

Grand Junction, Colorado

May 1, 1985

The City Council of the City of Grand Junction, Colorado, convened in regular session the first day of May, 1985, at 7:30 p.m. in the City-County Auditorium. Those present were John Bennett, Betsy Clark, Frank Dunn, Gary Lucero, Ray Phipps, and President of the Council Mike Pacheco. Also present were City Manager Mark Achen, City Attorney Gerald Ashby, and City Clerk Neva Lockhart.

Council President Mike Pacheco called the meeting to order and Councilman Lucero led in the Pledge of Allegiance.

INVOCATION

Reverend Eldon Coffey, Orchard Mesa Community Church.

PRESENTATION OF PLAQUES EXPRESSING APPRECIATION TO COUNCILWOMAN BETSY CLARK AND COUNCILMAN FRANK DUNN FOR THEIR YEARS OF SERVICE TO THE COMMUNITY

MINUTES

Upon motion by Councilman Lucero, seconded by Councilman Bennett and carried, the minutes of the regular meetings held April 3 and April 17, 1985, were approved as submitted.

PROCLAMATION DECLARING MAY 1-7, 1985, "RESPECT FOR LAW WEEK"

PROCLAMATION DECLARING MAY, 1985, "MENTAL HEALTH MONTH"

PROCLAMATION DECLARING MAY 5-11, 1985, "SMALL BUSINESS WEEK"

PROCLAMATION DECLARING MAY 15, 1985, "ET NURSE DAY"

PROCLAMATION DECLARING MAY 5-11, 1985, "NATIONAL PET WEEK"

PROCLAMATION DECLARING MAY 2, 1985, "DAY OF PRAYER"

KAREN MADSEN APPOINTED TO 4-YEAR TERM ON THE GRAND JUNCTION PLANNING COMMISSION

Upon motion by Councilman Phipps, seconded by Councilwoman Clark and carried, Karen Madsen was appointed to a four-year term on the Grand Junction Planning Commission.

BETSY CLARK APPOINTED TO 3-YEAR TERM ON THE BOARD OF ADJUSTMENT & APPEALS

Upon motion by Councilman Lucero, seconded by Councilman Bennett and carried with Councilwoman CLARK ABSTAINING, Betsy Clark was appointed to a three-year term on the Board of Adjustment and Appeals.

HEARING - CONDITIONAL USE FOR A TAVERN LIQUOR LICENSE AT 895 NORTH AVENUE - APPROVED

A hearing was held after proper notice on the petition by Larry D. Crowell for a conditional use to permit a tavern liquor license at 865 North Avenue, approximately 1.74 acres in a Light Commercial Zone. There were no opponents, letters or counterpetitions. Upon motion by Councilman Dunn, seconded by Councilman Lucero and carried, the conditional use for a tavern liquor license at 865 North Avenue was approved subject to the conditions of the Planning Commission

HEARING - FINAL PLAT FOR CH4 COMMERCIAL PARK FILING #2 (SUNDSTRAND), W OF HORIZON DRIVE, S OF H ROAD - APPROVED

A hearing was held after proper notice on the petition by Bruce Currier for the final plat for CH4 Commercial Park Filing #2 (Sundstrand). There were no opponents, letters or counterpetitions. Upon motion by Councilman Dunn, seconded by Councilman Lucero and carried, the final plat for CH4 Commercial Park Filing #2 was approved subject to the conditions of the Planning Commission.

HEARING - APPLICATION BY AMERICAN HISTORICAL SOCIETY OF GERMANS FROM RUSSIA FOR MALT, VINOUS & SPIRITUOUS LIQUORS SPECIAL EVENTS PERMIT AT TWO RIVERS PLAZA, 159 MAIN STREET, JULY 12, 1985, FM 2 P.M. TO 2 A.M. FOR A POLKA PARTY AND DANCE - 2ND PERMIT

A hearing was held after proper notice on the application by American Historical Society of Germans from Russia for a malt, vinous and spirituous liquor special events permit at Two Rivers Plaza, 159 Main Street, July 12, 1985, from 2:00 p.m. to 2:00 a.m. for a polka party and dance. Alex Bauer was present for the hearing. There were no opponents, letters or counterpetitions. Upon motion by Councilwoman Clark, seconded by Councilman Dunn and carried, the application was approved.

BIDS - FOUR (4) POLICE MOTORCYCLES - THE SPORTS CENTER - \$18,904

Upon motion by Councilman Dunn, seconded by Councilman Bennett and carried, the contract for four (4) Police motorcycles, Kawasakis, with the Sports Center for \$18,904 was approved.

BIDS - LIQUID ASPHALT - SOUTHWEST EMULSIONS - \$0.958 PER GALLON

Upon motion by Councilman Dunn, seconded by Councilman Phipps and carried, the contract for liquid bituminous asphalt was awarded Southwest Emulsions for its bid of \$0.958 for an estimated 101,000 gallons for 1985.

PROPOSED ORDINANCE REPEALING ORDINANCE NO. 2133 WHICH IS THE WAGE AND BENEFIT DETERMINATION PROCEEDINGS BETWEEN CITY AND CITY EMPLOYEES' ASSOCIATION

The following entitled proposed ordinance was read: AN ORDINANCE REPEALING ORDINANCE NO. 2133 OF THE CITY OF GRAND JUNCTION CONCERNING WAGE DETERMINATION IN THE CITY. Upon motion by Councilman Phipps, seconded by Councilwoman Clark and carried, the proposed ordinance was passed for publication.

ORDINANCES ON FINAL PASSAGE - PROOFS OF PUBLICATION

Proofs of Publication on the following Ordinances proposed for final passage had been received and filed. Copies of the Ordinances proposed for final passage had been submitted in writing to the City Council prior to the meeting.

ORDINANCE NO. 2231 - CONCERNING WITHDRAWING OF NAMES FROM PETITIONS IN LOCAL IMPROVEMENT DISTRICTS

Upon motion by Councilman Lucero, seconded by Councilwoman Clark and carried, the following proposed ordinance was called up for final passage and the title was read: CONCERNING WITHDRAWAL OF NAMES FROM LOCAL IMPROVEMENT DISTRICT PETITIONS.

There were no comments. Upon motion by Councilman Lucero, seconded by Councilman Dunn and carried by roll call vote, the Ordinance was passed, adopted, numbered 2231, and ordered published.

ORDINANCE NO. 2232 - REZONE FROM C-2 TO C-1 PROPERTY LOCATED APPROX 500 FEET N OF INDEPENDENT AVENUE AND W OF 25 1/2 ROAD - GREENBERG LANDS

Upon motion by Councilman Lucero, seconded by Councilwoman Clark and carried, the following proposed ordinance was called up for final passage and the title read: AN ORDINANCE AMENDING THE ZONING MAP, A PART OF CHAPTER 32 OF THE CODE OF ORDINANCES OF THE CITY OF GRAND JUNCTION, BY CHANGING THE ZONING OF GREENBERG LANDS IN THE CITY.

There were no comments. Upon motion by Councilman Dunn, seconded by Councilman Bennett and carried by roll call vote, the Ordinance was passed, adopted, numbered 2232, and ordered published.

RESOLUTION NO. 25-85 OF INDUCEMENT FOR INDUSTRIAL DEVELOPMENT REVENUE BONDS FOR SUNDSTRAND CORPORATION - \$10,000,000

The following Resolution was read:

RESOLUTION NO. 25-85

A RESOLUTION AUTHORIZING THE EXECUTION OF A MEMORANDUM OF AGREEMENT BY AND BETWEEN THE CITY OF GRAND JUNCTION, COLORADO, AND SUNDSTRAND CORPORATION REGARDING THE ISSUANCE OF INDUSTRIAL DEVELOPMENT REVENUE BONDS.

WHEREAS, the City of Grand Junction, Colorado (the "City"), a

municipal corporation of the State of Colorado, is authorized by the laws of the State of Colorado, and specifically, the County and Municipality Development Revenue Bond Act, appearing as Sections 29-3-101 through 29-3-123, inclusive, Colorado Revised Statutes, 1973, as supplemented and amended (the "Act"), to acquire, construct and equip certain "projects," as defined in the Act, for the purpose of promoting industry and developing trade or other economic activity and to issue its revenue bonds for the purpose of financing the costs of any such project; and

WHEREAS, so as to accomplish the purposes of the Act, the City proposes to issue one or more issues of industrial development revenue bonds pursuant to the provisions of the Act as then in effect to finance all or a portion of the costs of acquiring, constructing and equipping certain facilities (the "Project") to be used by Sundstrand Corporation, a Delaware corporation (the "Company") or a related corporation and to be located in the City of Grand Junction, Colorado; and

WHEREAS, it is deemed necessary and advisable, to accomplish the purposes of the Act, that the Project be undertaken at the earliest practicable date, and the Company has requested satisfactory assurances from the City that the proceeds of the sale of one or more issues of industrial development revenue bonds of the City in an aggregate amount sufficient to finance certain costs of the Project, currently estimated not to exceed \$10,000,000, will be made available; and

WHEREAS, the City deems it necessary and advisable that it take such actions as may be required under the Act as then in effect to authorize and issue one or more issues of industrial development revenue bonds to finance certain costs of the Project;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO, as follows:

Section 1. That in order to insure the acquisition, construction and equipping of the Project, with the resulting public benefits which will flow therefrom, it is deemed necessary and advisable that industrial development revenue bonds be issued in an amount sufficient to finance all or a portion of the costs of the Project, currently estimated not to exceed \$10,000,000, and that the Memorandum of Agreement hereinafter referred to be approved and executed for and on behalf of the City.

Section 2. That the Memorandum of Agreement by and between the Company and the City, substantially in the form and with the contents set forth in Exhibit A attached hereto, be and the same is hereby approved and authorized.

Section 3. That the President of the City Council is hereby authorized and directed to execute the Memorandum of Agreement substantially in the form and with the contents set forth in Exhibit A attached hereto.

Section 4. That the City will issue and sell industrial development revenue bonds in an amount sufficient to finance all or a portion of the costs of the Project, subject to the execution of the Memorandum of Agreement herein authorized and upon the conditions specified in the Memorandum of Agreement.

Section 5. That all resolutions or ordinances and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

PASSED and ADOPTED this 1 day of May, 1985.

/s/ J.P. Mike Pacheco

President of the Council

Attest:

/s/ Neva B. Lockhart, CMC

City Clerk

EXHIBIT A

MEMORANDUM OF AGREEMENT

THIS MEMORANDUM OF AGREEMENT is between the City of Grand Junction, Colorado, a municipal corporation of the State of Colorado (hereinafter referred to as the "City"), and Sundstrand Corporation, a Delaware corporation (hereinafter referred to as the "Company");

1. Preliminary Statement. Among the matters of mutual inducement which have resulted in the execution of this agreement are the following:

(a) The city is authorized by the laws of the State of Colorado, and specifically the County and Municipality Development Revenue Bond Act, appearing as Sections 29-3-101 through 29-3-123, inclusive, Colorado Revised Statutes, 1973, as supplemented and amended (the "Act"), to acquire, construct and equip any "project" as defined in the Act.

(b) Under the Act the City is authorized to issue its revenue bonds for the purpose of financing the costs of any such project.

(c) So as to accomplish the purposes of the Act, the City proposes to issue one or more issues of industrial development revenue bonds pursuant to the provisions of the Act as then in effect to finance all or a portion of the costs of acquiring, constructing and equipping certain facilities (the "Project"), more particularly described in Schedule I attached hereto, to be used by the Company or a related corporation and to be located in Grand

Junction, Colorado.

(d) It is deemed necessary and advisable, to accomplish the purposes of the Act, that the Project be undertaken at the earliest practicable date, and the Company has requested satisfactory assurances from the City that the proceeds of the sale of one or more issues of industrial development revenue bonds of the City will be made available to finance all or a portion of the costs of the Project.

(e) Representatives of the City have indicated the willingness of the City to proceed with and effect such financing and have advised the Company that, subject to due compliance with all requirements of law and the obtaining of all necessary consents and approvals and to the happening of all acts, conditions and things required precedent to such financing, the City by virtue of the Act or such other statutory authority as may now or hereafter be conferred, will issue and sell one or more issues of its industrial development revenue bonds in an aggregate amount sufficient to finance all or a portion of the costs of the Project, currently estimated not to exceed \$10,000,000.

2. Undertakings on the Part of the City. Subject to the conditions above stated, the City agrees as follows:

(a) That it will authorize, or cause to be authorized, the issuance and sale of one or more issues of its industrial development revenue bonds in an aggregate principal amount sufficient to finance all or a portion of the costs of the Project, currently estimated not to exceed \$10,000,000.

(b) That it will adopt, or cause to be adopted, such proceedings and authorize and direct the execution of such documents and take, or cause to be taken such actions as may be necessary or advisable to effect the authorization, issuance and sale of the bonds and the acquiring, constructing and equipping of the Project, as aforesaid, and the entering into and performance of a financing agreement (herein the "Agreement") with the Company with respect to the Project, all as then shall be authorized by law and mutually satisfactory to the City and the Company.

(c) That it will take or cause to be taken such other acts and adopt such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof.

3. Undertakings on the Part of the Company. Subject to the conditions above stated, the Company agrees as follows:

(a) That it will use all reasonable efforts to find one or more purchasers for the bonds.

(b) That it will enter into such contract or contracts for the acquiring, constructing and equipping of the Project as it

determines to be necessary or appropriate.

(c) That contemporaneously with the delivery of the bonds, it will enter into the Agreement with the City under the terms of which the Company will obligate itself to pay (directly or through its notes, debentures, bonds or other secured or unsecured debt obligations executed and delivered to evidence or secure its obligations thereunder) sums sufficient in the aggregate to pay the principal of and interest and redemption premium, if any, on the bonds as and when the same shall become due and payable, any such Agreement to contain such other provisions as may be required by the Act as then in effect and such other provisions as shall be mutually acceptable to the City and the Company.

(d) That it will take such further action and adopt such further proceedings as may be required to implement its aforesaid undertakings or as it may deem appropriate in pursuance thereof.

(e) That it will satisfactorily indemnify the City against liabilities arising from the construction and equipping of the Project.

4. General Provisions.

(a) All commitments of the City under paragraph 2 hereof and of the company under paragraph 3 hereof are subject to the conditions that, on or before 2 years from the date hereof (or such other date as shall be mutually satisfactory to the City and the Company), (i) the City and the Company shall have agreed to mutually acceptable terms for the bonds and of the sale and delivery thereof, and mutually acceptable terms and conditions of the agreement referred to in paragraphs 2(b) and 3(c) hereof, (ii) the proceedings referred to in paragraphs 2 and 3 hereof shall have been taken, and (iii) all regulatory or other governmental approvals requisite to the execution of such documents and the issuance and sale of the bonds shall have been obtained.

(b) If the events set forth in Paragraph 4(a) hereof do not take place within the time set forth or any extensions thereof and the bonds are not sold within such time, the Company will reimburse the City for all reasonable and necessary direct out-of-pocket expenses which the City may incur at the Company's request arising from the execution of this Memorandum of Agreement and the performance by the City of its obligations hereunder, and this Memorandum of Agreement shall thereupon terminate.

IN WITNESS WHEREOF, the parties hereto have entered into this Memorandum of Agreement by their officers thereunto duly authorized as of the 1st day of May, 1985.

CITY OF GRAND JUNCTION, COLORADO

By: /s/ J.P. Mike Pacheco

President of the Council

SUNDSTRAND CORPORATION

By:

SCHEDULE I

Acquisition, construction and installation of a new plant located in the City of Grand Junction, Colorado. The above-described project includes such land, building and equipment and related and subordinate facilities and all other improvements necessary or useful for the operation thereof.

I, Neva B. Lockhart, being first duly sworn do hereby depose and certify that I am the duly appointed, qualified and acting City Clerk of the City of Grand Junction; that as such I have in my possession, or have access to, the complete records of the City Council of the City of Grand Junction, Colorado; that I have carefully compared the transcript hereto attached with the aforesaid records; and that said transcript hereto attached is a true, correct and complete copy of all of the records showing the action taken by the City Council of the City of Grand Junction, Colorado, on May 1, 1985, to authorize the execution of a Memorandum of Agreement by and between said City and Sundstrand Corporation, regarding the issuance of industrial development revenue bonds.

WITNESS my hand and the corporate seal of said City hereto affixed at Grand Junction this 3 day of May, 1985.

/s/ Neva B. Lockhart, CMC

City Clerk

(SEAL)

Upon motion of Councilman Lucero, seconded by Councilwoman Clark and carried by roll call vote, the Resolution was passed and adopted as read.

RESOLUTION NO. 26-85 CHANGING THE NAME OF HILARIA AVENUE IN CH4 COMMERCIAL PARK TO SUNDSTRAND BOULEVARD

The following Resolution was read:

RESOLUTION NO. 26-85

RENAMING HILARIA AVENUE IN THE CITY OF GRAND JUNCTION.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION:

That that portion of road right-of-way situated in CH Four Commercial Park now known as HILARIA AVENUE be changed to SUNDSTRAND BOULEVARD.

PASSED and ADOPTED this 1st day of May, 1985.

/s/ J.P. Mike Pacheco

President of the Council

Attest:

/s/ Neva B. Lockhart, CMC

City Clerk

Upon motion of Councilman Dunn, seconded by Councilman Lucero and carried by roll call vote, the Resolution was passed and adopted as read.

RESOLUTION NO. 27-85 OF INDUCEMENT FOR INDUSTRIAL DEVELOPMENT REVENUE BONDS FOR MESA VIEW RETIREMENT APARTMENTS - 103 UNITS \$4,000,000 - DENIED

This Resolution came before Council at its last meeting. Since then the City Attorney talked with the individuals involved at the Council's direction and indicated to them that it would be the Staff's recommendation that the Resolution be adopted with the express understanding that it was secondary to the application of Sundstrand because the Sundstrand request for Industrial Development Bonds had preceded this one in point of time which would mean from the standpoint of getting the funds since the City will have exhausted its \$2,000,000 cap that all of the \$4,000,000 here if this is approved would be sought at the State level. Mr. Ashby said that indications are, from the telephone conversations that John Tasker has had with the people at State, that there is a great deal of money available, the demand has not been great for revenue bonds from the State pool. He stated that if the motion is made to approve this Resolution, part of the motion should be that the understanding be that this follow the Sundstrand application and be approved only in the event the Sundstrand application is approved.

Councilwoman Clark stated that she believed there was a new era as far as Industrial Development Revenue Bonds, and she would have real concerns in not targeting the funds specifically for industry that create jobs in the community. Councilman Dunn agreed.

Councilman Phipps stated that he did not feel the Council was setting a precedent. He noted the care in checking this out and the apparent surplus of funds available on the State level so there would be no jeopardy of future opportunities. He noted the depressed economy here and that this was a business that can and will succeed in the present economy. He thought it was a small

thing the Council would do to encourage it to proceed, and he thought Council should do all that it can to help the economy without any roadblocks. The people involved with this have indicated that if they do not get the Resolution they probably will not build it. He felt it was a positive thing and it does create jobs--perhaps not as many as we would like. He stated that if this were to jeopardize future funds in any way, he would vote "no." But he did not think that it would, and therefore, he would support the request.

It was moved by Councilman Phipps that Resolution No. 27-85 be passed and adopted as read with the express understanding that it be secondary to Resolution No. 25-85, Sundstrand's application for Industrial Development Revenue Bonds. The motion was seconded by Councilman Bennett.

Councilman Lucero compared the two projects (Sundstrand and Mesa View Retirement) to get a ratio per job. He felt it was out of balance and that it was quite a high cost per job if it was viewed in that fashion. He said that it was a tough decision and he thought he would weigh it in that perspective. Councilman Phipps said that if there was a choice and a trade one for the other, then it would be fair to do as Councilman Lucero suggests. He pointed out that the City has the opportunity to have both. Councilman Dunn suggested that the people in Washington D.C. did not have this in mind when they wrote the law. President of the Council Pacheco stated that what was really being asked was that the State consider this out of their pool. This really was not an inducement from the City because its inducement has been allocated. He said it would be fair for this project to receive consideration in light of the State not readily having the pool right now jeopardized for want of applications.

Roll was taken upon the motion with the following result: Councilmembers voting AYE: BENNETT, PHIPPS, PACHECO. Councilmembers voting NO: DUNN, CLARK, LUCERO. The President declared the motion lost and the Resolution failed to pass.

RESOLUTION NO. 28-85 AUTHORIZING THE CONVEYANCE OF AN ACCESS TO PROPERTY TO RODNEY L. WHITING - KANNAH CREEK AREA - APPROVED

The following Resolution was read:

RESOLUTION NO. 28-85

AUTHORIZING THE CONVEYANCE OF AN ACCESS TO PROPERTY TO RODNEY L. WHITING.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION:

That the City Manager, Mark K. Achen, as Commissioner to Convey for the City of Grand Junction be authorized to convey to Rodney L. Whiting a permanent easement for access to property, the easement being described as follows:

A strip of land situated in the NE4 of the SE4 and the SE4 of the NE4 of Sec 23, T2S, R1E, U.M., being 30 ft in width, the centerline of which is described as follows: Considering the W line of the NE4 of the SE4 of Sec 23, T2S, R1E, U.M. to bear S 00 deg. 11 min. 27 sec. E and all other bearings herein to be relative thereto; beginning at a point on the W line of the NE4 of the SE4 of Sec 23, being 20.78 ft S 00 deg. 11 min. 27 sec. E of the NW Cor of the SE4 of the NE4 of Sec 23 (a #5 rebar set by Tom Moore); thence N 46 deg. 00 min. 47 sec. E 416.20 ft along said centerline to the centerline of an existing county road as platted in Plat Book 2, Page 6.

PASSED and ADOPTED this 1st day of May, 1985.

/s/ J.P. Mike Pacheco

President of the Council

Attest:

/s/ Neva B. Lockhart, CMC

City Clerk

Upon motion of Councilman Dunn, seconded by Councilwoman Clark and carried by roll call vote, the Resolution was passed and adopted as read.

DEVELOPMENT AGREEMENT BTN DOWNTOWN DEVELOPMENT AUTHORITY AND THE RASO INTERESTS CONCERNING AN ARCADE IN THE 500 BLK OF MAIN STREET APPROVED

Upon motion of Councilman Phipps, seconded by Councilman Dunn and carried, the Development Agreement between the Downtown Development Authority and the Raso Interests concerning an arcade in the 500 block of Main Street was approved.

CITY CLERK'S CERTIFICATE REGARDING EXAMINATION OF PETITION OPPOSING THE PASSAGE OF ORDINANCE NO. 2225 WHICH REZONED THE SE CORNER OF 12TH STREET AND PATTERSON ROAD - PROTEST OF PETITIONS FILED BY W.R. BRAY

The following City Clerk's Certificate of examination of petition opposing the passage of Ordinance No. 2225 which rezoned the southeast corner of 12th and Patterson was read:

STATE OF COLORADO)			
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COUNTY OF MESA) SSCERTIFICA TION			
CITY OF GRAND JUNCTION)			

I, Neva B. Lockhart, City Clerk of the City of Grand Junction, Colorado, do hereby certify that:

1. Upon examination of the abstract of votes cast in the City for all candidates for Governor of the State of Colorado in November, 1982, found that 13,219 votes were cast;

2. Upon examination of the petition filed April 22, 1985, protesting passage of Ordinance No. 2225, which rezoned the southeast corner of 12th and Patterson, found that it was signed by 1,322 registered City electors;

3. The petition has been signed by the requisite ten percent of registered electors required by Article XVI, Section 136, of the City Charter.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of the City of Grand Junction, Colorado, this 1st day of May, 1985.

/s/ Neva B. Lockhart, CMC

City Clerk

Upon motion of Councilwoman Clark, seconded by Councilman Bennett and carried, the Certificate was accepted.

Mr. W.R. Bray, 702 Golfmore Drive, Grand Junction, appeared before Council and stated that on this date he had filed with the City a protest to the petitions based on the fact that counsel for Smith Food determined, in his opinion, many of the names were obtained illegally. He then introduced Jim Wilson, counsel for Smith Food. Mr. Wilson stated that a very similar, factual situation arose last year in Denver whereby, as he had information and understood here, circulators of the petition or petitions or some of the petitions were paid on the basis of so much per signature obtained. In the Federal District Court last year in Denver the State statute prohibiting paid circulators of initiative or referendum petitions was upheld, according to Mr. Wilson, and basically the bottom line that decision was the State has an interest in protecting the integrity of the initiative and the referendum process and found that paid circulators open the door to a misuse of this process. Therefore, Mr. Wilson said they

protest the validity of the petitions that have been filed with the Clerk.

City Attorney Ashby said that he had advised the Council to accept the protest by Mr. Bray, and that the City would take the next two weeks to the next Council meeting to make a determination as to what action should be taken by the Council and that Mr. Wilson and Mr. Bray would be apprised as to the recommendation that would be made.

President of the Council Pacheco asked the City Attorney how to expedite this. He noted the great sentiment out there in the Community that this issue be dealt with quickly. City Attorney Ashby said that he happened to know what was on the other side of this--the argument in opposition to this as Mr. Wilson and Mr. Prakken know is that the particular statutory sections do not apply to Home Rule cities and that our circular methods for petitions are different. This, he said, was an issue to be resolved among the interested parties, and he as sure that the circulators of the petitions would be represented in this process. Among all the lawyers involved in this, he said they would try to arrive at some conclusion by May 15.

Dick Fulton stated that the coalition with the food workers union for manpower in the petition drive did not materialize. He said they felt they did not have enough people to do this in the time allotted and they got scared and said "hey, what can we do" and the thought came up "can we hire people to help us." He said they checked it out with the City officials and were assured that this was appropriate and even got names from a City official to call.

There was then discussion about the process during the next two weeks. City Attorney pointed out that time is required to investigate and come up with a recommendation.

RESOLUTION NO. 29-85 APPROVING PROJECT FOR EDA GRANT APPLICATION

The following Resolution was read:

RESOLUTION NO. 29-85

RESOLUTION AUTHORIZING FILING OF APPLICATION WITH THE ECONOMIC DEVELOPMENT ADMINISTRATION, U.S. DEPARTMENT OF COMMERCE, UNITED STATES OF AMERICA, FOR A GRANT UNDER THE TERMS OF PUBLIC LAW 89-136, AS AMENDED.

WHEREAS, under the terms of Public Law 89-136, as amended, the United States of America has authorized the making of grants to public bodies to aid in financing the construction of specific projects:

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO:

1. That Karl Metzner, Director of Planning and Development, is hereby authorized to execute and file an application on behalf of the City of Grand Junction, Colorado, with the Economic Development Administration, United States Department of Commerce, for a grant in aid in financing the construction of utility extensions, water hydrants, road improvements, street lighting, public landscaping and soil stabilization for the Sundstrand project within the City.

2. That the above named authorized representative is hereby authorized and directed to furnish such information as the Economic Development Administration, U.S. Department of Commerce, may reasonably request in connection with the application which is herein authorized to be filed, and further is authorized to accept any offer of grant which may be tendered by the Economic Development Administration, U.S. Department of Commerce.

PASSED and ADOPTED this 1st day of May, 1985.

/s/ J.P. Mike Pacheco

President of the Council

Attest:

/s/ Neva B. Lockhart, CMC

City Clerk

Upon motion of Councilwoman Clark, seconded by Councilman Lucero and carried by roll call vote, the Resolution was passed and adopted as read.

The President declared a five-minute recess. Upon reconvening, all Council members were present.

JOINT AGREEMENT AMONG CITY, CLIFTON AND UTE WATER TO HIRE ENGINEERING FIRM FOR WATER STUDY

Upon motion of Councilwoman Clark, seconded by Councilman Dunn and carried, the joint agreement among the City, Clifton and Ute Water to hire the engineering firm of Black and Veatch for the water study was approved subject to review and approval of the City Council Water Committee.

CITY COUNCIL ACTION ON CITIZENS COMMISSION RECOMMENDATION REGARDING POLICE PAY

President of the Council Mike Pacheco acknowledged receipt of the Citizens Commission report regarding Police Pay and made it a part of the record:

CITY OF GRAND JUNCTION, COLORADO

ORDINANCE NO. 2133, WAGE DETERMINATION

CITIZENS' COMMISSION FINDINGS OF FACT AND CIRCUMSTANCES

The citizens' fact-finding commission conducted a hearing on March 13, 1985, and April 9, 1985, to consider the dispute over police pay. Commission members are Ken Robar, Ray Meacham, and Jill Clifton.

The city administration was represented by City Manager Mark Achen, Director of Personnel Claudia Hazelhurst, Director of Finance John Tasker, and City Attorney Gerald Ashby. The police employees were represented by Officer Greg Kuhn, Officer Tim Grimsby, and counsel Steve ErkenBrack.

FINDINGS OF FACT

Ordinance No. 2133, which was passed July 6, 1983, is a written undertaking to arrive at annual wage and benefit increases or decreases for City of Grand Junction employees. It is really an agreement between the employer and the employee group. Neither the employer nor the employee group has requested that the agreement be renegotiated. Thus, the agreement, with its mechanical survey process, remains in force, and the commission members are bound by it.

The ordinance provides that if disagreements or disputes arise between the City and its employees, all unresolved issues are referred to a fact-finding commission for recommendation.

The mechanical survey process contained in the ordinance is designed to keep police pay in Grand Junction within the average of police pay among the other 13 cities in Colorado with populations of 20,000 to 100,000. The mechanical survey process showed that, to keep within the average, city employees, including the police, would have received an increase of roughly 5% in pay in 1984. The City chose not to reduce force and not to increase wages in 1984. Police employees acquiesced in that 1984 decision.

By 1985, the mechanical survey process indicated that greater than an 11% increase in pay would have been required to keep Grand Junction police officers within the average of the other 13 cities used for comparison. Roughly half of that 11% plus figure is necessarily included as a projected increase in salaries in the 13 cities, which increase may or may not occur. There is no dispute between the City and the police regarding the results of the survey.

Although the police expected a substantial raise in 1985, because they had not disputed the 1984 freeze, we find no evidence that the City entered into any binding agreement with the employees for a 1985 raise.

For 1985, the City chose to grant no increase in salary levels,

but a lump sum "bonus" of 2.27% of annual pay was paid early in 1985. Police employees do not acquiesce in that decision, requesting that, at minimum, a 6% increase in pay be granted for 1985, especially since there was no increase for 1984.

The ordinance requires the citizens' commission to consider and base its recommendations on 9 factors, as follows:

1. the lawful authority of the City;
2. any stipulations and requests of both parties;
3. the interest and welfare of the public;
4. the ability of the City to finance any of the economic adjustments on the normal existing standard of public services provided by the City;
5. comparison of wages and conditions of employment of employees involved in the fact-finding proceeding with the wages and conditions of employment of other employees performing similar services and with other employees generally in public employment in comparable communities and in private employment in comparable communities;
6. the past understandings between the parties and history which led to such understandings;
7. comparison of prevailing total compensation paid by municipalities and private industry in the applicable labor market, market area and employee classifications involved;
8. the impact of proposed changes on the operations of the municipal services;
9. such other factors not limited to those above which are considered pertinent to this system of wage and fringe benefit determination as outlined elsewhere in this ordinance.

Under factor No. 5, police pay is to be compared with that of other employees, both public and private, performing similar services in comparable communities. Although there is no dispute between the City and the police as to the 13 cities used as comparable communities, because of their 20,000 to 100,000 population, it is our observation that no one is on the western slope.

As acknowledged by the police representatives, before the extreme economic turndown on the western slope, Grand Junction salaries ranked 4th or 5th in the state when compared to the 13 cities on the front range used for comparison. Although front range pay is significantly higher than that in Grand Junction during the last two years (some cities averaging 4-5% increase each year of that two years), we perceive a vast difference in the economics of the

two areas. Without comparable economics, it would not seem reasonable that salary comparison should be the sole reason for granting raises.

In our opinion, Grand Junction is financially depressed, and its taxpayers cannot afford to keep up with the 13 front range cities used in the survey. It is understood, of course, that funds to operate local government come from the private sector. Since Grand Junction's economic decline began in May, 1982, the private section now finds itself without the means of supporting anything but the most austere and necessary local government.

Some other local government employees are not paid as well as City employees. A pertinent example would be the Mesa County Sheriff's Department, wherein the comparison is as follows:

Mesa County Sheriff's Department Grand Junction Police		
top pay at 6 years \$20,782 \$26,005		
(deputy) (patrolman)		
top pay at 6 years \$25,320 \$32,203		
(sergeant) (sergeant)		

Moreover, private sector employment for the most part does not enjoy the combined pay and fringe benefits of those in public employment. Where can one find, for example, a retail store or other private sector employee who can retire in 20 years at 1/2 his ending salary? It is necessary to realize that this difference does not exist, and it would therefore be most unfair to compound this difference.

Although our commission addresses only the issue of police pay, there is a possibility that any action taken on behalf of the police will be taken in addition for all other city employees. A 1% increase in wages and benefits for all city employees costs about \$100,000. If the 6% increase requested were granted to all city employees, and if the increase were financed solely from increases in property taxes, the City portion of the property tax on a home with an actual market value of \$50,000 would increase from \$84 to \$120; the City portion of the property tax on a

commercial property with an actual market value of \$50,000 would increase from \$116 to \$166.

If the 6% increase requested were granted to all city employees and were financed solely through staff reduction, reduction in force might have to be in the 10% range.

The interest and welfare of the public, factor No. 3, is paramount in the majority view of the commission. That takes into consideration many variables, including the public's ability to pay wages, the safety of the public, the retention of quality police officers, and the operating effectiveness of police officers.

RECOMMENDATIONS

The majority view of the commission, expressed by Ken Robar and Jill Clifton, is that to protect our citizens, visitors, homes and businesses from crime, the pay of our police officers must be kept competitive, so that the most talented and capable are encouraged to remain in Grand Junction working for our community. The majority therefor recommends that a 5% wage increase for 1985 be granted to the police by the City, including as a part of that increase the 2.27% lump sum pay increase already given. For example, a salary increase of 5.46%, effective July 1, 1985, when combined with the 2.27% lump sum already given, would yield an average increase for the year of 5%.

The majority further recommends that the employer exercise the right to allocate the increase among employee classifications, and that the employer fund the increase through staff reduction to the extent possible.

The minority view of the commission, expressed by Ray Meacham, is that our private sector in Grand Junction cannot at this time bear the strain of providing city employees with additional pay; that municipal employees in Grand Junction are already paid more and enjoy more fringe benefits than those in other cities in the western slope and in most comparable areas of the private sector; further, that erosion of quality of services does not seem to be pertinent, owing to the vast number of high quality people now seeking employment.

Dated this 19th day of April, 1985.

/s/ Ken Robar

/s/ Jill Clifton

/s/ Ray G. Meacham

Councilwoman Clark moved that the City continue on the current policy that the Council adopted last October in giving the approximately two (2) percent bonus in 1985 and not give any

additional increase in pay for 1985. The motion was seconded by Councilman Phipps.

Councilwoman Clark stated that when the Council adopted the Ordinance, she was very concerned and uncomfortable about Ordinance 2133 because she was afraid that there might be a concern that the Council did not have the final say but she felt that in reading the Ordinance the Council did have the final say and therefore voted to support the Ordinance. But looking back on it now, she questioned her vision in that regard because the Council had no idea what the downturn in the economy would be and yet, she said, we need to always keep in mind that those of us who have the opportunity to live in Western Colorado oftentimes make an economic choice as to the financial rewards that we receive for living here. On the specific issue of maintaining the salary, the Council does have the final say in what salaries will be approved.

Councilman Phipps stated that his philosophy is to pay top wages for particular jobs. He thought that we all lose if we don't. He hoped that all the employees did not get the feeling that the Council was sitting up here trying somehow to beat them down or hold their wages down because that was contrary to his philosophy. He wanted to see the City pay the best because he thought the City should have the best employees. However, he said, in our present economy we just cannot do that, raises cannot be given at this point and he certainly hoped that the employees would understand that and support the Council and if the economy does turn around and it can do something in the future, he would be right there pushing as hard as he could to do better.

Councilman Bennett stated that to lose to have to give up in order to meet this pay raise they were asking for only for one segment and not all, Council should give the whole City a pay raise but, he said, he could not see giving it to them at the expense of 17 jobs which would have to be eliminated. He just could not see, during the times right now, laying off 17 people.

Councilman Dunn said that after owning six businesses in this town he would go along a little bit with what Ray (Councilman Phipps) had said. He said that he always tried to pay his employees the top that he could when he could afford to do it. There were some years when he could not. He said that the first thing he noticed when he came to the City was its quality of people at the staff level and the quality of employees. He was very impressed. He did not know of any city that has better employees than Grand Junction and he said that he was very proud of the City employees. He hoped they would not think that Council was trying to put out some hardship on them. He said that when one can afford to do things it is done. When one can't afford it, it is not done.

Councilman Lucero said that in the recommendations (Citizens Commission) it cites that the increase be funded by the reduction of staff level to the extent possible. He did not think that the City, the County, the economy itself could stand to lose anymore

jobs period.

President of the Council Pacheco said that the Commission brought up some facts that Council was already aware of and it appreciated that work. In particular, he said that looking down the road toward the future, the decision that the Council made was to preserve the financial integrity of the City, not for 1985 only, but for those other years 1986 and 1987 where Council still sees no real guarantee of a change in the economic situation except that it is hopeful. Some steps were taken in the past week, he said, to help make that happen. To have an increase in '85 means that you have to continue to pay for it in '86 and '87 even if you never did anything more in '86 and '87. He said that Council chose instead to give a, Council called it a bonus but he said it was a raise to the employees. Council chose to share with them what it had after the budget, what it had left. Council did not want to build it into future budgets knowing that future budgets might not have anymore money than what it had in 1985. He concurred with the comments made at this meeting. This was for '85. Hopefully, he said, the book has been closed on '85. The City will come out of '85 fiscally solvent. It will not have had to raise taxes to balance the budget; it will not have had to lay people off to balance the budget; but Grand Junction will stand fiscally responsible. It can continue its economic efforts because this community can do that. People looking at the City will respect the actions, and in '86 the employees will have another shot. And once again, the Council will look at the conditions as they exist and it will measure what it can afford to pay by what its revenues might be, and a decision will be made again. He thought the decision made by Council was wise and he commended the panel for its work. He also noted that in the process, the process was followed except for the appeal. That was the only thing that was not followed in the Ordinance. But the process was followed. Now the appeal has been taken care of and now he hoped we can go on and continue to build the City and mold the relationships that are needed so that there is a future for all of us.

By voice vote, all Council members voted AYE on the motion.

FRED SPERBER APPOINTED TO 5-YEAR TERM ON THE HOUSING AUTHORITY

Upon motion of Councilman Phipps, seconded by Councilman Dunn and carried, Fred Sperber was appointed to a five-year term on the Housing Authority.

LINCOLN PARK TENNIS COURTS DEDICATED APRIL 28, 1985 - TO BE KNOWN AS CLINTON SMITH TENNIS COURTS

ADJOURNMENT

The President adjourned the meeting.

Neva B. Lockhart

Neva B. Lockhart, CMC
City Clerk