

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

April 15, 1998

The City Council of the City of Grand Junction, Colorado, convened into regular session the 15th day of April, 1998, at 7:39 p.m. in the City/County Auditorium at City Hall. Those present were Gene Kinsey, Earl Payne, Jack Scott, Mike Sutherland and President of the Council Janet Terry. Cindy Enos-Martinez and Reford Theobold were absent. Also present were City Manager Mark Achen, City Attorney Dan Wilson, and City Clerk Stephanie Nye.

Council President Terry called the meeting to order and Councilmember Scott led in the Pledge of Allegiance. The audience remained standing during the invocation by Rev. T.J. Dickerson, Young Life, First Baptist Church.

DECLARING APRIL 24, 1998, AS "ARBOR DAY" IN THE CITY OF GRAND JUNCTION

PROCLAMATION DECLARING APRIL 19-25, 1998, AS "CRIME VICTIMS RIGHTS WEEK" IN THE CITY OF GRAND JUNCTION

PROCLAMATION DECLARING APRIL, 1998, AS "FAIR HOUSING MONTH" IN THE CITY OF GRAND JUNCTION

PRESENTATION OF PLAQUE TO CITY COUNCIL BY STEWART GARDNER, ENGINEER WITH R.G. CONSULTING ENGINEERS, FOR THE OLD MILL BRIDGE PROJECT

CONSENT ITEMS

Upon motion by Councilmember Payne, seconded by Councilmember Scott and carried by roll call vote, the following consent items #1 through 6, with item #5 being tabled, were approved:

1. **Minutes of Previous Meetings**

Action: Defer Approval of the Minutes of the Regular Meeting April 1, 1998 and the Special Meeting April 8, 1998 to the May 6, 1998 Meeting

2. **Loader/Backhoe for Pipeline Maintenance Department**

The following bids were received:

Honnen Equipment (John Deere), Grand Junction	\$68,512
Century Equipment (Case), Clifton	\$73,200
Wagner Equipment (Cat), Grand Junction	\$82,857

Action: Award Contract for the Replacement Purchase of a Loader/Backhoe for Pipeline Maintenance Department to Honnen Equipment in the Amount of \$68,512

3. **Sole Source Purchase of Automated Side-Loader Sanitation Truck**

Request Council authorization to purchase a new Automated Side-Loader Sanitation Truck for residential service rather than a commercial Front-Loader as currently budgeted for replacement in 1999, and to cause the sole source acquisition of Heil Rapid Rail 26 CY Automated Side-Loader body mounted on a 1999 Mack MR690S Cab and Chassis from Kois Brothers Equipment Company at a cost of \$160,587.

Action: Approve Sole Source Purchase of Automated Side-Loader Sanitation Truck from Kois Brothers, Commerce City, at a Cost of \$160,587, and Direct Staff to Order the Truck in 1998 for Delivery and Payment in 1999

4. **Street Pavement Overlays, 1998**

The following bids were received on April 2, 1998:

Elam Construction, Inc., Grand Junction	\$669,580
United Companies Grand Junction	\$669,920
Engineer's Estimate	\$696,105

Action: Award Contract for Street Pavement Overlays, 1998 to Elam Construction, Inc., in the Amount of \$669,580

5. **Sale of City-Owned "Berry" Property - PULLED FROM AGENDA - TO BE RESCHEDULED**

The City has received two offers to sell the subject property. The proposed resolution will serve as the City's acceptance of the most desirable offer.

6. Revocable Permit for Underground Sprinkler System at 1205 Chipeta Avenue [File #RVP-1998-061]

Consideration of a Resolution authorizing the issuance of a Revocable Permit to allow an underground sprinkler system within the public right-of-way for proper maintenance of existing and future vegetation and trees.

Resolution No. 30-98 - A Resolution Concerning the Issuance of a Revocable Permit to Valley Plaza Corporation

*Action: Adopt Resolution No. 30-98

* * * END OF CONSENT CALENDAR * * *

* * * ITEMS NEEDING INDIVIDUAL CONSIDERATION * * *

FINAL INCENTIVE REQUEST FOR THE MCEDC RECRUITMENT OF MESA INSULATION (JOHNS MANVILLE)

The MCEDC seeks approval of a cash incentive request for Mesa Insulation in the amount of \$85,000. Mesa Insulation will manufacture a high-temperature, molded industrial insulation called calcium silicate. The plant will also make Super Firetemp board.

J.J. Johnston, MCEDC Director, was present and introduced Denny Granum to review this item. He recalled a presentation made at a City Council workshop requesting an incentive proposal for Johns Manville. That proposal has now been finalized and they are here tonight to request Grand Junction's portion.

He reviewed the initial proposal which was based on the new equipment Manville was to bring to the site, with 65 new hires and the rehiring of existing employees, totaling 100 employees. The proposal as it stands now is an incentive package based on 100 jobs, re-employing the 34 existing. The company has agreed to a 9.50/hour wage, a liberal benefit package and a \$2 million capital investment. The main change from the previous proposal is the capital investment because they have leased a warehouse facility rather than having to build one. Due to the decrease in capital, the incentive package decreased significantly, about half of the

original, to about \$2400 per job. Right-of-way for the extension of Kokopelli Trail and for sewer extension was negotiated. Johns Manville agreed to right-of-way for the trail and will allow sewer extension in the right-of-way. The City of Fruita has agreed to extend sewer to the plant in the next two years, if company needs sewer.

Councilmember Sutherland said he is glad Grand Junction is a player in this incentive proposal. It is a good investment for the citizens of Grand Junction. He appreciated MCEDC's work.

Mr. Granum summarized that it is a lower incentive but just as much employment for the community. The capital investment is lower but only initially. He was pleased at the successful negotiation as this is the first time for all these agencies have worked together in such an enterprise.

Mayor Terry noted that this plant is key to industrial development in the west end of the valley.

Councilmember Payne advised that he feels same as he did in December, that this is the thing to do, despite criticism.

Upon motion by Councilmember Scott, seconded by Councilmember Sutherland and carried by roll call vote, the cash incentive request for Mesa Insulation (Johns Manville) in the amount of \$85,000 was approved.

PUBLIC HEARING - SUPPLEMENTAL APPROPRIATIONS TO 1998 BUDGET -
ORDINANCE NO. 3055 MAKING SUPPLEMENTAL APPROPRIATIONS TO THE 1998
BUDGET

The requests are to appropriate amounts as contingencies and reserves for the General Fund, Self Insurance Fund, and the Economic Development Fund. They are to appropriate amounts for projects and contracts which were not completed in 1997, but are being completed in 1998. They include amounts for newly identified grants, the early call of bonds, the special election, the fund balance in the Wood Stove Replacement Incentive Fund, the driving range at Tiara Rado Golf Course, and minor budget corrections.

A public hearing was held after proper notice. Ron Lappi, Administrative Services Director, reviewed this item. He identified the areas of the supplemental appropriation, including

an increase in the contingency fund, funding for the special election and the carryover requests.

Mayor Terry asked Mr. Lappi to explain how the appropriations and the budget work together. Mr. Lappi explained how the City first budgets and then appropriates the spending. An initial appropriation is done with two supplemental appropriations annually. This total supplemental appropriation is about \$9 million.

There were no public comments. The hearing was closed.

Upon motion by Councilmember Payne, seconded by Councilmember Sutherland and carried by roll call vote, Ordinance No. 3055 was approved on second reading and ordered published.

ADJOURNMENT

Mayor Terry adjourned the meeting at 8:11 p.m.

Stephanie Nye, CMC/AAE
City Clerk