

**JOINT CITY/COUNTY MEETING
REGARDING SEWER CONNENTION TO VALLE VISTA
and SEPTIC ELIMINATION PROGRAM BENEFITS**

April 2, 2001

The meeting was called to order at 7:05 p.m. Those present were President of the Council Gene Kinsey, Councilmembers Cindy Enos-Martinez, Earl Payne, Jack Scott, Jim Spehar, and Janet Terry. Councilmember Reford Theobold was absent. For Mesa County, Commission Chair Kathy Hall, Commissioner Doralyn Genova and Commissioner Jim Baughman were present. Dan Wilson, City Attorney, Roberta Raley, Clerk of the Board and City Clerk Stephanie Nye were also present.

Council President Kinsey announced discussion would take place on the Persigo Agreement and the Septic Elimination Program.

Central Orchard Mesa (Valle Vista)

The first area involved the sewer connections to the Valle Vista Sewer Line on Orchard Mesa. Joint Public Works staff from the County and City has developed possible alternatives for consideration by the City Council and County Commissioners.

City Utilities Manager Greg Trainor introduced the discussion and noted that Mark Relph, City Public Works Director, and Pete Baier, County Public Works Manager, were present. He recalled the last joint meeting in the middle of December and the direction to staff from that meeting. He then referred to the map and described the area.

Mr. Trainor then explained the easement/ tap trades done by Orchard Mesa Sanitation District and identified properties that were issued taps and those that are actually connected. He then clarified which properties have structures and which ones are connected to the sewer. The property owned by Gena Harrison had an existing structure prior to October 1998 plus she granted an easement in exchange for a tap. Thus, making this property fall into two of the categories (A & B).

Councilmember Spehar asked if the Orchard Mesa Sanitation District boundaries were expanded to include the corridor. City Attorney Dan Wilson did not know if the boundaries were formally changed, but Mr. Trainor thought they were serving those customers as out of district customers. Commissioner Baughman asked Mr. Trainor to verify that the County considered this area in the 201 area and the City did not consider it in the boundary. Mr. Trainor said that was true under the Persigo Agreement, which was signed. Then these meetings began and this issue is still undecided between the two governing bodies.

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Commissioner Genova asked about the natural drainage of this corridor. Trent Prall, City Utilities Engineer, said yes, there is quite a bit of area that falls in that natural gravity flow area.

Mr. Trainor recapped the available options presented including an option that there be no change to the present agreement.

Councilmember Terry stated the information on the Orchard Mesa Sanitation District agreements was recent information to the Council and she asked Mr. Trainor to give the history to the Board of Commissioners.

Mr. Trainor summarized the history of the Orchard Mesa Sanitation District Agreement in which it establishes that easements were traded for a promise for future taps when the Valle Vista line was being constructed. Chairwoman Hall said the Commissioners understood and were aware of that agreement.

The next issue discussed by Mr. Trainor regarded the two taps that were sold after the Persigo Agreement was signed and which are connected. Those taps were sold by mistake. He also noted the difficulty of telling other owners they could not be connected to the line when they are actually closer than ones already connected.

Councilmember Spehar said the issue is to decide how to administer this and solve this problem without opening it up to large-scale residential development.

Commissioner Baughman recalled that the Valle Vista line was all done by Orchard Mesa Sanitation District and there was a payback agreement to Orchard Mesa Sanitation District. Mr. Trainor concurred; the Persigo fund did agree to pay back Orchard Mesa Sanitation District to relieve Orchard Mesa Sanitation District from the pressure of selling taps.

Commissioner Genova pointed out that Orchard Mesa Sanitation District did all this before the Persigo Agreement; all concurred.

Mayor Kinsey asked for public comments.

Steve Kline, 3158 XL Spur, thought his area was being considered but from the map being displayed it is not. He asked for clarification and the status of this area. Mayor Kinsey responded that his area is not in the 201 sewer area and will not be considered for sewer at this time.

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Gena Harrison, 3121 A½ Road, wanted to stay in the 201 boundary and asked the governing bodies to consider the option that will keep them in that area. She stated that was the reason they traded their land without any payment, i.e. granted the easement.

Mel Rettig, 265 32 Road, stated that his area has been deleted but thought the Dilasha Subdivision was still within the boundary. He asked if the blue area is in the boundary. Chairwoman Hall said that area has not been decided on at this time.

Council wanted clarification on the status of the blue area. City Attorney Dan Wilson said therein lies the discrepancy between the City and County. He discussed the language of the paragraph in the Persigo Agreement that would need to be changed to include the blue area.

Mr. Trainor said the actual study area was south of B Road and East of 30 Road. Technically Dilasha is still included. So another option would need to be added to the list.

Councilmember Spehar asked for clarification that if assuming this area is within the 201 boundary, under the Persigo Agreement, it cannot be served. Mr. Trainor stated that was correct.

Commissioner Genova stated that in order to address that issue, the Persigo Agreement would need to be amended regardless.

City Attorney Dan Wilson corrected that the area north of the Valle Vista corridor was excluded from the 201, so it is just the blue area in question.

City Motion

It was moved by Mayor Kinsey and seconded by Councilmember Terry to expand the agreement to include Option B, expand the existing provisions to allow connection of these additional properties which Orchard Mesa Sewer District granted taps prior to the Persigo Agreement.

Councilmember Spehar requested an amendment to the motion requiring that the connections be made as shown on the map within the corridor. Mayor Kinsey said it would be to the owners' financial advantage to do that.

Mayor Kinsey amended his motion to have the properties and parcels listed in the motion. Councilmember Terry seconded the amended motion. The motion carried with Councilmember **SPEHAR** voting **NO**.

County Motion

Commissioner Genova moved the same motion, Commissioner Baughman seconded the motion. The motion carried unanimously.

Gretchen Sigafos, 131 31 Road, asked if the properties having taps in exchange for the easements would now increase the 201 boundary. Councilmember Terry replied that the City/County motion did not specifically increase or change the 201 boundary, but that would be an amendment to the Persigo Agreement.

Ms. Sigafos asked if existing structures are allowed to hook up, would that continually expand the 201 boundary. Commissioner Genova responded that it only allows for existing structures prior to October, 1998.

Councilmember Spehar stated that if the City/County elects to apply option D, then the boundary will need to be expanded to cover that whole area.

Councilmember Terry commented that if City/Council continues to allow hook ups as needed, the pressure for others will be too much and essentially they will have expanded the 201 boundary.

Ms. Sigafos stated that once the boundary is expanded, development will follow. She is against denser development, and has worked hard on the Orchard Mesa Plan, which discourages more development.

Bob Jasper, Mesa County Administrator, stated that adding a house essentially amends the boundary. The amendment may define how that happens; if the boundary includes these existing houses. He agreed, though, this could make saying "no" later on more difficult.

Kerry Cook, 3097 A½ Road, supported including those properties that traded for taps but he personally did not want to be included in the 201 boundary.

Jim Rooks, 155 31 Road, pointed out his properties on the map. He has 4.5 tap credits and feels he can use the taps on any of his 210+ acres, existing structures or not. He knows he still has to pay the City tap fee and the cost of running the line. He said he has 15 years to use those taps.

Councilmember Spehar said the last motion supports that action. Mr. Rooks said that economically the installation will be as close to the corridor as possible.

City Attorney Wilson commented that the agreement with Mr. Rooks and others does not state where those taps need to be. In 1995, the City and the Orchard Mesa Sanitation District met to resolve outstanding issues. In October, 1995 the Orchard Mesa Sanitation District did not tell the City about these 11 easements. In the October, 1995 agreement the City agreed to buy off Orchard Mesa Sanitation District and specifically identifying the 400-foot corridor and any others would have to be approved by the City. Mr. Wilson said that the governing bodies could require the connections be within the 400-foot corridor.

Deborah Davis, Orchard Mesa Sanitation District, stated the District has a copy of a map signed off by Mr. Wilson, which shows the area that can be served by the Valle Vista line. The area is crosshatched in green and signed by Mr. Wilson.

Rich Sinkle, 3108 A $\frac{1}{2}$ Road, disagreed the City did not know about the taps stating he signed a Power of Attorney (POA) to be annexed at that time (April, 1994).

Joe Carroll, 3076 U.S. Highway 50, had lived there for 40 years and was against getting the sewer.

Judith Cook, 3097 A $\frac{1}{2}$ Road, said the Nemecs at 3087 A $\frac{1}{2}$ Road do not want to be in the district and another property owner does not want to be in the district.

Steve Kline, 3138 XL Spur, stated he is still confused with the corridor boundary changes. He indicated the curved lines instead of squared lines as he pointed out the area at the end of A $\frac{1}{2}$ Road. He asked the governing boards to leave the density at 5-acre parcels in this area. He didn't want sewer that would bring in development on either side.

Deborah Davis, Orchard Mesa Sanitation District, said a 4" service line would not be feasible for those in the lower west of the blue area (A $\frac{1}{2}$ Road and south). The District is willing to put a growth limit on that line, whatever the Council and the Commissioners decide, whether it be 2, 5 or 10 acres. She stated that most of the people won't be able to use that line, and that an 8" line would not be economically feasible.

Charles Gray, 174 31 Road, asked what happened to the valley-wide sewer.

Mr. Trainor read two letters into the record: one from Ron Nemec objecting to the service and a letter from Tim Bevan indicating sewer service should be provided to that area.

Councilmember Terry asked for a summary of the Orchard Mesa Plan.

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Kathy Portner, City of Grand Junction Community Development Department, summarized the relationship of the plan to this discussion. This area was specifically discussed with the recent update of the Orchard Mesa Plan with the extension of the sewer to Valle Vista. A decision was made by both City and County Planning Commissions to deem that area as rural, including the area under discussion tonight. The rural designation of 5 to 35-acre lots, it also has the Orchard Mesa overlay zone on it which gives the opportunity to increase density, although not to any great extent, if another open space remains. The overlay zone allows only for clustering development in some areas.

Commissioner Doralyn Genova said being in the 201 area has nothing to do with the zoning.

There were no other public comments.

City Motion

Upon motion by Councilmember Spehar, seconded by Councilmember Enos-Martinez and carried, Option C, allowing homes connected after the Persigo Agreement to remain on-line, was adopted on a single case issue.

Councilmember Terry asked if the previous motion regarding Item B incorporates the terms of the agreement. Did the motion allow the easements to fulfill themselves and allow connection, and did it address the 15-year limitation. She wondered if it should be discussed further.

Mayor Kinsey said the motion specifically mentions properties based on the Orchard Mesa Sanitation District easement in exchange for tap agreements. Councilmember Spehar said it incorporates the conditions of the Agreements. Mr. Wilson clarified that the Agreement is between the landowner and Orchard Mesa Sanitation District, and they could agree to change the agreement without the City or County's consent or knowledge.

Councilmember Spehar said the Agreement would imply as they stand tonight.

County Administrator Bob Jasper said if policy is being set tonight, the attorney should draft an amendment to the agreement and bring it back for review.

County Motion

It was moved by Commissioner Baughman and seconded by Commissioner Genova to adopt Option C. Commissioner Baughman amended his motion to include the two taps, Commissioner Genova seconded the amendment. The motion carried.

Chairwoman Hall addressed Option D.

Mayor Kinsey said he did not support D as it would contravene the Orchard Mesa Plan.

Councilmember Terry stated Valle Vista is in the 201 boundary even though tonight's map indicates otherwise.

City Motion

It was moved by Councilmember Spehar and seconded by Councilmember Enos-Martinez that the area south of the Valle Vista line corridor and north of Highway 6 & 50, with the exception of the Valle Vista Subdivision, not be included as a service area in the Persigo Agreement.

Councilmember Terry asked Councilmember Spehar if it indicated he does not support Option D. Councilmember Spehar said yes. He agreed with Mayor Kinsey that significant testimony has been given against it, that it's not economical to serve that area with those distances, and it violates the spirit of the original Valle Vista extension agreement and the way it was crafted. It's also at odds with the Orchard Mesa Plan.

Commissioner Doralyn Genova asked if it disrupts Mr. Rook's testimony as to the placement of his taps? Councilmember Spehar said no, that was already settled in the earlier motion.

Mayor Kinsey asked for discussion.

Mayor Kinsey explained that everything, except the specific exceptions that were identified previously, is excluded from sewer service under the Persigo Agreement.

Councilmember Terry stated that revisiting the Orchard Mesa Plan, it reaffirms that they do not want this area developed; even if only those with failed systems are delineated. She supported Councilmember Spehar's motion.

Motion carried.

County Motion

Chairwoman Hall stated she tends to agree with the City Council on this one. The Orchard Mesa Plan has been revisited.

It was moved by Commissioner Genova, seconded by Commissioner Baughman and carried, to accept the City's motion noting the exceptions already made.

Discussion on Septic Elimination Program Benefits to Past Sewer Improvement Districts – Country Club Park Request Denied

Chairwoman Hall referred to the staff report.

Trent Prall, City Utilities Engineer, asked if Council or the Commissioners had any questions on the proposal.

Chairwoman Hall said she was against this program. Councilmember Terry disagreed and asked for public testimony.

Tom Rooklidge, 317 Country Club Park, said the sewer district in his subdivision was a nightmare; it was no one's fault and they went forward hoping for assistance before the Septic Elimination Program was resolved. This is an old neighborhood created in the 40's, and there were failing septic systems all over the place. This is a prime example of why this program was created, and they were desperately in need of assistance. This program was designed for districts like the one he is in.

Marvin Dejong, 405 Dressel Drive, concurred with Mr. Rooklidge. They were forced into the annexation and the sewer district and there are still open wounds as a result.

Debbie Kaus, 327 Country Club Park, moved in when this was happening and agreed with Mr. Rooklidge. She hoped the two bodies would honor the request.

Councilmember Terry asked Mr. Prall to summarize the amount of monies in the fund. Monies have been reappropriated twice. She asked what was the original amount and what has been added. Mr. Prall stated there was \$1 million allocated for the first 5 years, then \$1½ million for the following 5 years after that, and then another \$1.1 million was added to the construction for this year. The total for the first year is approximately \$3.1 million.

Councilmember Terry asked if they will be able to keep it at \$1million every year thereafter. Mr. Prall said they are entering the larger neighborhoods earlier that were originally planned for a later time, i.e., Redlands Village which is the reason for the need of additional funding. Alternative financing is being researched but nothing has been decided at this time.

Councilmember Terry clarified that the \$187,000 for this application was correct. Mr. Prall said yes, but it included only capital and no interest. That is what the cost would be to underwrite the initial capital that was invested in those areas. It does not include underwriting with any interest component.

Councilmember Spehar said doing this would set a precedent, and he clarified that all districts would be covered. Mr. Prall stated that was correct.

Commissioner Baughman, referring to Mr. Rooklidge's comment they had previously asked for the subsidy, stated he didn't recall the discussion.

Mr. Prall stated it was brought up twice; once in a letter to Commissioner Genova in 1995 from Public Works & Utilities Director Jim Shanks, City of Grand Junction, at a \$2000 per lot rate, and again in 1996, Mr. Rooklidge asked the City Council to underwrite the funds, which partially subsidized 1/2 the difference of the overage, subsidized by the general fund at 6%. The current request is the additional 24%.

Commissioner Genova asked if \$187,000 would bring everyone to the 30% subsidy. Mr. Prall explained that it would, but only the capital, and no interest.

Councilmember Spehar asked what the interest would be. Mr. Prall responded it would be another \$60,000 to \$70,000.

Councilmember Spehar asked what the justification was for paying the interest component. Mr. Prall responded the justification was because they have been paying the interest.

Councilmember Spehar asked Mr. Rooklidge if the interest was that much of an issue. Mr. Rooklidge responded that it was not to him.

Councilmember Spehar suggested paying it without interest to the current owners would make it simple.

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Councilmember Terry said \$187,000 is minimal as this has always been a fairness issue to those who came before. It makes sense to provide the assistance to these previous districts. Councilmember Spehar agreed.

Councilmember Payne also agreed and asked what would the area up Rosevale be receiving. Mr. Prall responded they will be receiving the 30%.

Commissioner Genova asked if the \$187,000 covers all of the districts. Mr. Prall said it does.

Commissioner Baughman stated he thought this project was complete in 1997. Mr. Prall said that is when Country Club Park was assessed. Mr. Baughman asked If the Country Club Park request is approved, will this clear all involved. Commissioner Genova stated it would include sewer extensions from 1988 forward.

Chairwoman Hall said she did not support going back, and that \$187,000 is a lot of money. Commissioner Baughman agreed with Chairwoman Hall.

County Motion

Upon motion by Commissioner Baughman, seconded by Chairwoman Hall and carried with Commissioner **GENOVA** voting **NO**, the request was denied.

City Motion

It was clarified the subsidy amount does not cover the cost of getting the service to the house, which the homeowners also had to pay.

Upon motion by Councilmember Terry, seconded by Councilmember Spehar and carried the request, as itemized in the staff report, granting the subsidies amounting to approximately \$186,000 to the districts since 1988, without interest to the current owners, was approved by City Council.

Councilmember Scott said they came to the Council and Commissioners with their request, and they need to be subsidized.

The request was denied since the City and County must agree on the decision.

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ADJOURNMENT

The meeting was adjourned at 9:25 p.m.

Stephanie Nye, CMC
City Clerk