



MEETING MINUTES OF THE CITY COUNCIL
City Council Chambers
448 East 1st Street, Room 190
City of Salida, Colorado
Tuesday, December 1, 2015 7:00 p.m.

I. REGULAR MEETING CALLED TO ORDER –

II. PLEDGE OF ALLEGIANCE – Led by Mayor Jim LiVecchi

III. ROLL CALL

All Council Members and Staff were present with the exception of the City Treasurer.

IV. PRESENTATION

Creative District Update – Michael Varnum

Varnum presented a PowerPoint that detailed the Creative District Goals as well as the current and future projects.

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.*

Mark Anderson of Salida stated that he could provide a local solution for the Municipal Judge. He stated that he worked for 21 years in Pueblo and moved to Salida full time. He also mentioned that he was the deputy municipal judge at one time.

Monika Griesenbeck of Salida stated that she attended the work session and heard from the Public Works Director that employees are being harassed by citizens. She felt it was an innuendo and leaves a bad feeling. She stated that she has always had a friendly or cordial relationship with employees. She stated that she always had a good relationship until April 29, 2015.

Louise Fish of Salida stated that there will be consideration to remove “in trust” from the 2A Ordinance. She did not feel it made sense because it was created by the vote of the people. She stated that she has been told that people understood what it meant. She stated that she has never seen an audit committee hire a separate auditor from the auditors that audit the books. Fish also stated that the audit committee has not met and was curious who prepared the RFP. She suggested that the Council continue with the current auditor because the fee will not increase and they are familiar with the books.

Jeff Auxier of Salida stated that he did not know why the City is raising the issue regarding the 2A Ordinance. He stated that the City Attorney stated that it is a very conservative interpretation of the ordinance. He stated that the Treasurer and the Finance Director have a duty to guard the funds.

Vern Davis of Salida stated that he heard the same comments as Griesenbeck; he stated that he has over 600 pictures of the construction on the Dominick property.

VI. NEW BUSINESS

Licensing of vacation rentals was mentioned by Brown-Kovacic. The subject will be scheduled for a work session by the end of January.

A program for water and sewer assistance was also mentioned by Brown-Kovacic.

VII. OLD BUSINESS

Hallett motioned to not wait until the 12-15 meeting to issue an rfp for the City Attorney. She felt it should go out right away. MacDonald stated that her understanding was that a draft would be available on the 14th for input so that staff has guidance of how to proceed further.

VIII. SCHEDULED ITEMS

1. **Consent Agenda** (Christian Samora)
 - a) Approval of Agenda
 - b) Approval of Minutes: November 17, 2015
 - c) Bid Award for the 2015 Pipe Relay Sewer Project

Granzella offered a correction to the Council Minutes.

Rogers motioned to combine and approve the items on the Consent Agenda with the addition of the correction made by Granzella. Granzella seconded the motion. With all in favor, THE MOTION CARRIED.

2. **Pedestrian Crossing Agreement with Union Pacific, 2nd Reading and Public Hearing** (Dara MacDonald)
Ordinance 2015-19 approving the new pedestrian at-grade crossing agreement between the Union Pacific Railroad Company and the City of Salida

MacDonald provided background on the agenda item and details from the agreement.

Mayor LiVecchi opened the public hearing.

Mike Smith of Salida stated that he is a member of Salida Mountain Trails and the organization is in full support of the agreement. He stated that what is significant is that maps or directions cannot be posted directing people across the UP Property to the trail system. He stated that Salida Mountain Trails will commit to providing wayfinding if the agreement is approved.

Donna Rhodes of Salida stated that she is representing Salida Parks and Open Trails, which has worked to build and maintain trails in town. She stated that this is a terrific opportunity. She stated that in the past they had applied for a grant to solve the trespassing issue. They were awarded the grant, but the deal fell through. She felt the at-grade crossing would be an excellent opportunity for the City.

Jeff Auxier of Salida stated that he agreed that the notion of having a legal access is an excellent thought. He felt that there may be rights under adverse possession and felt the agreement was not a good agreement. He felt the City could condemn the right of way from the F Street Bridge over the property. He urged the Council to not do anything. He stated that there should be clear statements of law before signing this agreement. Hanlon stated that the City could condemn, but the City would have to appear before the PUC for the condemnation. He stated that the PUC could condition it to be at grade or grade separated. Hanlon stated that there is a right to do that and felt that \$35000 is low in contrast to what could be spent on attorney's fees.

Shawn Gillis of Salida stated that he lives in the City limits and he owns Absolute Bikes. He felt that with adverse possession you can risk everything.

Michael Hines of Salida stated that he is on the Board of Salida Mountain Trails. He stated that recently there was an informal survey. He felt that if the access points are jeopardized, it would jeopardize the trail system. He urged the Council to pass it.

Jeff Auxier stated that if the agreement is signed, the access will be jeopardized

Louise Fish stated that she does not like to do things illegal, but has trespassed over the property to go hike. She said it would be nice if the City had the right of way.

Mike Smith stated that there is overwhelming support for the agreement.

Mayor LiVecchi closed the public hearing.

Hallett stated that the City should go ahead with the agreement.

Brown-Kovacic felt it was legally what the City needs to do.

Granzella stated that he was not in favor of a legal battle with Union Pacific. He asked if Hanlon had experience with the topic in another community. Hanlon stated that he is dealing with it in Glenwood Springs, but there was a huge difference between what the two parties felt was a fair price for the property.

LiVecchi felt it was opening something up that the City could not handle.

Rogers motioned to approve Ordinance 2015-19, an ordinance of the City Council, City of Salida, approving the new pedestrian at-grade crossing agreement between the Union Pacific Railroad Company and the City of Salida and ordering the ordinance published by title only. Brown-Kovacic seconded the motion. With all in favor, THE MOTION CARRIED.

3. Amending Lease Agreements with Tenderfoot Communication Site Tenants, 2nd Reading and Public Hearing (Dara MacDonald)

Ordinance 2015-20 amending certain telecommunications lease agreements relating to the Tenderfoot Communication Site

Mayor LiVecchi opened the public hearing.

With no comment from the Public, Mayor Livecchi closed the public hearing.

Granzella motioned to approve Ordinance 2015-20, an ordinance of the City Council, City of Salida, amending certain telecommunications lease agreements relating to the Tenderfoot Communication Site and ordering the ordinance published by title only. Brown Kovacic seconded the motion. With all in favor, THE MOTION CARRIED.

4. 2015 Budget Amendment & Public Hearing (Jan Schmidt)

Resolution 2015-90 amending amounts budgeted for the 2015 Budget Year

Schmidt introduced the agenda item and provided background on the amendment. .

Mayor LiVecchi opened the public hearing.

Monika Griesenbeck of Salida stated that she attended the work session and commended the Council for holding off on the piping of the Harrington Ditch. She felt it was not a good idea to spend money on a survey. She stated that you can send anybody to the courthouse to find the details.

Mayor LiVecchi closed the public hearing.

Hallett asked what would be achieved with a survey.

MacDonald stated that it would be helpful to know where the ditch is within the right of way.

Bowers asked that if a survey would be to determine where the boundaries are that the property owners could be contacted to provide it.

Cheryl Brown-Kovacic stated that she wanted the survey to facilitate the conversation with the land owners.

Brown stated that he is wondering what spending \$5k does to advance the cause. He stated that they already know they need to meet with the property owners.

Granzella stated that he is in favor of the survey. He felt they City really needs to know where the boundaries are.

LiVecchi asked if there is a public meeting with the property owners would they be able to find out. He asked what the options are. MacDonald stated that there could still be conversations with the property owners, but she did not feel there was a good reason to not have complete information about the property.

Hallett felt that the City needs to meet with the property owners first.

Granzella stated that the survey could be postponed until the conversations

Rogers felt it was a good investment.

Rogers motioned to approve Resolution 2015-90, a resolution of the City Council, City of Salida, amending amounts budgeted for the 2015 Budget Year. Granzella seconded the motion. In a 4-2 roll call vote, THE MOTION CARRIED. Bowers and Brown had the dissenting votes.

5. Adoption of Fee Schedule (Jan Schmidt)

Resolution 2015-91 establishing or updating fee schedules pursuant to various chapters of the Salida Municipal Code

Schmidt gave an introduction and background on the agenda item.

Hallett stated that the Council received correspondence requesting that Council provide discounts for seniors. Schmidt recommended considering the discount along with the new fee schedule in 2016.

Brown-Kovacic suggested reviewing in the first quarter of next year.

Rogers motioned to adopt Resolution 2015-91, a resolution of the City Council, City of Salida, establishing or updating fee schedules pursuant to various chapters of the Salida Municipal Code. Brown-Kovacic seconded the motion. With all in favor, THE MOTION CARRIED.

6. Approval of the 2016 Budget and Public Hearing (Jan Schmidt)

Resolution 2015-92 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 2016, and ending on the last day of December 2016

Schmidt provided an introduction to the agenda item and provided additional background. She explained that the budget may be adopted as is or with certain changes.

Mayor LiVecchi opened public hearing.

Jeff Auxier of Salida stated that he provided a written objection. Auxier stated that it would be great to have the judge and clerk in their own department. He also stated that nobody knows how the salaries in administration are being allocated. He stated that regardless of the percentages, the allocations need to be broken out. He stated that the City can use some of the 2A money to maintain capital infrastructure. He stated that he cannot get the municipal salaries from CML. He felt it was a lobby organization for bureaucracy.

Monika Griesenbeck of Salida stated that the budget is very important. She stated that her specific problem with the budget is that the Citizen Forum submitted examples of budgets that are easy to understand. She stated it was like a scavenger hunt to go online and find information. She stated that it was very difficult to find the accounting for the 2A funds. She read a document regarding the 2A funds and submitted the document to the Deputy City Clerk.

Mayor LiVecchi closed the public hearing.

Rogers stated that a little over a year ago when the initiative came to council everyone was outraged about how the funds were being used. Hanlon stated the language states what the funds can be used for certain things. A budget can use it for some of those purposes, but it does not require them to be used for all of those purposes.

Brown-Kovacic motioned to approve Resolution 2015-92, a resolution of the City Council, City of Salida, 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 2016, and ending on the last day of December 2016 to include the change to remove the parking lot purchase. Granzella seconded the motion.

Hallett asked what the amount of reserves being used would be.

Schmidt stated that on page 181 it shows a use of 1,162,000, which would be reduced by \$450,000 for the land purchase.

Hallett asked about putting the \$477k back into the water fund. Schmidt stated that it could be done, but would likely lose the enterprise status because the enterprise would be subsidized by the general fund.

Hanlon stated that there are two sets of rules. Hanlon stated that the requirements under tabor would not allow an enterprise under tabor to do so without losing the enterprise status.

MacDonald stated that an objection was received from Steve Tafoya.

Schmidt stated that the amount of general fund dollars needs to be limited so that it does not jeopardize the enterprise fund status.

Brown stated that his understanding is that Tabor gave governments the ability to obtain debt without the vote of the people.

Hanlon stated that there was a question regarding approval of the 2016 budget on the table.

Rogers stated that there ^{consider} should be a 1% increase for merit pay purposes.

Brown-Kovacic accepted it as a friendly amendment to the motion.

Granzella suggested removing the Harrington Ditch from the budget.

Brown-Kovacic accepted it as a friendly amendment to the motion.

Bowers motioned to have the water and sewer rates remain the same as they were in 2015. Hallett seconded the motion. In a 4-3 roll call vote, THE MOTION CARRIED. Rogers, Brown-Kovacic and Granzella had the dissenting votes.

Motion to approve 2015-92 as amended:

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

7. Appropriating Funds for 2016 (Jan Schmidt)

Resolution 2015-93 appropriating sums of money to the various funds and spending agencies, in the amounts and purposes set forth below, for the City of Salida, Colorado, for the 2016 budget year

Schmidt gave an introduction and provided background on the agenda item.

Rogers motioned to approve Resolution 2015-93, a resolution of the City Council, City of Salida, appropriating sums of money to the various funds and spending agencies, in the amounts and purposes set forth below, for the City of Salida, Colorado, for the 2016 budget year. Brown seconded the motion. With all in favor, THE MOTION CARRIED.

8. Appointment of Judge & Prosecutor, 1st Reading (Dara MacDonald)

Ordinance 2015-21 appointing the Municipal Judge and Prosecutor and approving professional service contracts with both

MacDonald introduced and provided background for the agenda item.

Hallett suggested putting both out for an RFP.

Granzella motioned to move forward with advertising for a letter of interest and continue consideration to February 2016. Bowers seconded the motion. In a 5-1 roll call vote, THE MOTION CARRIED. Rogers had the dissenting vote.

9. Amendment of Salida Municipal Code Section 4-3-50(b)(4) Regarding Revenue (Dara MacDonald)

Ordinance 2015-22 to provide for a clarification in accounting of the sales tax revenue and amending chapter four of the Salida Municipal Code

MacDonald introduced and provided background for the agenda item.

Hallett felt the language should be left alone.

Granzella wanted to stick with what was agreed to remove "in trust" for clarification.

Brown felt the point of debate is that the council is in agreement that it can be properly managed, but the question is whether to leave the two words in the ordinance. He stated that he is not uncomfortable removing the two words.

Brown motioned to approve Ordinance 2015-22, an ordinance of the City Council, City of Salida, to provide for a clarification in accounting of the sales tax revenue and amending chapter four of the Salida Municipal Code, ordering the ordinance published in full and setting a public hearing for December 15, 2015. Granzella seconded the motion. In a 5-1 roll call vote, THE MOTION CARRIED. Hallett had the dissenting vote.

10. Amendment of Lease with Verizon Wireless (Dara MacDonald)

Ordinance 2015-23 approving the first amendment to Tenderfoot Communication Site Option and Lease with Cellular Inc Network Corporation dba Verizon Wireless

MacDonald gave an introduction and provided background information.

Rogers motioned to approve Ordinance 2015-23, an ordinance of the City Council, City of Salida, approving the first amendment to Tenderfoot Communication Site Option and Lease with Cellular Inc Network Corporation dba Verizon Wireless, ordering the ordinance published in full and setting a hearing for December 15, 2015. Hallett seconded the motion. With all in favor, THE MOTION CARRIED.

11. Auditor Engagement Agreement (Jan Schmidt)

Resolution 2015-94 approving a professional services agreement with an auditing firm to provide independent accounting services

Schmidt introduced the agenda item and gave background information.

Brown suggested that because there has been controversy surrounding the process and question about open meetings; he would like it to be continued until the next council meeting.

Brown motioned to continue the item until the next regular Council Meeting. Granzella seconded the motion. In a 5-1 roll call vote, THE MOTION CARRIED. Rogers had the dissenting vote.

12. Audit Committee Professional Services Agreement (Jan Schmidt)

Resolution 2015-95 approving the engagement of Clifton Larson Allen to provide consulting services to the Audit Committee

Brown gave background on the agenda item.

Brown-Kovacic stated that the item is new to her and she does not understand what the services are for. She felt that whoever the auditor is could fill the role of these services.

Bowers motioned to approve Resolution 2015-95, a resolution of the City Council, City of Salida, approving the engagement of Clifton Larson Allen to provide consulting services to the Audit Committee. Brown seconded the motion. In a 4-2 roll call vote, THE MOTION CARRIED. Brown-Kovacic and Rogers had the dissenting votes.

13. Cancellation of Soaking Pool Contract with Diesslin Structures, Inc (Dara MacDonald)

Resolution 2015-96 cancelling the first amendment to the construction agreement relating to the Salida Hot Springs Aquatic Center Soaking Pool, Spray Feature, and other improvements

Brown motioned to approve Resolution 2015-96, a resolution of the City Council, City of Salida, cancelling the first amendment to the construction agreement relating to the Salida Hot Springs Aquatic Center Soaking Pool, Spray Feature, and other improvements. Bowers seconded the motion.

Granzella stated that he was okay with it because of the dollar amount.

Rogers stated that she was in opposition. She continued to read a statement.

Hallett stated that she did not feel there was an objection with the features; she felt it was an objection with the process.

In a 5-1 roll call vote, THE MOTION CARRIED. Rogers had the dissenting votes.

MacDonald asked if the direction was to proceed with the bidding process.

The Council would like to move forward with the bidding process.

14. Frying Pan Arkansas Water Storage Agreement (Dara MacDonald)

Resolution 2015-97 authorizing the City Administrator to execute a temporary water storage contract with the Southeastern Colorado Water Conservancy District and the United States Bureau of Reclamation for the storage of non-project municipal and industrial water in the Fryingpan-Arkansas Project

MacDonald gave an introduction and background information for the agenda item.

Bowers asked what would happen if this were to not be approved.

MacDonald stated that there would be trouble during the winter months supplying enough water.

Granzella asked if there is a lot of leftover water.

MacDonald stated that it varies a lot by season.

Rogers motioned to approve Resolution 2015-97, a resolution of the City Council, City of Salida, authorizing the City Administrator to execute a temporary water storage contract with the Southeastern Colorado Water Conservancy District and the United States Bureau of Reclamation for the storage of non-project municipal and industrial water in the Fryingpan-Arkansas Project. Granzella seconded the motion. With all in favor, THE MOTION CARRIED.

15. Appointments to Boards and Commissions (Dara MacDonald)

Bowers motioned to appoint Rusty Granzella. Hallett seconded the motion. With all in favor, THE MOTION CARRIED.

16. Administrator/City Attorney/Deputy City Clerk

- City Administrator Report –Dara MacDonald
A Special Meeting will be on the 9th at 6pm for an executive session with the City’s Water Attorney’s.
- City Attorney Report – Karp, Neu, Hanlon, PC
- Deputy City Clerk Report – Christian Samora

17. Elected Official Reports

- City Clerk – Betty Schwitzer
- City Treasurer -
- Mayor – Jim LiVecchi
- City Council- Michael Bowers, Hal Brown , Cheryl Brown-Kovacic, Rusty Granzella, Melodee Hallett and Eileen Rogers.

IX. ADJOURN –

Brown motioned to adjourn. Bowers seconded the motion. With all in favor, THE MOTION CARRIED.

[SEAL]

Deputy City Clerk



Mayor

James L. LiVecchi