

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

DECEMBER 5, 2001

The City Council of the City of Grand Junction convened into regular session the 5th day of December, 2001 at 7:32 p.m. in the City Auditorium. Those present were Harry Butler, Dennis Kirtland, Bill McCurry, Janet Terry, Reford Theobold, Jim Spehar and President of the Council Cindy Enos-Martinez. Also present were City Manager Kelly Arnold, City Attorney Dan Wilson and City Clerk Stephanie Tuin.

Council President Enos-Martinez called the meeting to order and Councilmember Butler led in the pledge of allegiance. The audience remained standing for the Invocation by Retired Chaplain Eldon Coffey.

APPOINTMENTS

Appointments to the Planning Commission

Councilmember Spehar moved to reappoint Terri Binder and Bill Putnam to four-year term, appoint Roland Cole to a four-year term and appoint John Redifer fill the remainder of a two-year term to the Grand Junction Planning Commission. Councilmember Kirtland seconded, and the motion carried with Councilmember Theobold voting no on the re-appointment of Terri Binder.

Appointment to the Planning Commission Board of Appeals

Councilmember Spehar moved to appoint Bill Pitts to the Board of Appeals and as first alternate to the Planning Commission. Councilmember McCurry seconded, and the motion carried.

Councilmember Spehar stated that both appointments would be effective January 1, 2002. There were no objections.

PRESENTATION OF CERTIFICATES OF APPOINTMENTS

To Commissioner for the Arts and Culture Karen Kiefer

To Commissioners for the Planning Commission Richard Blosser and John Evans

PRE-SCHEDULED VISITORS

Ouray Chamber of Commerce Mayoral Skijoring Challenge. Judy Roberts presented the challenge to Mayor Enos-Martinez, or her representative, to attend the annual Ouray Skijoring contest. She noted that Grand Junction did not participate in the contest last

year and that they are undoubtedly anxious to redeem themselves this year. She asked Council for a \$100 donation and an answer to the challenge by the 28th of December.

CONSENT CALENDAR

It was moved by Councilmember Theobold, seconded by Councilmember McCurry and carried by a roll call vote to approved Consent Items # 1 through 11.

Councilmember Theobold suggested to Downtown Development Authority members present that they should consider a de-brucing vote to avoid a mill levy credit as was just adopted by resolution.

1. **Minutes of Previous Meetings**

Action: Approve the Summary of the November 19, 2001 Workshop and the Minutes of the November 21, 2001 Regular Meeting

2. **Authorizing a Contract for Banking Services with Alpine Bank, Grand Junction**

Based on the triennial request for proposals for city banking services, it is recommended the selection of Alpine Bank for a three-year banking services contract as being in the City's best interest.

Resolution No. 119-01 – A Resolution Designating a Depository and Approving an Agreement for Banking Services Between the City of Grand Junction, Colorado and Alpine Bank, Grand Junction

Action: Adopt Resolution No. 119-01

3. **Levying Property Taxes for Collection in the Year 2002**

The resolutions set the mill levies of the City of Grand Junction, Ridges Metropolitan District #1 and #2, Grand Junction West Water and Sanitation District, and the Downtown Development Authority. The City and DDA mill levies are for operations; the others are for debt service only. The City is establishing temporary credit mill levies for the General Fund and the DDA for the purpose of refunding revenue collected in 2000 in excess of the limitations set forth in the Tabor Amendment, Article X, Section 20 of the Colorado Constitution. The temporary credits are pursuant to CRS 39-5-121 (SB 93-255). The City will levy a temporary credit of 0.556 mills for the purpose of refunding \$245,084, and for the DDA, a credit mill levy of 0.482 to refund \$12,135.

- a. Resolution No. 120–01 – A Resolution Levying Taxes for the Year 2001 in the City of Grand Junction, Colorado
- b. Resolution No. 121–01 – A Resolution Levying Temporary Credit Taxes for the Year 2001 in the City of Grand Junction, Colorado
- c. Resolution No. 122–01 – A Resolution Levying Taxes for the Year 2001 in the City of Grand Junction, Colorado, Downtown Development Authority
- d. Resolution No. 123–01 – A Resolution Levying Temporary Credit Taxes for the Year 2001 in the Downtown Development Authority of the City of Grand Junction, Colorado
- e. Resolution No. 124–01 – A Resolution Levying Taxes for the Year 2001 in the Ridges Metropolitan District a Part of the City of Grand Junction, Colorado
- f. Resolution No. 125-01 – A Resolution Levying Taxes for Year 2001 the Grand Junction West Water and Sanitation District a Part of the City of Grand Junction, Colorado

Action: Adopt Resolutions No. 120-01, 121-01, 122-01, 123-01, 124-01 and 125-01

4. **City/County Intergovernmental Agreement for Designated Emergency Response Authority (DERA) and Superfund Amendment Reauthorization Act (SARA)**

The DERA services are for response to accidents involving the release of hazardous materials. The SARA program involves collection of information regarding storage, handling, and manufacturing of hazardous materials.

Action: Authorize the Mayor to Sign the City/County Intergovernmental Agreement for DERA Services and the SARA Program

5. **2001 Program Year Community Development Block Grant for Marillac Clinic**
[File# CDBG 2001-4]

This contract formalizes the City's Award of \$200,000 to Marillac Clinic for construction of an addition on their medical facility located at 2333 North 6th Street. The addition will house the relocation and expansion of their dental

facility and other support services. These funds were allocated from the City's 2001 Community Development Block Grant Program.

Action: Authorize City Manager to Sign Subrecipient Contract with CDBG for Marillac Clinic

6. **Setting a Hearing on the Revisions to Zoning and Development Code**
[File # TAC-2001-203]

The Grand Junction Zoning and Development Code was adopted on March 7, 2000, with an effective date of April 22, 2000. As requested by the City Council, this is a review of the Code provisions to determine whether any changes are needed. The majority of the proposed amendments are clerical corrections, formatting and clarifications. The report to the Planning Commission and City Council for the July 30th Workshop listed 22 specific issues that were raised by those who commented on the Code. This update has incorporated those that Planning Commission and Council directed staff to change.

Proposed Ordinance for the Annual Update of the Zoning and Development Code for the City of Grand Junction

Action: Adopt Proposed Ordinance on First Reading and Set a Hearing for December 19, 2001

7. **Setting a Hearing on the Rezone from Planned Development (PD-for Miller Homestead) to PD (for 12th Street Medical Plaza & Hospice Care), located at 3090 & 3150 North 12th Street** [File #GPA-2001-179]

The applicant requests to rezone the site formerly known as the Miller Homestead Planned Development to the 12th Street Medical Plaza and Hospice Care Planned Development. At its hearing of November 20, 2001 the Planning Commission recommended approval of this rezone request.

Proposed Ordinance Zoning Two Parcels Located at 3090 and 3150 North 12th Street from PD (For Miller Homestead) to PD for the 12th Street Medical Plaza and Hospice Care Planned Development

Action: Adopt Proposed Ordinance on First Reading and Set a Hearing for December 19, 2001

8. **Setting a Hearing on the Zoning for the Madaris Annexation located at 539 31 ½ Road** [File #ANX-2001-214]

First reading of the annexation zoning ordinance for the Madaris Annexation located at 539 31 ½ Road. The 5.852-acre Madaris Annexation consists of one parcel of land. Planning Commission recommended a Residential Single Family with a maximum of four units per acre (RSF-4) zone district. State law requires the City to zone newly annexed areas within 90 days of the annexation. The proposed City zoning confirms to the Growth Plan's Future Land Use map and recommendation for Residential Medium Low, with residential land uses between 2 and 4 units per acre for this area.

Proposed Ordinance Zoning Property Known as the Madaris Annexation located at 539 31 ½ Road to RSF-4

Action: Adopt Proposed Ordinance on First Reading and Set a Hearing for December 19, 2001

9. **Setting a Hearing on the Annexation of Cimarron Mesa Annexation, Located at the Southwest Corner of Linden Avenue and B ½ Road**

Resolution for Referral of Petition to Annex/First reading of the Annexation Ordinance/Exercising Land Use Jurisdiction Immediately for the Cimarron Mesa Annexation Located at the Intersection (southwest corner) of Linden Avenue and B ½ Road. The 32.567-acre Cimarron Mesa Annexation consists of one parcel of land.

a. Referral of Petition, Setting a Hearing and Exercising Land Use Control and Jurisdiction

Resolution No. 126-01 – A Resolution Referring a Petition to the City Council for the Annexation of Lands to the City of Grand Junction, Colorado, Setting a Hearing on Such Annexation, and Exercising Land Use Control, Cimarron Mesa Annexation, Located at the Southwest Corner of Linden Avenue and B ½ Road

Action: Adopt Resolution No. 126-01

b. Set a Hearing on Proposed Ordinance

Proposed Ordinance Annexing Territory to the City of Grand Junction, Colorado Cimarron Mesa Annexation, Approximately 32.567 Acres, Located at the Southwest Corner of Linden Avenue and B ½ Road

Action: Adopt Proposed Ordinance on First Reading and Set a Hearing for January 16, 2002

10. **Revisions to the Pre-Qualification Regulations**

This revision includes some administrative adjustments, revised financial categories, and terminology to include record of safety responsiveness in the process to review initial and continued pre-qualification status.

Resolution No. 127-01 – A Resolution Adopting Revised Rules and Procedures to Pre-Qualify Contractors to Bid on City Public Works and Utility Projects

Action: Adopt Resolution No. 127-01

11. **Award of Design/Construction Contract for the Old Mill Bridge Slope Stabilization Project**

Three proposals were obtained to design and construct a slope stabilization system to support the south abutment of the Old Mill Bridge. This is a bicycle/pedestrian bridge that was constructed across the Colorado River near Eagle Rim Park in 1997.

Yenter Companies	Arvada & Silt CO	\$178,700
Mays Construction Specialties	Grand Junction	\$180,295
R.W. Jones Construction Inc.	Fruita, CO	\$250,614

Action: Authorize the City Manager to Execute a Design/Construction Contract for the Old Mill Bridge and Trail Slope Stabilization Project with Yenter Companies, Inc. in the Amount of \$178,700

END OF CONSENT CALENDAR

ITEMS NEEDING INDIVIDUAL CONSIDERATION

Grand Junction Economic Partnership Incentive Request

The Economic Partnership is requesting an incentive for a new business that provides comprehensive employee absence and disability management in an amount of \$500,000.

Councilmember Spehar excused himself from the discussion, as his brother is involved in the new company. He stepped down from the dais.

Grand Junction Economic Partnership President, Denny Granum, reviewed this item. He assured Council that any incentive received would be based on performance. The length of the contracts the company has with the three insurance companies are: Hartford three years with a one year extension, Signet Group signed an agreement for one year with automatic renewals, Sun Life Group since has been involved 1998 and Liberty Mutual Life Insurance Company isn't specifically stated, but are in the process of negotiation.

Councilmember Terry asked Mr. Granum to reiterate some of the presentation given at Monday night's Workshop for the benefit of the viewing audience and public.

Mr. Granum explained that the company is a start-up company in Grand Junction, but has been in business in Toronto, Canada. They will be locating their corporate headquarters to Grand Junction. He stated that Grand Junction is competing with Scottsdale, Arizona for this company. He then turned the discussion over to Wade Haerle, a committee member. Mr. Haerle explained that the company is an absence management company who allows large employers to outsource some of their Human Relations function. They team with large insurance companies who sell disability insurance. This company both explains the selling of the insurance and then tracks the disability of the employee and their return to work.

It was moved by Councilmember Theobald, seconded by Councilmember McCurry and carried by a roll call vote to approve the incentive request, with Councilmember Spehar abstaining.

Lease/Purchase Agreement with Buck S. Oda and Yo Oda to Secure Land for Future Expansion of the City's Maintenance Compound

The proposed action will authorize the lease and purchase of approximately 15 acres located adjacent to the River Road Operations Center.

Tim Moore, Public Works Manager, reviewed this item. The agreement allows the Odas to continue living on the property for a period of time. It is the only possible property that would be adjacent to the existing shops and allow expansion on one parcel. Staff feels it is an excellent opportunity.

City Manager Arnold pointed out that a portion of the property is in the floodplain so there is only about 15 acres developable outside the floodplain. Also it is the last piece of agricultural land in the area so it might be considered in the future to use a portion as a community garden.

Resolution No. 128-01 – A Resolution Authorizing the Lease and Purchase by the City of Certain Real Property Owned by Buck S. Oda and Yo Oda

It was moved by Councilmember Terry, seconded by Councilmember Spehar and carried by roll call vote to authorize the Lease Purchase by Adopting Resolution No. 128-01.

Public Hearing - 2002 Annual Appropriation

The total appropriation for all accounting funds budgeted by the City of Grand Junction (including the Ridges Metropolitan District, Grand Junction West Water and Sanitation District and the Downtown Development Authority) is \$92,804,708. Although not a planned expenditure, an additional \$2,250,000 is appropriated as an emergency reserve in the General Fund pursuant to Article X, Section 20 of the Colorado Constitution.

The public hearing was opened at 8:01 p.m.

Ron Lappi, Administrative Services and Finance Director reviewed this item.

There were no public comments.

Councilmember Spehar stated the amount of the 2002 Budget to be over \$92 million. Mr. Lappi explained the increase, which is in part due to inflation, and that the amount includes all funds, including the reconstruction of the sewer lines in parts of downtown Grand Junction. Also this budget includes all funds including the Capital funds.

City Manager Arnold noted the County Commissioners did approve the sewer fund budget.

Councilmember Kirtland expressed his enthusiasm to get out into the public and explain this budget and what the outlook is and what the plans and forecasts are. Councilmember Spehar added that in the future the City expects reduced revenues. He also emphasized the plans for revenues to be in the area of expanding the River Road project along with the 29 Road completion. He also commented on the change in focus away from parks.

Mr. Lappi said sales tax revenues are still expected to grow but are predicting a 6½% growth for next year, which is a smaller growth than the City has been in the past years.

Councilmember Theobald indicated that this budget is different in that monies are being shifted from capital to operations and he disagrees with the structure.

The public hearing was closed at 8:08 p.m.

Ordinance No. 3387 – The Annual Appropriation Ordinance Appropriating Certain Sums of Money to Defray the Necessary Expenses and Liabilities of the City of Grand Junction, Colorado, the Ridges Metropolitan District, and the Grand Junction West Water and Sanitation District, for the Year Beginning January 1, 2002 and Ending December 31, 2002

Upon a motion by Councilmember Kirtland, seconded by Councilmember Spehar, and carried by roll call vote with Councilmember Theobold voting **NO**, Ordinance No. 3387 was approved.

Resolution No. 129-01 – A Resolution Adopting the Budget for the Purpose of Defraying the expenses and Liabilities for the Fiscal Years Ending December 31, 2002 and 2003

Upon a motion by Councilmember Kirtland, seconded by Councilmember Terry, and carried by roll call vote with Councilmember Theobold voting **NO**, Resolution No. 129-01 was approved.

City Policy on the Use of Bond or Loan Proceeds from TIF Financing

The resolution formally establishes the policy and guidelines to be followed by the Downtown Development Authority and City staff in spending TIF borrowed proceeds for capital projects and their related administrative costs. It also sets out in some detail what are considered appropriate administrative costs and those that are not based on City of Grand Junction polices and practices.

Ron Lappi, Administrative Services and Finance Director, reviewed this item.

Councilmember Spehar recalled the direction of this policy was that the policy not be quite as limited as City policy. He asked if that is included in this resolution. Mr. Lappi said yes in the second paragraph of Exhibit A

Resolution No. 130-01 - A Resolution Establishing the City of Grand Junction Policy Relative to the Use of Bond and Loan Proceeds from the Tax Increment Financed Debt Issued by the City of Grand Junction

Upon a motion by Councilmember Theobold, seconded by Councilmember Kirtland, and carried by roll call vote, Resolution No. 130-01 was approved.

Loan to the DDA/TIF Capital Fund

Since the TIF district already has a significant amount of debt outstanding totaling \$2,535,000, a short-term line of credit from the City's pooled cash and investment program is being requested in-lieu of issuing additional public debt at this time. Any additional debt issued at this time would be subordinate to both outstanding bond issues, would have to be relatively small in size, and overall not be a very cost-effective move. The outstanding debt has a current average interest rate of 4.48%, and it would not be fiscally responsible to borrow at a higher rate to defease this debt.

Administrative Services and Finance Director Ron Lappi reviewed this item.

As directed by City Manager Arnold, Mr. Lappi said it is a new proposal but a form and process was developed to allow the Downtown Development Authority to have some capital resources, borrowing against future TIF resources.

City Manager Arnold stated that there is a \$600,000 cap, but the DDA does want some assurances that a project for which more is needed, more consideration would be given. Mr. Lappi pointed out that the interest is the same rate as the City investments earn. It is taken from internal pooled investments. Mr. Arnold added that the only risk would be if a bond couldn't be issued. Mr. Lappi said the biggest risk is if there would be a catastrophic economic decline. The \$600,000 is not tied to any specific project.

Councilmember Spehar stated that there are some projects existing, and that Council has a vested interest in downtown and would consider any project brought forth.

Councilmember Terry requested there be clarification in the resolution by adding, "as identified in Resolution No. 130-01". Council agreed.

Resolution No. 131-01 - A Resolution Authorizing a Line of Credit Loan of Up to \$600,000 to the DDA/TIF Capital Improvement Fund for a Period Beginning January 1, 2002 Through December 31, 2003

Upon a motion by Councilmember Kirtland, seconded by Councilmember Spehar, and carried by roll call vote, Resolution No. 131-01 was approved with the noted amendment.

DDA Operating Subsidy for 2001

At the November 19, 2001 City Council Workshop, the Board of Directors of the DDA, represented by their Chairperson and Vice Chair, requested the City of Grand Junction to subsidize their operating fund at the end of 2001 to cover the expected fund balance deficit expected to be less than \$200,000 accumulated over the past two calendar years.

Administrative Services and Finance Director Ron Lappi reviewed this item.

The proposal is as directed by Council to cover the DDA's deficit.

Councilmember Theobold noted that Council is funding the DDA's 2001 budget from the City's 2002 budget. He asked if some of the funding could come from this year's budget.

Mr. Lappi said the \$90,000 remaining this year would be added to the contingency fund next year.

Councilmember Kirtland commended the DDA board for their pledge to manage their funds more appropriately.

Upon a motion by Councilmember Kirtland, seconded by Councilmember Spehar, and carried by roll call vote Council approved the Use of General Fund Contingency Effective January 1, 2002 from the 2002 Budget, to Transfer to the DDA Operating Fund up to \$200,000 to Balance this Fund's Beginning Resources to Zero, and Directing the Finance Director to Make the Necessary Transfer When the Final Revenue and Expense Numbers are Known

Public Hearing - Rezoning the Chiroconnection Subdivision, Located at 1715 and 1705 N. 1st Street [File #RZ-2001-199]

The Petitioner has requested a rezoning of the property located at 1715 and 1705 N. 1st Street, from RMF-5 (Residential Multi-family, not to exceed 5 units per acre) to the zoning designation of RMF-8 (Residential Multi-family, not to exceed 8 units per acre). The applicants have received approval for a 3-lot subdivision.

The public hearing was opened at 8:28 p.m.

Tim Brady, applicant, reviewed this item. Mr. Brady located the property at Mesa Avenue and North First. The proposal calls for a three-lot subdivision, leaving one lot vacant. Mr. Brady would like to put a duplex on that vacant lot. It will eliminate one access point off of North 1st. The current zoning will not allow a duplex to be on the property.

Councilmember Theobold asked if the duplex is on Lot 2. Dr. Brady indicated that it would be on Lot 3 facing Mesa Avenue.

Lori Bowers, Associate Planner, reviewed the request and stated that Staff and the Planning Commission recommend approval noting it is consistent with the Growth Plan.

Councilmember Theobold stated that he thought it was supposed to be zoned RO. Ms. Bowers stated that originally the applicant requested a zone of RO, but that it was opposed by neighborhood so he is back requesting this zone change.

Councilmember Theobold suggested that perhaps he was thinking of 7th Street.

There were no public comments.

The public hearing closed at 8:32 p.m.

Ordinance No. 3388 – An Ordinance Rezoning the Chiroconnection Subdivision, Located at 1715 and 1705 N. 1st Street from RMF-5 to RMF-8

Upon a motion by Councilmember Spehar, seconded by Councilmember Kirtland, and carried by roll call vote, Ordinance No. 3388 was approved.

Public Hearing - Zoning the Cantrell Annexation, Located at 2930 North Avenue
[File #ANX-2001-052]

The 3.09-acre Cantrell Annexation area consists of two parcels of land, approximately 2.71 acres in size. The remaining acreage is comprised of right-of-way along North Avenue. There were no existing structures on the site at the time of annexation, but 2 new commercial buildings have been constructed since then. This zoning request is partially consistent with the Growth Plan and is entirely consistent with the previous Mesa County zoning.

The public hearing opened at 8:34 p.m.

Lori Bowers, Associate Planner, reviewed this item. The applicant was not present.

The property was annexed several months ago. There was an issue with access, which has never been resolved. The zoning being proposed is identical to the previous County zoning.

There were no public comments.

The public hearing closed at 8:35 p.m.

Ordinance No. 3389 – An Ordinance Zoning the Cantrell Annexation to C-1 (Light Commercial and RSF-8 (Residential family, not to exceed 8 units per acre) Located at 2930 North Avenue

Upon a motion by Councilmember Theobald, seconded by Councilmember McCurry, and carried by roll call vote, Ordinance No. 3389 was approved.

NON-SCHEDULED CITIZENS & VISITORS

Roland Cole thanked Council for his appointment to Planning Commission. Mayor Enos-Martinez thanked him for his willingness to participate.

OTHER BUSINESS

Councilmember Terry stated that she feels that if attendees are present for an item on individual consideration it is appropriate to allow attendees to speak even if there is no public hearing scheduled.

EXECUTIVE SESSION TO DISCUSS PERSONNEL MATTERS

Mayor Enos-Martinez explained that Council is going into executive session and will not be returning.

Upon a motion by Councilmember Kirtland, seconded by Councilmember Spehar, and carried by roll call vote, Council went into Executive Session as allowed by the Open Meetings Law, Section 402(4)(f) to discuss personnel matters namely the evaluation process, and possibly the evaluation itself, for the City Manager, the City Attorney, and the Municipal Judge and to discuss the City Manager's expected January maternity leave with no plans to return.

ADJOURNMENT

The meeting adjourned into Executive Session at 8:40 p.m.

Stephanie Tuin, CMC
City Clerk