



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

Salida, Colorado

July 6, 2010

6:00 p.m.

The meeting was called to order at 6:01 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, Scott Damman, Jim McCormick, Jay Moore, and Steven Stewart. Also present were City Treasurer Eileen Rogers, Deputy City Clerk Janella Martinez, and City Attorney Karl Hanlon.

Absent were Council Member Tom Yerkey, City Administrator Jack Lewis, and City Clerk Betty Schwitzer.

CITIZEN PARTICIPATION -

No one signed up to speak.

PRESENTATIONS –

There were no presentations scheduled.

SCHEDULED ITEMS-

Consent Agenda –

Deputy City Clerk Janella Martinez presented written materials that are included in the packet for the record.

- a. Approval of Agenda
- b. Approval of Minutes: June 1, 2010
- c. City Property requests: None
- d. Special Events Liquor Permit requests: 1.) Salida Fine Arts River Festival

BACKGROUND:

- d. Special Events Liquor Permit requests:**
(Public Hearing, if needed)

- 1.) Salida ArtWorks is requesting a Special Events Liquor Permit to be granted on Saturday, August 15 & Sunday, August 16, 2010.

Salida ArtWorks is requesting the Liquor Licensing Authority to grant a Special events Liquor Permit on Saturday, August 14, 2010 from 9:30 a.m. – 7:00 p.m. and on Sunday, August 15, 2010 from 9:30 a.m. – 4:00 p.m. in Riverside Park to hold the Salida Riverside Fine Arts Festival.

- The liquor area will be separated from the rest of the park activities. (The diagram showing the liquor premises is included in the packet for Council review.)
- Food options will be provided by the several vendors.
- A completed events Check list by City Departments is attached for Council review.
- To date no public comments have been submitted.

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

2. Colorado Drinking Water Revolving Fund Loan

Finance Director Jan Schmidt presented written materials that are included in the packet for the record. The request is to approve a loan from the Colorado Department of Public Health & Environment (CDPHE) through their revolving loan fund program.

This loan is needed to pay for a Water Storage Facility project that addresses health risks and water conservation. The project consists of two phases. 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 is also planned. Phase two consists of attaching a liner to the concrete interior to stop the leakage currently being experienced.

The approved loan amount is \$545,000. The fixed rate of interest over the 20-year term is 2%. Annual debt service will be approximately \$33,500. Capital reserves are not sufficient to pay for the necessary improvements.

This ordinance was passed on first reading at the June 15th meeting. Staff would suggest passing the ordinance approving the loan.

Mayor Rose opened the public hearing and asked for anyone wishing to speak to come forward. No one spoke. Mayor Rose closed the hearing.

A motion was made by Moore to approve Ordinance 2010-05 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., and ordering the ordinance to be published by title only. The motion was seconded by Damman. With all in consensus, THE MOTION CARRIED.

3. Skatepark revisions allowing Bicycles with non-metal, or no pegs in the Skate Park.

ORDINANCE 2010-07 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO, AMENDING SECTION 11-3-90 OF THE SALIDA MUNICIPAL CODE REGARDING THE USE OF BMX BICYCLES IN THE SALIDA SKATEBOARD PARK.

Theresa Casey, Recreation Manager presented written materials that are included in the packet.

- o The City of Salida Municipal Code currently bans any type of bicycle from use of the skateboard park.
- o There have been several citizen requests to change the code to allow bicycles in the skateboard park.
- o Bicyclists can now outfit their bikes with non-metal pegs, which do not cause damage to the concrete bowls in the park.
- o The Recreation Advisory Board supports allowing bicycles to use the skateboard park as long as they are outfitted with non-metal or no pegs.

Councilor Damman asked Ms. Casey if it was necessary to limit the pegs to non-metal pegs. Ms. Casey noted that the Recreation Advisory Board has concerns with metal pegs being allowed in the park.

Ms. Casey said her best guess is that the Recreation Advisory Board would be supportive of any changes. Council recommended Ms. Casey do some research prior to second reading and see what some of the other skate parks allow. If there are changes to be made, these can be done at second reading.

Ms. Walker, a local resident, said in all of the skate parks she has ridden, bikes with pegs are allowed in. A discussion followed.

Councilor Moore thought it might be difficult to enforce what kind of peg was being used in the park.

A motion was made by Stewart to pass ORDINANCE 2010-07 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO, AMENDING SECTION 11-3-90 OF THE SALIDA MUNICIPAL CODE REGARDING THE USE OF BMX BICYCLES IN THE SALIDA SKATEBOARD PARK, on first reading and ordering the ordinance published in full setting the public hearing as July 20, 2010. The motion was seconded by Damman. A discussion followed.

Mayor Rose noted there was a motion and a second on the floor. He requested a roll call vote.

With all in consensus, THE MOTION CARRIED.

Mayor Rose reminded everyone that regardless of who rides in the Skateboard Park all users are required to wear helmets and safety gear.

4. **Water Shed Protection District –**

Ordinance 2010-06 an ordinance of the City Council of the City of Salida, Colorado, adopting a new Article VII, Watershed Protection, to Chapter 13 of the Salida Municipal Code.

City Attorney Karl Hanlon presented written materials that are included in the packet for the record. Mr. Hanlon said this ordinance was discussed at a work session and is based on a model from Steamboat Springs. If approved the Water Shed Protection District would protect the City's water source primarily 5 miles upstream. It is not a way to prohibit growth, it is a way to take the necessary steps to protect the city water supply. If a timber harvesting business or an industrial model upstream it would require them to go through a permitting process. If a development is less than a half an acre in size there is no permit required. This ordinance gives you a technique to protect your water.

Concerns were raised by Council about administrative staff time required for the permitting process. Councilor McCormick wanted to know how many other communities have these. Concerns were expressed for crossing other jurisdictions such as the National Environmental Protection Agency. Hanlon said that he is not sure if they would address our local issues. Attorney Hanlon feels that implementing a Protection District would be a good tool to have in place.

Councilor McCormick asked what administrative costs would be. Hanlon said the majority of the work has been done already. The application would be treated much like a land use application. An applicant would be responsible for the cost of time and any legal fees needed for review that are needed. This way there is no cost to the tax payer. If a major pollutant turns up and there is no permit, it will leverage your ability to monitor and fine the violator.

Councilor McCormick asked if there would need to be manpower to manage and oversee this district. Councilor Baker said he had concerns over the costs associated with implementing this ordinance due to some information he had received. Attorney Hanlon said he is not sure which department will be handling the permit process, but he doesn't expect there to be a deluge of requests coming in that would require adding another department. Rifle handles their permitting process through the Community Development Department. When asked how many permits have been submitted in a year in Rifle, Hanlon thought there that there were approximately six to ten.

Councilor Baker said if a business did a lot of water studies and found that their drainage didn't fall into the five mile radius, then what would happen. Hanlon noted that Council would be the review board if needed. Hanlon asked if Council thought it would be a good idea to be notified of any development in our water shed area. Having this ordinance in place would assure that the city be notified when a development occurs in this area. This would act as a lever, if needed.

Councilor Moore said he walked the water shed protection area with Lonnie Oversole, Water Plant Supervisor, who feels that his time spent on this would be minimal. The intent is not to correct what has been done in the past, but to know what is coming down the pipe. If someone is putting chemicals in the water supply we would be notified. In Buena Vista it is done by Public Works and he felt that made sense at this juncture. A discussion followed.

Mayor Rose reminded everyone that tonight is first reading of this ordinance and on second reading a public hearing will be held allowing public input. He encouraged anyone who might have concerns or in support of the Water Shed Protection District to come and express their opinions during the hearing at the next meeting.

A motion was made by Moore to approve ORDINANCE 2010-06 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO, ADOPTING A NEW ARTICLE VII, WATERSHED PROTECTION, TO CHAPTER 13 OF THE SALIDA MUNICIPAL CODE, setting the public hearing as July 20, 2010 and ordering the ordinance be published in full. The motion was seconded by Damman. With all in consensus, THE MOTION CARRIED.

2. Natural Resource Center Development Corp. Agreement –

Resolution 2010- 38 entering into a Development Agreement for the Salida Natural Resources Center.

Dara MacDonald, Community Development Director presented written materials that are included in the packet.

The request is to enter into a Development Agreement with the 63-20 not for profit corporation known as the Salida Natural Resources Center Development Corporation.

There has been interest for several years in the creation of a Natural Resource Center (“NRC”) in the Salida area. The NRC would provide for the collocation of federal, state and local agencies allowing for operational efficiencies for each agency and an enhanced visitor experience for the traveling public and local residents.

The U.S. Forest Service has recently issued a Solicitation for Offers (“SFO”) seeking new office and shop space for their facilities in southern Chaffee County. The U.S. Forest Service facility would serve as the cornerstone for the larger NRC. The Salida Natural Resource Center Development Corporation (“NRCDC”) was formed at the direction of City Council in November of 2009 with the sole purpose of pursuing development of the NRC. The NRCDC is in the process of responding to the U.S. Forest Service SFO. The response is due by July 30, 2010.

A site on the Vandaveer Ranch east of U.S. Highway 50 is being proposed for the site of the NRC. One of the requirements of the U.S. Forest Service SFO is that the site be under the ownership or control of the developer responding to the SFO. In this case the NRCDC will be responding and must show control of the property which this Development Agreement will allow.

If the NRCDC is not selected by the U.S. Forest Service to construct their new facility the Development Agreement is void. The property would not actually transfer to the NRCDC until after the NRCDC has been selected as the successful respondent to the SFO as noted in Section 3 of the Development Agreement. There are a variety of additional Sections in the Development Agreement that address funding for the project and reversion of the property and improvements to the City once all debt related to the development has been paid.

The NRC is a priority acknowledged by both the City of Salida and Chaffee County in the MOU executed by both parties in August, 2009. The potential economic impact for both Salida and southern Chaffee County would have lasting positive effects and the site and proposed zoning both lend themselves to this type of development.

A motion was made by Moore to approve RESOLUTION 2010-38 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO, TO ENTER INTO A DEVELOPMENT AGREEMENT FOR THE SALIDA NATURAL RESOURCES CENTER AND AUTHORIZING THE MAYOR TO SIGN THE AGREEMENT. The motion was seconded by Damman. With all in consensus, THE MOTION CARRIED.

Mayor Rose assumes that everyone understands that with this development we will hopefully bring more people to the community. If we don't grow we will die. Rose thinks the Natural Resource Center will be an asset to bring people into our valley and is the reason he is in favor of it.

3. Extension of Vandaveer Ranch Overall Development Plan (Dara MacDonald) Section 6

Resolution 2010- 39 extending the time for the Vandaveer Ranch Overall Development Plan. Dara MacDonald, Community Development Director presented written materials that are included in the packet.

The request is to extend for one additional year the Overall Development Plan adopted for the Vandaveer Ranch in December, 2006.

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The U.S. Forest Service has recently issued a Solicitation for Offers ("SFO") seeking new office and shop space for their facilities in southern Chaffee County. The U.S. Forest Service facility would serve as the cornerstone for the larger NRC. The Salida Natural Resource Center Development Corporation ("NRCDC") was formed at the direction of City Council in November of 2009 with the sole purpose of pursuing development of the NRC. The NRCDC is in the process of responding to the U.S. Forest Service SFO. The response is due by July 30, 2010.

A site on the Vandaveer Ranch east of U.S. Highway 50 is being proposed for the site of the NRC. One of the requirements of the U.S. Forest Service SFO is that the site be in compliance with local zoning requirements. The Vandaveer Ranch Overall Development Plan was adopted by the City Council on December 18, 2006 with Ordinance 2006-19. Typically vesting for development plans lasts for three years.

Section 16-10-90 of the Salida Municipal Code addresses expiration of development approval. The code allows that, "...the approving body may reconfirm and extend the time period for compliance or approve modification to such development plan, upon good cause shown by the owner. Such reconfirmation, extension or modification shall be at the discretion of the approving body."

In this case, the owner of the property remains the City of Salida. The property was under contract in 2007 for sale to Courageux Development. That sale fell through with the economic collapse that began in 2007. There have been no additional offers on the property since that time.

The NRC is a priority acknowledged by both the City of Salida and Chaffee County in the MOU executed by both parties in August, 2009. The potential economic impact for both Salida and southern Chaffee County would have lasting positive effects and the site and proposed zoning both lend themselves to this type of development.

A motion was made by Damman to approve RESOLUTION 2010-39 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO, EXTENDING THE TIME PERIOD FOR THE VANDAVEER RANCH OVERALL DEVELOPMENT PLAN. The motion was seconded by . With all in consensus, THE MOTION CARRIED

4. **Harriet Alexander Field Capital Improvement Plan –**

Resolution 2010- 40 to certify to the State of Colorado and to the FAA the Capital Improvement Program for Harriet Alexander Field .

Finance Director Jan Schmidt presented materials that are included in the packet for the record. The City of Salida and Chaffee County as owners of Harriet Alexander Field the Salida Municipal Airport are required to certify the Capital Improvement Program (CIP) to the State of Colorado and the FAA in order to secure funding for the projects listed in the plan. Over the next six years \$4,263,158 is scheduled to be allocated to the project list. The local match for the projects is currently projected to be \$157,894. The City and County would split that match with each contributing \$78,947 towards the projects. We are applying for additional State grants that may reduce that match amount. The bulk of the expense will be in budget year 2011 and will have to be allocated or the projects may not proceed.

Staff recommends approving the resolution authorizing the Mayor or City Administrator to certify the CIP to the State and FAA. Ms. Schmidt said that members of the Airport board are present to give information to Council.

Bill Reeves clarified that he is a former airport board member who sat on the board as Chairman and was present to speak about the airport. He is a pilot who owns one of the oldest buildings at the airport and feels there is value to the airport. He is a candidate for Chaffee County Commissioner. In 1996 the first runway overlay proposal was made. Over time the runway has been seal cracked, which has held up until now. The airport improvement program is funded by tax dollars paid on gas when he fills up his tank and by taxes paid by citizens when purchasing a flight on a commercial airline. The FAA is the board that approves the grant that is being applied for. This grant is a 95% -5% match and it is one that the City and County share the 5%. This is a \$3.6 million dollar project. The FAA picks up 95% of the funds. Mr. Reeves spoke with Travis Nalon our representative from Aviation he said he feels that there is a 95% chance of bringing that number down to \$38,000. This \$38,000 will be split by the Chaffee County and the City. Harriet Alexander Field as one of the state pilot associations favorite airport.

Mayor Rose asked Mr. Reeves if there were any stipulations for hiring local contractors, or is it such a specialized field that local contractors cannot meet the criteria. Mr. Reeves wasn't sure.

Councilor Stewart asked Reeves why he should support the airport. Reeves said there have been many studies over time; one such study shows the airport bringing in 8 million dollars into the community. He's not sure how these numbers were reached. If you go and sit out there you will see the traffic come and go. There is a lot of activity at the airport. Flights are a much cheaper way of transportation than driving on Highway 50. Fixed wing removals of patients is much cheaper than flying a helicopter in.

When Mr. Reeves was asked if the hospital makes any contributions to the Airport he answered that there have been recent discussions regarding the makeup of the board. The membership might be revised. Discussions on making the airport an enterprise have also been had.

The City is facing major budget cuts and Councilors discussed how using tax payer's money for the airport can be justified if we don't know if our citizens are even utilizing the facility. Following a lengthy discussion by Council about the viability of the airport Mayor Rose asked for a motion by Council.

A motion was made by Baker to approve Resolution 2010-40 a resolution of the City Council of the City of Salida authorizing the Mayor or City Administrator to certify the Capital Improvement Program. The motion was seconded by Moore. Those voting Yea were Baker, Damman, Moore and McCormick. Voting Nay was Stewart. THE MOTION CARRIED.

Mayor Rose requested that research be done that reflects more realistic data from the airport. Rose is concerned that there is a big difference between \$108,000 and the other projected support of \$38,000.

5. Medical Marijuana Moratorium exception request.

City Attorney Karl Hanlon presented information to Council. Nature's Medicine submitted a letter stating that they have been compliant with all rules and are requesting the City of Salida lift the moratorium placed on marijuana dispensaries for the purposes of allowing them to grow. Nature's Medicine does not have a pending application, although there is another operator in town that submitted a conditional use application that was filed prior to the state moratorium.

Mayor Rose noted that these were two separate issues and two separate businesses. Nature's Medicine did not submit an application, and Tenderfoot Health Collective submitted an application for their grow operation. He asked if anyone was present to speak.

Martin Woods, owner of Natures Medicine wrote the letter before the first of July in hopes that the town would lift the moratorium set May 24, 2010. With passage of HB 1025 many deadlines were set for Medical Marijuana Dispensaries. Woods came to the City in June and spoke to Michael Yerman, City Planner. When Woods asked if he could apply for a conditional use permit to do a grow Mr. Yerman told him no, that there was a moratorium in effect. Mr. Yerman suggested he write a letter to the Mayor and City Council requesting the moratorium be lifted and be distributed through the City Administrator. This letter was not just about Nature's Medicine, it was about all Medical Marijuana Dispensaries located in the City prior to the July 1st state deadline. When Mr. Woods came back into the City on Monday, he spoke to Mr. Lewis who had seen the letter and told Woods he would get back with him. Lewis called Woods and said Natures Medicine should go ahead and apply for a conditional use permit and it would be accepted. Martin said after seeing the publicity about the dispensary that did submit the Conditional Use Permit, he decided that his business didn't want the negative feedback that was perceived from that application. Nature's Medicines intent is to provide jobs in the community without drawing attention to the centers location. The legislation passed new demands on dispensaries with strict deadlines placed upon them. He understands that the City has to provide something to verify that Nature's Medicine is in compliance. The city came around and inspected all of the listed centers, but didn't give us anything in writing to say that we are found to be in compliance because the law says you don't have to give us anything. Woods says the state requires them to have something from the City saying Natures Medicine is verified by the City.

Mrs. Betty Woods, spouse of Nature's Medicine owner, stated the new law says that 70% of our grow has to be done by us. We are trying to be 100% compliant and the bill is not allowing us to. We are in a catch 22. We have chosen to have our grow operation somewhere else outside of the City.

Mayor Rose said his interpretation of the language of the new legislation is that when the State asks for us to prove that they are in compliance with our city code we will provide them with this information. Hanlon confirmed that this was a correct interpretation.

Mr. Woods said he is just trying to comply with the new laws and his attorney tells him he needs something in writing from the City verifying them. He understands that when the state contacts the

City we will verify the dispensaries that are in compliance. So there is a difference of opinion.

Councilor McCormick asked the location of THC. It is located at 840 Oak Street on the corner of HWY 50 and HWY 291.

Dennis Cleary, Tenderfoot Health Collective (THC), is asking for a variance of the moratorium. THC has been asking the City for direction since February 1st. We have elected to keep our operation very quiet by not advertising. We haven't seen anything that didn't allow us to do what we've been doing. When HB 1284 came out stating that we were required to grow 70% of our own product we came back to the city again to specifically asked what we needed to do. Mr. Cleary said he went to the City five times and specifically asked what they needed to do to be in compliance. He was continually told by the City that he was only required to do what the state required of him. He noted that the City was great, but feels he did everything he could do and it still wasn't enough. He was never asked what his business consisted of. We are paying our \$2800 in taxes and we don't want this to be a public fight. We feel that HB 1284 would love to see all MMD be all inclusive and the bills intent is that 50% of all dispensaries will shut down thus keeping all of this in one place. When talking to the city again just before the July 1st state deadline, we were told we should apply for a Conditional Use Permit about 5 minutes before the state deadline. This required a lot of work, but THC turned it in 5 minutes before closing on June 30th.

Hanlon informed Council that as a business goes through this process, there is a certain amount of local laws that apply. It is a Council decision if they wish to lift the local moratorium to allow the application to go forward. Council can direct staff to move forward allowing the request to move through the process, but it is not a guarantee of approval. The application will be heard by the Planning Commission.

Councilor Damman asked for clarification on the process of applying for a green house and what is allowed. Mr. Cleary said the grow operation is in the existing business location that has no public access. Damman asked for clarification of why this kind of grow operation needs a Conditional Use Permit. Community Development Director Dara MacDonald clarified that when growing a product and offering it for sale it becomes a commercial operation and then it is required to go through the Conditional Use process.

Councilor Baker asked if any other applications were submitted. Attorney Hanlon said no other applications have been submitted. The state moratorium will remain in effect as of July 1st. This request is to lift the City moratorium for any application that was already submitted.

Betty Spino said she has lumbar synopsis and has been treated by a number of doctors. Ms. Spino is not in the loop for marijuana but heard about it when she was a teenager. In the last five years she has endured five epidurals one on each side of her spine, which are not very pleasant. The doctor bills Medicare \$1,900 for each treatment. Marijuana was out of her element but after being convinced by her husband to try it for help in relieving her pain, she now uses it once a day or every three days. She says it works for her. She is so glad that Salida has been a recipient of the medical marijuana use. She hopes that Council will be helpful to those that use medical marijuana.

A motion was made by Moore to extend the meeting beyond 8:00 p.m. The motion was seconded by Damman. With all in consensus, THE MOTION CARRIED.

Jay Hake, current legal counsel for Tenderfoot Health Collective said Mr. Cleary went to the City numerous times and tried to explain what he was doing. He was told repeatedly that the City doesn't

have business licenses and that they only need to get a sales tax license. Just to make sure he had done everything right, Mr. Cleary went back to the City a couple of days before the state moratorium set in. It was then that the city became aware of the grow operation and Mr. Cleary was told to complete a Conditional Use Permit application. They turned it in the application within the next 24 hours, just beating the state deadline. All of this happened after being under the impression that they had done everything right.

Mayor Rose clarified what Mr. Hake is requesting is for the City to lift the local moratorium to allow the Conditional Use application submitted by Tenderfoot Health Collective to be processed. Mayor Rose allowed Mr. Woods to speak again.

Mr. Woods said the issue is with the applicability. In my process with the town and planning and zoning we had to submit a complete floor plan, we had to have a fire inspection of all the rooms. During the inspections we had to show them where all of our breaker boxes were and he is a little mystified how this could happen.

Mayor Rose said there can be contradictory information from attorneys. What this body is supposed to do is to make a policy and staffs' job to implement policy.

Mayor Rose closed the public speaking. Councilor Stewart ask a question to Attorney Hanlon. Since Mr. Cleary applied and we are thinking about lifting the local moratorium., is it possible that someone else could come back and say that they would have applied if they had only known? Hanlon said there is a possibility someone could do that, but you never know if that could happen. More information may be forthcoming.

A motion was made by Moore to direct staff to draft an Ordinance to lift the moratorium on Medical Marijuana. The motion was seconded by Damman. With all in consensus, THE MOTION CARRIED.

6. Final Settlement Y & K /Water Meter Replacement Project

Robert Vance, Public Works Director, presented information that is included in the packet for the record. The request is to authorize final payment to Y & K Excavation Inc. for the work they performed for the Water Meter Replacement Project. The final payment is for retainage and totals \$1057.70.

The City of Salida went to bid in November 2009 to replace the water meters in the city with Orion radio read meters. This project was awarded to Y&K Excavation Inc. The project was completed in April. The Public Works Department conducted a final inspection and held read session and found that the meters are installed per bid specifications. Notice of Final Settlement was published in the Mountain Mail on June 9, 2010 and has ran twice a week until July 2, 2010. The City has not received any notice of claims against Y&K and therefore requests authorization to make final settlement with Y & K Excavation INC.

A motion was made by Moore to authorize City Staff to make final payment to Y & K Excavation, INC. for \$1057.70; which is the retainage being held. The motion was seconded by Damman. With all in consensus, THE MOTION CARRIED.

7. Final Settlement Lowry/Whitewater Park & Greenway Phase 4 (Rob Vance)

Robert Vance, Public Works Director presented information that is included in the packet for the record. The request is to authorize final payment to Lowry Contracting, Inc. for the work they performed for the Whitewater Park and Greenway Phase 4 Project. The final payment is for retainage and totals \$11,332.00.

The City of Salida went to bid in February 2010 on the Whitewater Park and Greenway Phase 4 Project. This project consisted of installing Whitewater drop features and repairs to existing river features in the Arkansas River. This project was awarded to Lowry Contracting, Inc. The project was completed in April. The Public Works Department conducted a final inspection and all corrective actions were completed satisfactorily. Notice of Final Settlement was published in the Mountain Mail on June 9, 2010 and has ran twice a week until July 2, 2010. The City has not received any notice of claims against Lowry Contracting Inc. and therefore requests authorization to make final settlement with Lowry Contracting, Inc.

A motion was made by Damman to authorize City Staff to make final payment to Lowry Contracting Inc. for \$11,332.00; which is the retainage being held. The motion was seconded by McCormick. With all in consensus, THE MOTION CARRIED.

8. Administrator/City Attorney/Deputy City Clerk

a. Administrator's Report –

Finance Director Jan Schmidt presented information in the absence of Administrator Lewis. Theresa Casey prepared invitations for everyone for the grand opening of the new Whitewater Park on July 14. She invited each Councilor to take a raft trip and participate in the ribbon cutting at the boat ramp. Afterwards a fundraiser will be held at Arkansas River Trust. The project was funded by a grant through lottery proceeds and the engineering was done by Mr. Harvey of the ART.

Staff needs direction for the next round of GOCO grant applications. This is follow-up for the morning work session regarding a memo that's dated July 6th by MacDonald. Ms Casey, Recreation Coordinator spoke to Mr. Mallet who has committed to pledge the money for the Marvin Park bathroom. The projects are numbered.

1. Trust for Public Lands request for a conservation easement on the western 28 acres of the water galleries property.
2. Lowry 80 acres – the LTUA and the SMT have both expressed an interest in limiting development on this parcel by bringing it into City ownership with a conservation easement.
3. Centennial Park – The Recreation Advisory Board recommends improvements to this park.
4. Marvin Park Improvements – Jerry Mallet has proposed improvements at the ball field.
5. UPRR trail acquisition – The UPRR is working on acquiring an appraisal of the land for a trail along the river and easement for an underpass.
6. NRC Extension to Little River – Discussions about the NRC on the Vandaveer property it has been requested that the site have access to the River, a fishing pond and outdoor areas for education. This property is North of the NRC site abutting the South Arkansas River.

Councilor Baker said in light of the financial condition of the City he goes with the two projects that are free of cost to the City. His order of preference is for numbers 5, 4 and 6. Councilor Damman's order of preference is numbers 5, 2, and 4. Councilor Stewart's order of preference is numbers 5, 2 and 4. Councilor Moore said his choices in order of preference are numbers 2, 4 and maybe 1. There needs to be some work done on 1. Councilor McCormick felt like is a priority 6,

These priorities will be used to determine which grants are applied for.

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

Attorney Hanlon stated that there is a possibility that he will not be here on the 20th of July.

- c. Deputy City Clerk -

Deputy Clerk Janella Martinez had nothing to report. Seven water samples were submitted dated 6/01/10 (2), 6/07/10(3), and 6/08/10(2). All tested safe as reported by the Colorado Department of Health.

The Colorado Department of Revenue, Liquor Enforcement Division, was in Salida over FIBArk weekend. City Council issued Special Events Liquor Permits, including one to Heart of the Rockies Chamber of Commerce who hosted Ride the Rockies. Council also approved some “modification of premises” to existing full time licensees. I am pleased to report that no violations were written.

Chaffee County Clerk Joyce Reno requires notification of any ballot issue the city wishes to place on the November 2, 2010 ballot by Friday, July 23, 2010. The notice will need to state the type of issue that will be included on the ballot. This notice will prompt preparation of an Election IGA between the County and the City. If the city does not send written notification by Friday, the County Clerk will assume we will not be participating in the upcoming election.

7. Elected Official Reports -

- a. Treasurer- Eileen Rogers.

There was no Treasurer’s report this evening.

- b. Mayor –

Thanked all of the volunteer who have made the latest events possible. He also thanked all City staff for doing so much, especially Rob Vance, Terry Clark and Don Taylor. Thank you all.

He thanked Vickie Sue Vigil and the Arkansas Valley Trust, and Town and County for bringing the Air Force Band. Councilor Damman agreed that it was one of the primary events of the season.

- c. City Council-

There were no Council reports.

Councilor McCormick being a Rotarian when we formed the amphitheater in Riverside Park thought it would be big enough to hold events in Salida. After attending the Air Force Bank concert and seeing the park so full and it might already need to be enlarged. He thought the Planning Department should look into

ADJOURNMENT –

A motion was made by Moore to adjourn the meeting at 8:46 p.m. The motion was seconded by Baker. With all in consensus, THE MOTION CARRIED.

Mayor

[SEAL]

Deputy City Clerk

Respectfully submitted by Janella S. Martinez, Deputy City Clerk