

**GRAND JUNCTION CITY COUNCIL
MINUTES OF THE REGULAR MEETING**

June 5, 2013

The City Council of the City of Grand Junction convened into regular session on the 5th day of June, 2013 at 7:04 p.m. in the City Auditorium. Those present were Councilmembers Bennett Boeschstein, Rick Brainard, Martin Chazen, Jim Doody, Phyllis Norris, and Council President Sam Susuras. Also present were City Manager Rich Englehart, City Attorney John Shaver, and City Clerk Stephanie Tuin.

Council President Susuras called the meeting to order. Councilmember Doody led the Pledge of Allegiance, followed by an invocation by Pastor Mike Ferguson, Providence Reformed Evangelical Church.

Proclamations

Proclaiming the Month of June and Wednesday June 26, 2013 as “Bike Month and Bike to Work Day” in the City of Grand Junction

Councilmember Boeschstein read the proclamation. Elizabeth Collins said that Grand Valley Bikes is proud to be a part of Bike Month and encouraged all to register for this program. Julie Sabin, on behalf of the Urban Trails Committee, thanked the City Council for the City’s support of Bike Month.

Proclaiming the Month of June 2013 as “Adult Protection Awareness Month” in the City of Grand Junction

Councilmember Chazen read the proclamation. Tanya Harbert of Mesa County Human Services introduced herself and Cameron Ray from the Adult Protection Team. They are proud to announce they have had success working with local law enforcement and have turned some cases over to the District Attorney’s Office. They were also able to get Senate Bill 111 passed and it will go into effect July 1, 2014. It changes mandatory reporting for certain members of the community.

Proclamation Celebrating the Life and Contributions of Councilmember Harry R. Butler

Mayor Susuras announced this proclamation which will be framed and hung in City Hall with Councilmember Butler’s picture. He recognized Councilmember Butler’s family in attendance. He then read the proclamation. Mrs. Butler addressed the City Council and thanked everybody for their kindness.

Council Comments

Councilmember Boeschstein said he and his family are really going to miss Harry Butler.

Mayor Pro Tem Chazen said he visited the Forestry Board; he lauded their work and noted how it is such a great public/private partnership. He described how one company in the arbor business offered free pruning services at the Arbor Day Festival to people in the community who needed assistance with pruning in their yards. He said he appreciated the services that were offered to those in need and thanked those who provided the service.

Citizen Comments

Clark Carroll, 1240 Cannell Avenue, said he speaks publicly to fix some of the ills of society. He addressed public education. He would like to see universities and people avoid pitfalls of sociopathic development. He also spoke in order to protect at-risk adults. He addressed educational finance. Recently the Governor suggested a tax on marijuana to create funding for education. He would like to see funds earmarked for the university that will reduce the debt of students. He would also like to see money earmarked for at-risk adults. He encouraged growth and expansion. He shared a story about Burl Arthur Erickson; he wants to carry on Mr. Erickson's legacy.

Seth Anderson, 1412 Ouray Avenue, distributed a proposal for his vision for Las Colonias Park. He then introduced himself as the owner of Loki. He gave his condolences to the Butler family for their loss. He noted his proposal is ahead of the planning for the Las Colonias Park, however, he has put together a group of local businesses to help build an amphitheatre at Las Colonias Park. He described his vision and said there is a community spirit to help fund it. He noted the park needs to be built first and the amphitheatre would be built last. He said the amphitheatre should be a strong artistic symbol and should be built by local businesses.

John Williams, local resident and artist, said a hundred people including business and property owners have come to him saying they are upset that Rick Brainard won't step down. He said the City Council should treasure the town. Many have asked him to come and speak and ask Mr. Brainard to step down. If Mr. Williams had a personal problem and was on a board, he would step down.

Anne Landman, 671 Moonridge Circle, offered condolences on the death of Councilmember Butler. She referred the City Council to a copy of an internet page where Diane Schwenke with the Chamber of Commerce shared a derogatory joke against atheists. Many in Grand Junction have found Ms. Schwenke's joke offensive. It is cyber-

bullying. Ms. Landman started the Western Slope Atheists and Freethinkers. She has heard frequently that atheists are afraid to admit their belief for fear they will be shunned. She described citizens who are atheist as educated, volunteers in the community, business owners, and great participants of this community; they do not deserve the bigotry. She notified the President of the Board of Directors for the Chamber of her concerns but has not received a response or an apology. By its inaction, the Chamber is supporting Ms. Schwenke. If the City Council continues to support the Chamber, then they too are supporting the bigotry. She asked the City to pull its membership with the Chamber of Commerce until Ms. Schwenke apologizes or is no longer the President.

Poppy Woody, President of the North Avenue Business Association, expressed condolences for the loss of Councilmember Butler. She then lauded the work and support of the City Council and Staff, including Dave Thornton, Kathy Portner, Tim Moore, and Lisa Cox, for all the help they have given their Association. They are looking to complete the repairs on North Avenue this year, complete the urban renewal plan, and set the stage for future public and private partnerships. Their goals are to promote economic revitalization, beautification and upkeep of North Avenue, and return it to a vibrant residential and business area. North Avenue is the third largest contributor to the City's sales tax revenue, but it is down 20% due to the deterioration of the North Avenue Corridor. However, the goals for this corridor can, with the help of the City, become a reality.

CONSENT CALENDAR

Councilmember Doody read the Consent Calendar items #1-6 and then moved to approve the Consent Calendar. Councilmember Boeschstein seconded the motion. Motion carried by roll call vote.

1. **Minutes of Previous Meetings**

Action: Approve the Minutes of the May 22, 2013 Regular Meeting and May 29, 2013 Special Meeting

2. **Setting a Hearing on Zoning the Karis House Annexation, Located at 536 29 Road** [File #ANX-2013-141]

A request to zone the 0.207 acre Karis House Annexation consisting of one parcel located at 536 29 Road, to R-8 (Residential – 8 units per acre) zone district.

Proposed Ordinance Zoning the Karis House Annexation to R-8 (Residential – 8 Units Per Acre), Located at 536 29 Road

Action: Introduction of a Proposed Ordinance and Set a Hearing for June 19, 2013

3. **Contract for the North Avenue Accessibility Improvements Project, Along North Avenue between 1st Street and 29 Road** [File #CDBG-2012-14]

This request is to award a construction contract for the North Avenue Accessibility Improvements Project. The scope of the project consists of construction of accessible ramps and segments of concrete sidewalk at various locations where these pedestrian improvements are substandard or non-existent.

Action: Authorize the City Purchasing Division to Sign a Contract with All Concrete Solutions, LLC in the Amount of \$52,677.63 for the North Avenue Accessibility Improvements Project

4. **Contract for CDOT Maintenance of Traffic Control Devices**

The CDOT Maintenance Contract for Traffic Control Devices provides the City with annual reimbursement for City forces to maintain traffic signals, signs, striping and marking on State Highways within City limits.

Resolution No. 36-13—A Resolution Authorizing an Agreement Between the City of Grand Junction and the Colorado Department of Transportation (CDOT) to Perform Traffic Maintenance Services on State Highways

Action: Adopt Resolution No. 36-13

5. **Contract for the 2013 Sewer Line Replacement Project**

This request is to award a construction contract for the sewer line replacement project at various locations within the Persigo 201 boundary. This annual program replaces aging sewer lines that have surpassed their design life. In all, a total of 12,070 lineal feet of sewer main line will be replaced as part of this project.

Action: Authorize the City Purchasing Division to Enter into a Contract with Sorter Construction, Inc. of Grand Junction, CO for the 2013 Sewer Line Replacement Project for the Bid Amount of \$1,234,564

6. **Amending Council Committee Assignments for 2013 - 2014**

On May 6, 2013 the City Council reviewed and determined who on the City Council would represent the City Council on various boards, committees, commissions, authorities, and organizations. The proposed resolution amends those assignments.

Resolution No. 38-13—A Resolution Amending Resolution 30-13 Appointing and Assigning City Councilmembers to Represent the City on Various Boards, Committees, Commissions, Authorities, and Organizations

Action: Adopt Resolution No. 38-13

ITEMS NEEDING INDIVIDUAL CONSIDERATION

Appeal of the Planning Commission's Decision Regarding the Department of the Interior Conditional Use Permit for Properties Located at 445 West Gunnison Avenue and 302 West Ouray Avenue (CUP-2013-69) [File #APL-2013-209]

Appeal of the Planning Commission's approval of a Conditional Use Permit (CUP-2013-69) for offices, located within an existing and expanded structure, with an accessory fleet vehicle and outdoor storage yard located on 4.374 acres at 445 West Gunnison Avenue and 302 West Ouray Avenue for the Department of the Interior, all within a C-1 (Light Commercial) zone district.

John Shaver, City Attorney, introduced this item. He provided an overview of the item. This comes to Council as an appeal of the Planning Commission's decision. This appeal is on the record. The City Council is to determine whether the appeal has been satisfied, and not substitute their opinion for the Planning Commission's decision. He listed the four criteria:

- (A) The decision maker may have acted in a manner inconsistent with the provisions of this Code or other applicable local, State or federal law; or
- (B) The decision maker may have made erroneous findings of fact based on the evidence and testimony on the record; or
- (C) The decision maker may have failed to fully consider mitigating measures or revisions offered by the applicant that would have brought the proposed project into compliance; or

(D) The decision-maker may have acted arbitrarily, acted capriciously, and/or abused its discretion.

Councilmember Doody inquired if the El Poso residents who are appealing understood those criteria. City Attorney Shaver deferred to Senior Planner Brian Rusche as he has had contact with the appeal group.

Council President Susuras asked about the Council's options. City Attorney Shaver said the Council can either reverse the decision, deny the appeal thus affirming the decision, or remand the matter back to the Planning Commission.

A member of the public approached the microphone and asked for the opportunity to speak. He was denied as the matter must stand on the record.

Councilmember Doody asked if the El Poso neighborhood group was aware of how this proceeding would proceed.

Senior Planner Brian Rusche confirmed the process was communicated to the appellant for El Poso, Juanita Trujillo.

Council President Susuras asked why it was stated in the minutes that this would be a buffer between the commercial and residential areas. Mr. Rusche said the application contains landscaping and other improvements to the property that make it function as a buffer, whereas now, it is a vacant lot.

Councilmember Norris asked if the entire plan was presented at the neighborhood meeting. Mr. Rusche said the applicant did provide drawings showing their intent at the first meeting. At the second meeting, drawings were available that had been revised based on comments received at the first meeting. The drawings submitted with the application were available to the public.

Councilmember Boeschstein noted that outdoor storage is allowed in the C-2 zone but not in zone C-1 where this property lies. Mr. Rusche said the legal department determined that the outdoor storage is an accessory use to the office use. Councilmember Boeschstein asked if it was considered to have the outdoor storage at another location. Mr. Rusche said he did not recall if that had been discussed.

Due to lack of a motion, Council President Susuras asked City Clerk Stephanie Tuin to call the roll and for each Councilmember to either affirm, reverse, or remand the decision. The roll call vote was to affirm the Planning Commission's decision, with Councilmember Boeschstein voting to remand.

Public Hearing—Peony Heights Annexation and Zoning, Located at 612 Peony Drive [File # ANX-2013-96]

A request to annex and zone 0.92 acres, located at 612 Peony Drive. The Peony Heights Annexation consists of one parcel, including portions of the Peony Drive and Broadway (Hwy. 340) rights-of-way. The total annexation area contains 1.12 acres of which 0.20 acres or 8,818 sq. ft. is right-of-way. The requested zoning is the R-5 (Residential – 5 du/ac) zone district.

The public hearing was opened at 8:00 p.m.

Lisa Cox, Planning Manager, reviewed the Blended Residential Land Use Category Map. She provided the background of the development of the Blended Map which was part of the Comprehensive Plan. The purpose is to simplify the way the City Council looks at land use categories. The Blended Map is a broad map which only applies to residential land use categories; it is a way to provide housing choice and flexibility. She explained the three categories. It groups compatible densities; any incompatibility would be mitigated with site design. The Blended Map is unique and was the reason the City Planning Department received an award.

Scott Peterson, Senior Planner, presented this item. He described the site, the location, and the request. He explained how the Blended Map was used to determine what zoning could be applied to this property. The applicant is requesting R-5 zoning, which is compatible with existing land uses to the north and to the south of the annexation area. The properties located immediately to the north and south contain duplex (two-family) housing units. If and when these two properties are annexed into the City, an R-5 zoning will be needed to make the properties conform to the zoning. In the R-4 zoning district, duplex units are not allowed except on corner lots; the two properties north and south of the proposed annexation would therefore be nonconforming if they were annexed and zoned R-4. The two properties are also large enough to redevelop with an additional duplex unit on each lot. Creating additional duplex housing units is consistent with the goals and vision of the Comprehensive Plan and encouraged when and where appropriate. Mr. Peterson stated the application meets the goals and criteria of the Zoning and Development Code and the annexation meets the State requirements for annexation. He therefore recommends approval.

Councilmember Norris asked if R-5 would allow a larger housing complex. Mr. Peterson said with the 5 units per acre maximum, a duplex would be the largest allowed.

There were no public comments.

The public hearing was closed at 8:18 p.m.

Resolution No. 37-13—A Resolution Accepting a Petition for Annexation, Making Certain Findings, Determining that Property Known as the Peony Heights Annexation, Located at 612 Peony Drive and Including Portions of the Peony Drive and Broadway (Hwy. 340) Rights-of-Way, is Eligible for Annexation

Ordinance No. 4586—An Ordinance Annexing Territory to the City of Grand Junction, Colorado, Peony Heights Annexation, Approximately 1.12 Acres, Located at 612 Peony Drive and Including Portions of the Peony Drive and Broadway (HWY 340) Rights-of-Way

Ordinance No. 4587—An Ordinance Zoning the Peony Heights Annexation to R-5, (Residential – 5 DU/AC), Located at 612 Peony Drive

Councilmember Brainard moved to adopt Resolution No. 37-13 and adopt Ordinance Nos. 4586 and 4587 and ordered them published in pamphlet form. Councilmember Boeschstein seconded the motion. Motion carried by roll call vote.

Purchase of a Single Axle 5-Yard Dump Truck with a Magnesium Chloride Spray Tank

This request is for the purchase of a scheduled equipment replacement of a single axle 5-yard dump truck with a magnesium chloride spray tank.

Jay Valentine, Internal Services Manager, introduced this item. He noted the action is to purchase the dump truck with two options, a diesel option and a compressed natural gas (CNG) option. He provided the history of why two options are brought forward, starting with a resolution supporting the Conserving Our Resources Efficiently (CORE) efforts. The City also has a CNG filling station. Due to that resource and infrastructure now in place, when the City bids out a vehicle, the City requests both options. Bids were received from five different companies with 19 different configurations. The diesel option was the lowest bid.

Council President Susuras asked about the life cycle of a dump truck. Mr. Valentine said the life cycle is fifteen years. Council President Susuras noted that it would take 26.8 years to pay off the CNG option yet the truck would be replaced after fifteen years.

Councilmember Norris asked if the operating cost of the CNG facility is reduced as more vehicles use the facility. Mr. Valentine said more vehicles filling with CNG does reduce the cost.

Councilmember Norris asked if he expects CNG to cost less in the future. Mr. Valentine said he does not know, but there is currently a \$2.22 difference per gallon of CNG compared with diesel fuel.

Councilmember Brainard asked if the analysis is based on current or future price. Mr. Valentine said it is always based on the current price, as the future cannot be predicted.

Councilmember Doody recalled a previous discussion and there was an issue with the scrubber and burning diesel emissions. He asked if that is the case with the proposed truck.

Mr. Valentine said with the high particulate filter that is on all diesel engines, regeneration has to occur. The previous discussion did not include a manual regeneration process, which is a different technology.

Councilmember Chazen noted the difference in cost at \$47,602 and based on the incremental final cost it takes 26.8 years to amortize that difference. Mr. Valentine said yes, at the end of fifteen years the cost difference would be about \$21,000.

Council President Susuras said he talked with Lee at the Kenworth dealership in Fruita, who said catalytic converters are designed so that after trucks are parked they need to run for about an hour in order to burn off the excess collection. He suggested that Lee make a presentation on this item at a Council workshop to help Council understand the difference between a CNG versus diesel vehicle.

Councilmember Doody agreed with Council President Susuras that it would be interesting and educational to have this presentation.

Councilmember Boeschstein said the City is committed to clean energy. It's not just the cost of the fuel for consideration, it is also the cost of air pollution from diesel engines. Diesel has to be brought in from overseas and CNG is domestic. He therefore supports CNG vehicles. He noted this item could have been on the consent agenda.

Councilmember Doody said the City Council needs to discuss and continue their education of the new technology.

Council President Susuras said he agrees with the goal of clean energy but it is not always the best decision when it comes to the financial side.

Councilmember Chazen moved to authorize the City Purchasing division to purchase a single Axle 5-yard Dump Truck with a Magnesium Chloride Spray Tank from Transwest

Freightliner, Grand Junction, CO, with the Kois Brothers diesel option. The motion died due to lack of a second.

Councilmember Boeschstein moved to authorize the City Purchasing division to purchase a single Axle 5-yard Dump Truck with a Magnesium Chloride Spray Tank from Transwest Freightliner, Grand Junction, CO, with the Kois Brothers CNG option. Councilmember Doody seconded the motion. Motion carried 4 to 2 with Councilmember Chazen and Council President Susuras voting NO.

Avalon Theatre Project

Since 2008 the City, Downtown Development Authority (DDA) and the Avalon Theatre Foundation Board have been working to transform the Avalon Theatre into a fully functioning performing art center. As a result of a three phase master plan, design work and construction documents were completed for the first phase (core) to address life safety, accessibility and improved public amenities. This core project was put out to bid earlier this year. FCI Constructors proposed were the most responsive and responsible low bid and have since been working with the project team to bring construction alternatives to the City Council.

City Manager Rich Englehart introduced this item. He took the opportunity to express Staff's appreciation for the actions taken regarding the passing of Councilmember Butler; he will be missed. He noted this item was to be presented at the workshop on Monday. This project has been ongoing for eight years and this is the proposal. He said the presentation will start with Downtown Development Authority Director Harry Weiss. The second presenter will be Daniel Gartner, Chamberlin and Associates, who will speak to the alternatives. City Manager Englehart thanked Daniel Gartner and FCI Construction for the time and effort in developing these alternatives based on City Council's direction at a workshop in April. He noted that Trent Prall, City Engineer, is present to answer questions. Stuart Taylor, Manager of Two Rivers and the Avalon, will address business models. Jay Valentine, Internal Services Manager, is present to help answer questions on the business models; he is Administration's representative on large capital projects. Lastly, Robin Brown, Avalon Theatre Foundation Development Director, will speak.

DDA Director Harry Weiss provided a comprehensive history of the Avalon. Beginning in 1923 when the Avalon first opened, it was a locally owned stock holder corporation. In 1947 it reopened as Cooper Theatre, and closed as a theatre in the mid 1980's. In the mid 1970's the community advocated for a performing arts center. The Two Rivers Convention Center (TRCC) was successful and there was discussion about building a performing arts center next to TRCC. This turned out to be a little too optimistic at the time. Sights were turned back to the Avalon Theatre as a performing arts theatre. In 1994, the City acquired the theatre and the DDA managed operations until 2002. The City has a total capital investment through 2009 of \$260,000. In 2005, the Avalon

Theatre Advisory Committee Feasibility Study took place. In 2009, the DDA, along with the Grand Junction Symphony, funded a master plan to transform the Avalon into a state-of-the-arts venue, and in 2010, this plan was presented to City Council. In 2012, the City and the DDA each committed \$3 million, with the Avalon Theatre Foundation Board committing to raise \$1 million.

Council President Susuras said it was his recollection that the Avalon Theatre Foundation Board committed to raising \$2 million, not \$1 million.

Councilmember Boeschstein agreed the number has fluctuated and they expected private fundraising was to raise at least \$1 million, if not more. Councilmember Doody agreed but noted the resolution does state \$1 million.

Councilmember Chazen recalled from work sessions earlier in the year, a number closer to \$2 million.

Councilmember Norris agreed with Councilmember Chazen, recalling a number closer to \$2 million.

Robin Brown, Avalon Theatre Foundation Development Director, clarified that on the Phase One construction estimates of \$7 million to \$8.5 million, the Foundation was going to raise the difference.

Mr. Weiss said a renewed Avalon would draw many people from different geographical areas. He noted that this is a strategic plan to diversify visitation and economic development as a whole.

Daniel Gartner, Chambelin Architects, said he has worked on the Avalon ever since he came to Grand Junction twenty years ago. He feels this is the opportunity for the Avalon Theatre to go in the direction it should. He displayed the full build out concept drawing. He agreed that the full build out cannot be afforded now so they came up with another alternative. They are hoping to build the "core project" which includes remodeling the main hall, adding a large addition which includes the multipurpose room, expanded restrooms, and a lobby. The second floor of the core project was described. The core project came in at \$8.6 million which was too rich, so they evaluated other alternatives. Value engineered Alternative A came to \$8.2 million. Still too high so they evaluated three other alternatives. Alternative B includes building only the shell of the core project, which includes renovating the existing building. The auditorium and finishes would be completed in the existing building, but to the east only the exterior walls and roof would be built and not finished inside. This would allow it to be finished in the future as funds are available.

Council President Susuras asked if Alternative B would include the elevator. Mr. Gartner said the shaft would be there but not the elevator. Mr. Gartner stated the old part of the building would be able to be occupied. Council President Susuras asked if this would violate the Americans with Disability Act (ADA). Mr. Gartner stated this alternative is not in full compliance with the ADA. Council President Susuras asked whether, once renovation is started, one is required to comply with the ADA.

Mr. Gartner continued: Alternative C includes building just the elevator and the bathrooms in the new addition; they would be completed and available for use. This alternative would be compliant with the ADA and Building Code. He showed a concept of how Alternative C would look from the outside.

Councilmember Chazen asked what triggers the ADA and whether the City is obligated to make the building ADA compliant. Mr. Gartner said the risk is someone will sue the City because of ADA non-compliance. There are a lot of buildings not in compliance, however, it is legally required by the ADA that all new construction must be in compliance. It is also required that public accommodations be provided in existing buildings. In the existing building, it was determined that the single restroom on the main floor provides reasonable accommodation and there is existing access for wheelchairs.

Councilmember Chazen asked how long the building has been operating under the existing circumstances. Mr. Gartner answered since 1994, when a new façade was completed and the building was made compliant per Building Code.

Councilmember Norris asked how much seating would be available in Option C. Mr. Gartner said each alternative would yield 1,100 seats while there are about 967 seats available now.

Stuart Taylor, Manager of the Two Rivers Convention Center and Avalon Theatre, proposed some different business models based on the alternatives. He reviewed the current use. The number of events in 2011 and 2012 were about the same but there was greater attendance in 2012. 30% of the on-line ticket purchases were by out-of-county attendees. Even with "Dinner and a Movie", where tickets are free, revenues are still made from concession sales.

Mr. Taylor noted that Alternative A would increase the number of events by 18% and the number of attendees by 31%. Cultural amenities are what many people look at when considering relocating to Grand Junction.

Mr. Taylor addressed the impact the renovation of the Avalon would have on the community regarding jobs.

Councilmember Chazen reviewed the numbers and the costs and questioned whether it makes sense.

Internal Services Manager Jay Valentine said perhaps it may not make sense financially, but what that revenue generates is for the public service and public good for the community.

Councilmember Chazen asked about the projected revenue. Mr. Valentine referred to the trickle-down effect.

Councilmember Chazen asked about the labor costs and questioned if the full cost is in the report. Mr. Valentine said this model does include all the costs. The difference is mostly part-time labor. Councilmember Chazen asked if it is reasonable to think this facility can be run with two people.

Mr. Taylor described how the part-time labor force is balanced with work at Two Rivers Convention Center.

Councilmember Chazen asked about the cost of movies and why those numbers are the same. Mr. Taylor said it only goes up slightly if the multipurpose room is available.

Councilmember Doody suggested that having a roundtable with Ron Wilson of Sandstone might help develop more efficiencies for running the Avalon.

Council President Susuras called a recess at 9:25 p.m.

The meeting reconvened at 9:33 p.m.

Robin Brown, Development Director for the Avalon Theatre Foundation, said she was pleased to be at this point in the process. She announced the Avalon Theatre Foundation Board has raised over \$1 million as pledged. She said they have only just started the fundraising. The Foundation is pleased to work with Chamberlin and FCI.

Councilmember Chazen asked when the other pledges will be coming in. Ms. Brown said they will come in over the next four years. Councilmember Chazen asked how much will be available by the end of the year. Ms. Brown distributed a spreadsheet that answered Councilmember Chazen's question. Councilmember Chazen noted that by year end they would have about \$340,000.

Councilmember Norris noted the big difference between the bid and the value added alternatives. Mr. Valentine said the FCI bid was based on the Westlake, Reed documents. After the bid process, FCI was able to find areas where the bids could be lowered due to value engineering.

City Manager Englehart noted that if one of the options presented tonight is not used, the bidding process will be reopened, and the contractual arrangements that have been made would be terminated.

Councilmember Chazen asked how the financing would be bridged from 2014 to 2016. Mr. Valentine said the City would bridge that as a long term receivable based on a written agreement.

Council President Susuras asked if that would be funded out of the rainy day fund. Mr. Valentine said it would be funded out of the City's portfolio. It would be recorded as revenue the year the City received the note.

Councilmember Doody asked if FCI has done the value engineering out of their pocket. Mr. Valentine said yes, currently the City is using them on an hourly basis.

Councilmember Boeschstein said looking at the proposal simply as a cash flow issue is not the correct way to look at it because the building is deficient by not being ADA or life safety compliant.

City Manager Englehart said this is the conclusion of the presentation.

Council President Susuras asked about the Grand Junction Symphony involvement.

Ms. Brown said the Symphony has been and will continue to be involved.

Karen Hildebrandt, 285 Chinle Court, came to the podium. She said she has been involved in the project for over ten years. As a board member of the Symphony, they thought due to cost of a new free standing facility, they began to look at the Avalon. They look at the project for the cultural community overall. She also supports it as a downtown property owner, and feels the investment the City is willing to make will come back to the City in sales tax revenue.

Kurt Gustafson, Symphony Director, said they understand the Symphony will not be able to perform with the completion of the core project. They feel they have to get to Plan A before they can get to Plan B. They could use the Avalon with a reduced orchestra for an event.

Council President Susuras asked how many people in the audience would be performed to.

Kelly Henderson, Grand Junction Symphony Executive Director, said the average attendance goes from 1,100 to 1,450, it depends on the event. They could do two performances to accommodate all the attendees (a matinee). As an organization, getting

into the Avalon is important to their employees and the money generated from this goes directly back out to the community.

Councilmember Chazen noted that the complete project is \$14 to \$16 million and asked about the City's obligation projected for the rest of the project.

City Manager Englehart said the resolution clearly states that \$3 million is the maximum the DDA and City are willing to put in.

Councilmember Brainard asked when the Foundation has to have the \$1 million. City Manager Englehart said it should be on hand or committed within the dates of the resolution.

Council President Susuras opened the public hearing at 8:43 p.m.

John Cunningham with the Centennial Band has been involved in discussions with the architects and one of the users of the Avalon. The Band has used the Avalon about 125 times. They want to have rehearsal space as promised. The City's support is needed and appropriate going forward with the value engineered alternative. The stage needs to be expanded and the building needs to have the ADA renovations. The Avalon Theatre is utilized by the whole community.

Bobbie Alpha, 843 25 Road, a member of the Avalon Foundation Board, said this is a facility, a public building for the enjoyment and the spread of culture and community events. It brings people to Grand Junction and brings taxes through the downtown businesses. She is also on the Mesa County Concert Association and they have had season ticket holders sell out at 1,500. Currently they perform at the Grand Junction High School Auditorium.

Roger McClellan, president of the Bookcliff Chorus, said music saves lives. The folks that are dedicated to the symphony work with altruistic purposes to provide this enjoyment. He asked the Council to look at the human cost of not doing it.

Scott Hildebrandt, 775 Jade Lane, supports proposals A and C and believes a major modification would require ADA compliance. He said Grand Junction High School is not the proper venue for all these events. Having a first rate performing arts center is important to the City of Grand Junction. He addressed the regional attraction of having a performing arts center. He said when the project starts, people will start donating. He encouraged the City Council to take the first step.

Tim Findley, long time resident, said Harry Butler gave his life for this community and urged the Council to remember that. Mr. Findley has only been in the Avalon Theatre one time. He addressed spending money on a business that cannot sustain itself. He did not feel a venue this substantial was in the right location. He said the City will be holding

the bag if the promises are not fulfilled. He said the Downtown is the grand jewel of the City but there are others, like North Avenue and Mesa Mall.

Kerry Norton, moved here eight years ago. He is a member of the Concert Association and was negative about the use of the High School Auditorium. He said when the Avalon attracts big names, it is sold out. The City needs a theatre that will sell out shows.

Robert Noble, 1031 Ouray, offered his sympathies and condolences for the loss of Harry Butler. Regarding the Avalon, the seats in the High School auditorium are designed for children and the discomfort of the seats detracts from the performances. He has a friend in a wheelchair and she has complained about the lack of accessibility of the Avalon. It is an important issue. There are forty-four performing groups in the valley that are being denied a venue. He fears if the transformation of the Avalon does not take place, it will be abandoned and become another White Hall.

Don Caldera, Red Ranch Drive, two year resident of Grand Junction, Director of the Symphony and on the cabinet for the Avalon Cornerstone Project, said the value added engineered phase will make an 1,100 seat facility. Over the last eight or ten months there have been many needed meetings. He personally has made over 250 contacts, and there is skepticism whether the project will start. He said the City Council is at a very gestative moment. He begged the City Council to get it started stating they will be amazed at the fundraising as it goes forward.

Kevin McCarney, who resides in Mesa County, said the value added project leaves a \$1.1 million shortfall. The sales tax revenue is down. He loves the arts but the money is not there. The efforts needed are to concentrate on getting the Western Slope economy going.

John Halvorson, 711 Galaxy Drive, Chairman of the Avalon Foundation Board, congratulated the City Council on their serious consideration of this project. There are a lot of people waiting in the wings to see if the first stage will get underway. He is optimistic and sees good virtue in this project. Regarding the symphony, he was a long-time member of the Symphony Board. They will be able to use the multipurpose room for rehearsal. The project will help attract bigger names, and many will come from Las Vegas to Denver. He described the existing dressing rooms and back stage which are in an adjacent building outside the Avalon. He encouraged support.

David Wall, 2297 Tall Grass Drive, owner of Snob Productions, has worked with every single group in the room and helped make their shows come to life. He urged the Council to do it right, not half way. With the transformation of the Avalon, the opportunity is there and would jumpstart the economy.

Andy Comisky, 1337 Rood Avenue, grew up here and has resided here the last three years. He endorsed the comments of looking at the quality of life for the future generations. He asked Council to vote with their heart.

Peggy Adams, 507 22 ¼ Road, long time resident and a great lover of Grand Junction, said she really loves the downtown and the Avalon and has been a great customer of the Avalon. She has been to the Avalon many times. She described many of the events. She gave a check to the Avalon; she is conservative and is about common sense, but she is also for putting money where one's mouth is.

Harry Griff, 2636 Chestnut Drive, said he has been involved with Avalon and Las Colonias for the last twenty-five years. It is not a \$16 million project, it is an \$8.5 million project. Everything after that is to get the Symphony into the Avalon. They have the opportunity to raise money to get the Symphony in; the City is not on the hook for anything over \$8.5 million. If the City and the DDA stay with their commitments, the Foundation has a \$2 million obligation and they have grants possible. He said Alternative C should be the choice. He said there has to be a facility to book acts as they come to town. Raising the seating from 900 to 1,100 is a significant improvement. The amphitheatre at Las Colonias will seat 10,000. Both of these are the most cost-effective ways to have these two types of facilities. He said the economy is coming back and the cost will go up. He encouraged City Council to go forward.

Rob Van Gogh, a property owner at 618 and 620 Main Street, encouraged the City Council to vote favorably for the Avalon project. He challenged the new members as this is their first opportunity to see this from the legislative viewpoint. He said they should think for the greater good. He noted it is impossible to please all the people all the time. Every matter that comes before the City Council must be scrutinized by the City Attorney for conflicts of interest.

Earle Mullen, 702 Tranquil Trail, referred to the statement at the top of the agenda to become the most livable community west of the Rockies by 2025. If the Avalon project is approved, that time frame will be moved up. He said the decision should be weighing the benefits with the cost, not against each other. No performing arts center makes money. Yes the money is important but it is not the end-all, be-all. He will be a contributor if he sees this project go forward. One of the virtues of the refurbishment, is it will bring a diversity of things to the community. There will be something for everyone. Culture and entertainment are important considerations for people moving to the community. He encouraged the Council to rise to the occasion.

Ron Maupin, 2440 Wellington Court, said it boils down to the quality of life. It is what makes Grand Junction a great place to live. He has used the Avalon since he was six years old.

Kathy Hall, 663 Cordial Court, said she is the fundraising co-chair and they are not finished raising funds. Many are waiting to make sure the City Council commits. She listed many of the projects that have improved the community over the last thirty years. She said it would be a disaster to have that building empty at that end of town. She asked those that are in favor to stand up. The Avalon Theatre has had many sold out performances.

There were no additional public comments.

Councilmember Brainard thanked those present for showing up. He said he wants to do this, but is disappointed in the lack of a longer view toward all of the arts and not just the Avalon. He would like to see a better business plan. There needs to be a more aggressive business strategy and if it gets funded tonight, a better business plan needs to be developed.

Councilmember Chazen said his position has not changed. He likes the project but the financing does not make sense. He said this a commercial venture and venue. When it crosses that line, it is his job to make sure the citizens have a rate of return. He loves the arts but questions whether this is the right time and the highest and best use of these funds.

Councilmember Norris said she has gone to the Avalon all of her life. She would love to see the project happen but the sales tax revenue is down 3%. She said she does not think it can be afforded and she feels it is not the right time. She would like to see this go back to Staff to see how it can be workable.

Councilmember Doody said Councilmember Butler was going to vote in favor of this project. Councilmember Doody thinks this is a great project but agrees there needs to be a better business plan. He thinks this is the right location. Other properties will develop nearby if this project goes forward. The businesses will generate more revenues. The City just gave Colorado Mesa University (CMU) \$7 million; that investment is hard to measure, but it was the right thing to do. He will vote in favor of the Avalon Project.

Councilmember Boeschstein said he is also in favor and it is important to do something. He referenced the Lincoln Park renovation and the Police Station renovation, which were debt; this project is not debt. There is a local contractor ready to go to work and that will create jobs. The improvements need to be made. It is not just an elite facility, it is a community theatre. The City needs to act like a metropolitan area. The Avalon is sustainable and has been in the black for the last two years.

Councilmember Brainard directed a question to City Manager Englehart; he understands the pressure to make a decision due to FCI waiting, but how much time is there to deliberate?

City Manager Englehart said the 60-day extension has expired with FCI, and he cannot answer to how long they will wait.

Stan Kiser, from the Redlands and FCI, said he asked all the subcontractors about extending an additional 60 days and got buy-in from all but two, and he thinks FCI would honor their bid.

Councilmember Brainard said he would like to see the project come to fruition but the business plan doesn't add up and he felt it was too conservative.

City Manager Englehart said the model put forward was the most conservative estimate; they would need to know what alternatives to move toward in order to better estimate the numbers.

Councilmember Chazen asked how much is allocated for 2013. City Manager Englehart said the \$3 million is over two years, and can be allocated in various ways.

Council President Susuras questioned the resolution conflicting with the \$3 million allocation versus the 2013 budget that he was part of approving. City Manager Englehart said the \$3 million has been earmarked.

Council President Susuras said the project keeps getting presented differently and he feels it is confusing. He is afraid the City will be left on the hook. He does not want to see the Avalon as a dark building, however, the Avalon Committee has not come through with their fundraising. He asked if the DDA would commit to the back funding.

DDA Director Weiss said the DDA is disinclined to provide a guarantee until the City comes through with a commitment.

Council President Susuras said he thought this seemed like a "stand off".

Councilmember Chazen asked how much the City has already spent on this project.

City Manager Englehart said City Council committed \$100,000 for the feasibility study early on. He said City Council has always been made aware that this is a \$3.1 million project. He deferred additional financial questions to Mr. Valentine.

Mr. Valentine confirmed what City Manager Englehart said; the City has spent \$241,000, the DDA has spent \$401,000, and the Avalon Theatre Foundation Board has spent \$230,933.

Councilmember Chazen asked if there has been any thought of taking the City out of ownership or operation of the Avalon Theatre. City Manager Englehart said that is a policy question that requires City Council discussion and direction.

Council President Susuras asked for confirmation from City Manager Englehart, that one of three options needs to be decided on.

Councilmember Boecheinstein noted that this is a decision to enter into negotiations, not sign a contract. City Manager Englehart confirmed this would be for contractual negotiations and it would not exceed the \$3 million City commitment.

Councilmember Doody asked City Manager Englehart if the motion were to be affirmed, would Council need to look at Alternative Options B and C. City Manager Englehart said yes.

Councilmember Boeschenstein moved to direct the City Manager to enter into negotiations with FCI Constructors and Chamberlin Architects for contracts not to exceed the City's commitment of \$3,000,000 for Alternative B. The motion died for lack of a second.

Councilmember Doody moved to direct the City Manager to enter into negotiations with FCI Constructors and Chamberlin Architects for contracts not to exceed the City's commitment of \$3,000,000 for Alternative C. Councilmember Boeschenstein seconded. The motion failed 3 to 3 with Councilmembers Norris, Chazen and Council President Susuras voting NO.

Councilmember Doody asked City Attorney Shaver for a legal interpretation of this last vote. City Attorney Shaver said because the vote was tied 3 to 3 the motion was defeated, therefore, Resolution No. 27-12 would remain in effect, although it would not preclude further Council discussion.

Councilmember Norris asked City Attorney Shaver to confirm if the City Council was still in the same place because Council has not directed the City Manager to move forward with a direction. City Attorney Shaver said yes.

Councilmember Norris moved to amend Resolution No. 27-12 to allow time to review the project and time to decide. Councilmember Brainard seconded the motion. Motion carried 4 to 2 with Councilmembers Boeschenstein and Doody voting NO.

Council President Susuras asked if that was all that was needed from Council at this point. City Attorney Shaver said there are two questions: 1) is the intention for Council or Staff review and what are the expectations and 2) what are Council's intentions relative to the amendment.

Councilmember Norris said her intention was to suspend the decision at this point, although she would like more discussion to determine if there can be a better plan for this project.

Councilmember Boeschstein asked if this means a rebid process. City Attorney Shaver noted that the City is not under contract with FCI at this time. It would be a decision for FCI to determine if they want to continue a relationship with the City.

Councilmember Brainard said he would like to see all entities come together and see an optimistic version and see where the reality lies.

Councilmember Doody asked for clarification from Councilmember Brainard, asking if he meant on how the Avalon will operate.

Councilmember Brainard said he would like more clarification on revenue generation from an optimistic view.

Councilmember Doody asked if this was indeed the operating cost of the Avalon. City Manager Englehart said yes.

Councilmember Brainard said he would really like to see the DDA and the Avalon Foundation offer Council information on what it could look like optimistically from a revenue standpoint. He would like to see the upside view in order to instill confidence that this project will be a viable operation.

Council President Susuras asked if he was wanting to see a five year performance proposal.

Councilmember Brainard said instead of a conservative view he wanted to see the optimistic view.

Council President Susuras said it is not that the Avalon Project should not go forward, but perhaps a fresh view and perspective is necessary. He noted that Councilmember Boeschstein is on the Avalon Foundation Committee, and he would like to see Councilmember Norris on this committee as well since she has business experience and would be very qualified to report back to City Council. He said this was the first time he has heard this project report. He asked City Manager Englehart and City Attorney Shaver if there was enough direction to go forward.

City Manager Englehart said with the understanding that the price given by FCI will not hold past a certain point, Staff is directed to present an optimistic business model instead of a conservative approach to this project. If this is correct, Staff can put a different presentation together for Council.

City Attorney Shaver said this would be considered a suspension of Resolution No. 27-12 because the amendment has not been specified.

Council President Susuras confirmed this is direction preferred. He again noted his desire for Councilmember Norris to sit on the Avalon Project committee.

Non-Scheduled Citizens & Visitors

Harry Griff, 2636 Chestnut Drive, said he wanted the City Council to understand the disconnect of what just happened. He has sat in on meetings for the last five years and everyone but City Council knows what is going on with these plans.

Steve Thoms, 627 Rushmore Drive, former DDA Chair and Avalon Advisory Committee and Foundation Board, said he has been involved for years and there has been City Council representatives on these committees. City Staff has done an amazing job coming up with a conservative plan. They are being forthright and the City Council has pushed it all aside. He said it is ridiculous. No direction has been given to City Staff. He asked City Council to be more specific about what they want the entities involved to do. He urged the City Council not to let the downtown rot.

Diane Admire, member of the Avalon Foundation Board and historian for the Avalon at the museum, said she has a number of surveys conducted by the City of Grand Junction about the Avalon. It's not about money, it's about the arts. She urged them to give it some thought and to remember what Councilmember Butler thought of the project.

Todd Hildebrandt said the Council should be ashamed of their lack of vote and that many people stayed late for this meeting just to have City Council push it off. He thought Councilmember Norris was in favor of this project.

Other Business

There was none.

Adjournment

The meeting adjourned at 11:46 p.m.

Stephanie Tuin, MMC
City Clerk