not spent. MacDonald stated that the funds are in a bank account and they do not go anywhere unless they are spent. Green asked if the funds are labeled “Sculpture?”. MacDonald stated that in the 2014 budget there were funds for a sculpture. Green asked if it can be spent on something else when it goes into the reserve account. MacDonald stated that the funds can be used for whatever the City Council decides to use them for as determined by the restrictions in the Salida Municipal Code. Green asked if the capital reserve account had codes on it to indicate what it’s restricted for. MacDonald stated that, for an example, if \$500k is budgeted for a new street and it only cost \$450k; the City Council could then use those unexpended funds on something else in the next budget year. Green was not sure what the restrictions are on capital funds, so MacDonald referred her to the prior work session packet for the information.

Sharp Landon of Salida stated that while he has been in Boulder for cancer treatment, he has been following the City very closely. He continued to state that one of the things he did before leaving to Boulder was attend

the Public Art Task Force meeting and he felt they were doing a good job. He stated that he was very disappointed about the City Council's response to the Art Task Force recommendations. Landon encouraged the City Council to take a look at the recommendations this year, rather than next. He reminded the Council that people visit Salida for the arts and activities, then they get hungry. Mr. London thanked the City Council.

Vernon Davis of Salida gave an overview of the work that has been completed at the Dominick property for the water supply. Mr. Davis continued to state that he did not feel that the work completed was typical maintenance.

## **PRESENTATION**

### **V. NEW BUSINESS**

Rogers stated that she had sent email on November 20<sup>th</sup> about the environment in the City Council meetings and how it can be improved.

**Rogers made a motion to include the subject in the December 15, 2014 Work Session. Baker seconded the motion.**

Bowers stated he was more concerned about getting the budget passed. Yerkey asked for clarification of the date and did not have a problem discussing it. Hallett asked what she had in mind for the discussion; Rogers stated that it was included in the letter.

**In a 3-4 roll call vote, THE MOTION CARRIED. Brown and Hallett and Bowers had the dissenting votes.**

### **VI. OLD BUSINESS**

Bowers asked for a report on the Christmas lights and why the light poles were not wrapped on F Street like they were on the bridge. MacDonald clarified that the only light poles owned by the city are the light poles on the F Street Bridge. Bowers asked why Alamosa wraps their light poles; MacDonald stated that she does not know who Alamosa's power provider is. Bowers asked for an accounting of how much was spent on the holiday decorations. MacDonald stated that she can bring back detailed information to the next meeting. Hallett asked why the City does not own the light poles; MacDonald stated that quite often the City will pay for the light poles, but does not assume ownership of them.

### **VII. SCHEDULED ITEMS**

1. **Consent Agenda** (Christian Samora)
  - Approval of Agenda
  - Approval of Minutes: November 18, 2014

**Baker made a motion to add the Auxier matter to the Executive Session, Rogers Seconded the motion.**

Hallett did not think that the change could be made to the agenda.

Conklin stated that the executive session is to conference with the attorney.

Bowers felt an amendment to the agenda would need to be posted 24 hours in advance.

Conklin stated that the Executive Session is scheduled and this would be an amendment to the agenda item, which would not need to be posted in advance.

Brown asked why they Council had not received prior notice of the discussion; MacDonald stated that they had received the information late in the afternoon prior to the meeting. MacDonald continued to state that she had asked Baker if he would be willing to make an amendment to the agenda shortly before the meeting began.

**In a 5-1 roll call vote, THE MOTION CARRIED. Hallett had the Dissenting vote.**

**Baker motioned to combine and approve the Consent Agenda as amended. Yerkey seconded the motion. With all in favor, THE MOTION CARRIED.**

Hallett did not feel that there was any further discussion needed in regard to the executive session. Conklin stated that the Council does not need to have an executive session if they feel they are informed enough to make a decision, but the purpose of the executive session was to provide more information to the Council to make an informed decision.

**2. Adoption of Pay Plan, Second Reading and Public Hearing (Jan Schmidt)**

Ordinance 2014-27 amending the employee pay plan encompassing compensation policies and salary ranges.

Ms. Schmidt stated that the pay plan was approved on first reading on October 21<sup>st</sup>, 2014. She continued to state that the pay plan includes a 3% cost of living pay increase and that last year the minimum starting wage was increased to \$9 for entry level positions.

Brown asked if it was exactly the same as the one in the previous meeting; Ms. Schmidt stated that it was.

Mayor Dickson opened the public hearing with a five minute time limit.

Cathy Chochon of Salida asked that the pay plan be tabled until the budget is completed because she didn't believe the pay plan could be approved prior to the budget. Rogers stated that it is a subset of the budget and must be completed first.

Jan Sebastian of Salida was concerned about the bartenders at the SteamPlant because there is a lot of liability.

Vernon Davis of Salida asked what the matching funds are on the 401k plan. Schmidt stated that there is not a 401k plan, but there is a 401a and a 457 deferred compensation plan. She continued to state that the city will contribute up to 3% to either plan with the exception of the police retirement plan.

Monika Griesenbeck of Salida asked who the other local employers were that the City used to compare wages. MacDonald listed a number of local employers that were used. Griesenbeck was concerned about the raises because the less fortunate are supporting them and because a portion of the salaries are allocated from the water/sewer fund and Griesenbeck felt it was a direct impact to those who pay those fees.

Billy Carlisle of Salida asked if there is a \$1.5 million deficit and if there was anything that can make room for the pay increases. Rogers gave an example of purchasing the fire engine without borrowing funds. MacDonald clarified that all funds in excess of the revenues are on the capital side, not on the operating side of the budget.

The Public Hearing was closed by Mayor Dickson.

**Baker motioned to adopt Ordinance 2014-27, an ordinance of the City Council of the City of Salida, Colorado amending the 2015 pay plan policy encompassing compensation policies and salary ranges and ordering the ordinance published by title only. Rogers seconded the motion.**

Hallett asked if it was true that there was only a cost of living increase included. Brown asked how the cost of living increase would have been affected without the wage ranges being changed. Jan stated that not updating the pay plan would result in the city falling behind on the wage comparisons and there have been very few applicants for positions with the current pay plan.

Bowers asked what cost of living increase would be included right now and if it was locked in. Ms. Schmidt did not understand what Bowers was asking and asked for clarification. Bowers thought that the cost of living increase was locked in when the pay plan was approved. Schmidt explained that the pay plan is a policy that articulates how employees will be compensated and how the jobs are leveled. The last page of the document includes the salary ranges for the different job levels.

Hallett understood that there were only a few positions that have problems attracting applicants. Schmidt stated that there have been challenges in many positions including the City Administrator's Job.

Baker asked what percent of average wages the pay plan would bring the city up to. Schmidt stated that it ranged from 88% to 99%, but most positions were in the eighties.

Bowers did not feel that it was clear and passing the pay plan will only make things worse because the City will not be able to keep up with the wages. Schmidt stated that the cost of living increase can still happen even if the pay plan is not approved. Bowers did not understand why there were extra positions in the pay plan when people are not in the positions. MacDonald clarified that because it is in the pay plan does not necessarily mean that the position will be filled.

Bowers stated there were three positions, one of which was the Pool Manager. Schmidt clarified that there was not a pool manager listed in the pay plan.

Brown stated that the city is between 85-90% and that the higher positions are up to 112%. Schmidt stated that the administrators position was not necessarily relevant because it's under contract. Brown stated that he does not see the rationale when it seems like the high ranges are competitive. Schmidt stated that jobs are advertised from the minimum to the midrange. Brown did not see the necessity to pass the pay plan and could not support it because it did not seem sustainable.

Baker did not feel that Brown's position on the matter would solve the problem and the City not being able to attract employees.

Rogers stated that a huge problem that people run into is the cost of housing and that the positions need to be attractive for people to move into Salida for the jobs.

Baker stated that because it is not affordable to live in Salida because people are moving farther and farther away to work in Salida.

Bowers stated that the same problem happens in Denver.

Hallett felt it was an economic development issue.

**In a 3-4 roll call vote, THE MOTION CARRIED. Hallett, Bowers and Brown had the Dissenting votes.**

**3. 2014 Budget Amendment (Jan Schmidt)**

Resolution 2014-81 appropriating additional sums of money to defray expenses in excess of amounts budgeted for the 2014 budget year.

Schmidt gave a brief overview of the amendment. She continued to state that she did not anticipate the general fund expending any more funds in the remainder of 2014.

Brown recalled an approval of LiveWell that was tied to the approval of the 2015 budget. He felt that it should have been included with the other community funding requests. Schmidt stated that it was not included. Brown asked what the rationale was for it to be included in the amendment.

Baker stated that it was a highly successful program and did not have an objection. Rogers was in agreement.

**Rogers motioned to approve Resolution No. 2014-81, a resolution of the City Council of the City of Salida, appropriating additional sums of money to defray expenses in excess of amounts budgeted for the 2014 budget year. Baker seconded the motion.**

Brown stated that on Dec 3<sup>rd</sup> of 2013 the budget was approved with the verbal stipulation that the sewer dump should be taken out of the water/sewer. Brown did not feel that the intent was followed through upon. Brown thought there was an increased cost to get power to the station. MacDonald stated that the cost is close to what was originally estimated.

Hallett asked if the land is owned by the NRC. Bowers asked if the lease was coming out of the enterprise fund. MacDonald stated that the land is leased from the city and does not have a dollar amount.

**In a 2-4 roll call vote, THE MOTION CARRIED. Bowers and Brown had the dissenting votes .**

**4. Approval of 2015 Budget and Public Hearing (Jan Schmidt)**

Resolution 2014-82 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 2015, and ending on the last day of December 2015.

Schmidt gave an overview of the budget process leading up to the consideration and approval. .

Baker asked how many grants were received in the last five years. Schmidt stated that it was about 11 million dollars total in grants that were received in the last five years. Bowers felt that all the grants put the city in a position to match the funds. Bowers asked why the city spends more on capital than other cities. Schmidt stated that the sales tax revenues are restricted and cannot be spent any other way.

The public hearing was opened by Mayor Dickson.

Jeff Auxier of Salida did not feel that a budget amendment could be passed without a public notice and public hearing. He continued to say the statute stated that the Council appoints one officer to prepare the budget and asked if it was MacDonald. Baker stated that MacDonald was appointed to prepare the budget. He stated that in the Mountain Mail 10/31 bills paid, it stated that the RV Dump station is being paid with the water fund. He continued to state that there is no budget message and there is no accounting for the 2013 capital expenditures. He felt the budget was incomprehensible and the worksheet does not show any detail. Auxier stated that the employees are obviously a big issue and one couldn't determine from the budget what the positions in the organization are. He stated that in Richmond, California Chevron spent \$3 million to defeat local candidates; their moto was moving forward and they lost.

Lisa Marvel of Salida spoke about the automatic gate locking system. Marvel stated that the Salida dog club intended to have the ability to turn the park over to the city when it has the ability to take care of it. She continued to states that the dog club is against locking the gates at the dog parks. She did not feel a gate locking system was an improvement and indicated that the dog club had conducted a survey with local residents, which were not in favor of locking the gates.

Jason Gallegos of Salida was in agreement with the previous speaker. He stated that there were concerns that the facility was not used after dusk and before dawn. After hearing the information, the Salida Dog Club checked the Chaffee County records department, which did not have a record of officers being dispatched to the park within the last two years. He stated that the expenditure is based upon biased data and would create a dangerous precedent.

Laura Pintane stated that within a few days they received responses back from the survey. Pintane explained the various responses that were received back from the survey, most of which were against locking the gate.

Cathy Chochon of Salida stated that cash reserved were 2.9 million at the end of 2013 and the projected amount at the end of 2015 is 2.1 million. Chochon felt that the community's budgeting skills are getting worse. She felt the City was overspending 1.5 million in the 2015 budget and suggested keeping some spending at the 2014 levels. She suggested removing the dog locks, the stamped sidewalks and increasing employee compensation by 5% instead of 8%. Baker stated that they are planned expenditures in capital; Baker was in agreement that it shows up as a deficit, but they are planned capital expenditures.

Billy Carlisle of Salida thanked the City Council. Carlisle stated that he wanted to make a philosophical point about the budget and felt that the Council has ignored the needs and concerns about ordinary people. Carlisle did not feel that the Mayor was doing what he said he would do before he was elected. Carlisle felt that the water/sewer and taxes are disproportionately placed on the lower income residents of Salida. He continued to say that he felt this community redistributed wealth from the poor to those who are better off.

Monika Griesenbeck of Salida stated that she would trust Billy Carlisle before trusting some of the Salida staff members. She stated that she hoped that Council Member Rogers remembers what she said when she was running, "needs before wants". She urged the council to not approve the City Budget. Griesenbeck continued to say that the Finance Director to remove the paragraph encouraging the public to call the finance director for questions. She states that she found the budget to be inconsistent and has spent weeks trying to understand it. Griesenbeck wanted to know how the \$11,300 budgeted for recreation training was being spent. She continued to say that she wanted to know if Ms. Casey was travelling the world. She felt that bonds should have been issued for the water treatment plant because interest rates are low. She concluded in saying that she felt Caring and Sharing should have been given funding and shame on the

Council for not doing so.

Shawn Gillis of Salida stated that he owns Absolute Bikes at the edge of Downtown and for the last eight years there has been a safety program for kids to deal with traffic. He stated they give out approximately 100 helmets out every year and he thanked the City for their assistance. Gillis stated it is out of the goodness of his heart and it is all good will for the 4<sup>th</sup> graders. He continued to state that up until several years ago he was paying for the entire program out of his pocket. He thanked the Council for their work on the budget and stated that he has a hard time with his name and the name of his business being used in a negative manner.

Robert Loewe of Salida felt there was an emotional sense of negativity to act as a veil in people's thoughts and he did not feel there was much in way of specific recommendations.

Mayor Dickson closed the public hearing.

Yerkey asked if the 12k in the dog park can be given to Caring and Sharing. Rogers felt it could be given back to the Community Fund.

MacDonald mentioned that a letter was received in favor of the automatic locking gate at the Dog Park.

Baker motioned approve Resolution No. 2014-82, a resolution of the City Council of the City of Saldia, Colorado 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 2015 and ending on the last day of 2015; but amended to eliminate the dog park project and increase community funding by \$9,000. Rogers seconded the motion.

Brown felt the 8% growth in personnel is excessive and he cannot support the budget with that amount of growth. Brown stated that he objected to the deficit spending and has a continued objection to the RV dump station being in the water/sewer fund.

Hallett felt that the budgets are confusing and are not easy to read. She did not understand why the SteamPlant has to be subsidized, when it should be self-sustaining.

Bowers was in agreement with Melodee.

Yerkey was in favor of approving the budget. With the understanding that after the first quarter, adjustments can be made. Yerkey stated that the budget has been worked on since June.

Rogers stated that the proposed budget provides a just wage for the City employees and no raises were offered for five years of the years from 2003 to 2014. She stated that she was sure at least some of those years had insurance increases that made almost a deficit for those employees because they had to pay additional insurance costs. Rogers stated that the Council needs to support the staff members financially, so she was in support of the budget.

In a 3-4 roll call vote, THE MOTION CARRIED. Bowers, Brown and Hallett had the dissenting votes.

#### **5. Appropriating Funds for 2015 (Jan Schmidt)**

Resolution 2014-83 appropriating sums of money to the various funds, and spending agencies, in the amounts and for the purposes as set forth below, for the City of Salida, Colorado, for the 2015 budget year.

Baker made a motion to adopt Resolution 2014-83, a resolution of the City Council, City of Salida, Colorado appropriating sums of money to the various funds, and spending agencies, in the amounts and for the purposes as set forth below, for the City of Salida, Colorado, for the 2015 budget year. Yerkey seconded the motion.

Hallett stated that discussions are being held outside the meeting and the decisions are made before the City Council meets. Rogers asked if there was evidence to support the accusation; Hallett said there was.

Rogers noted that it is the obligation of the Council to support a decision of the body, so it would be unconscionable for the council to pass it.

Brown was in disagreement.

**In a 3-4 vote, THE MOTION CARRIED. Bowers, Brown and Hallett had the dissenting votes.**

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

- a. City Administrator Report – Dara MacDonald  
MacDonald reminded the Council that the City is headed toward monthly billing in the new year and staff will be informing the citizens of the change. Bowers asked if the public has the option to stay on quarterly billing. MacDonald stated that customers will have to be on monthly billing and cannot opt to go on quarterly billing.  
Madison House Presents is interested in pursuing the Vanderveer property, MacDonald asked if the Council would be interested in pursuing it further. MacDonald stated that there will of course be a lot of background work and information. Bowers was concerned about the videos that Ms. Green had shown him.  
There was no further objection from the Council.  
MacDonald reported that three responses were received from the housing RFQ.  
Holiday Party is 6pm on December 8<sup>th</sup>.  
MacDonald stated that it is very difficult to figure out what is unclear about the budget when staff is not told what is specifically unclear.
- b. City Attorney Report – Karp, Neu, Hanlon, PC
- c. Deputy City Clerk Report – Christian Samora

**7. Elected Official Reports**

- City Treasurer – Cheryl Brown-Kovacic
- City Clerk – Betty Schwitzer
- Mayor – Jim Dickson
- City Council- Keith Baker, Michael Bowers, Melodee Hallett, Eileen Rogers, Hal Brown and Tom Yerkey.  
Kent Haruf was recently lost as a community member, Yerkey felt there could be a plaque in his honor. MacDonald stated that she would bring a budget back to the Council.  
Bowers thought maybe is could be down at the SteamPlant because it seemed like an appropriate location.

**VIII. EXECUTIVE SESSION –**

**Baker motioned to enter into Executive Session for a conference with the City/Town Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. Section 24-6-402(4)(b); and 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: Stipulation in the Dominick matter, Case No. 04CW125 9:40 P.M and the Auxier Budget case. Rogers seconded the motion. With all in consensus, THE MOTION CARRIED.**

The Council entered into Executive Session at 9:40 P.M.

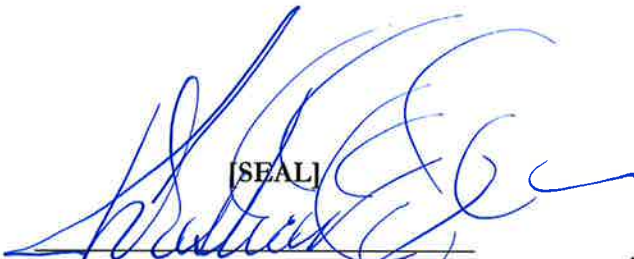

**IX. REPORT/ACTION ON EXECUTIVE SESSION MATTERS**

**The Council returned to Regular Session at 9:59 P.M. and Brown motioned that in the matter of Dominick to authorize the water attorney to let Ms. Dominick’s counsel know that consents to the relief that she’ll seek in the motion to reset the trial date, Baker seconded the motion. With all in consensus, THE MOTION CARRIED.**

Conklin reported that in the matter of the Auxier budget case, the CIRSA attorney will be directed to not take any action at this time.

X. ADJOURN –

Rogers motioned to adjourn at 10:01 P.M. Brown seconded the motion. With all in consensus, THE MOTION CARRIED.

  
[SEAL]  
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City Clerk/Deputy City Clerk  


  
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Mayor

