

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

December 20, 2006

The City Council of the City of Grand Junction convened into regular session on the 20th day of December 2006, at 7:02 p.m. in the City Auditorium. Those present were Councilmembers Bonnie Beckstein, Teresa Coons, Bruce Hill, Gregg Palmer, Jim Spehar, Doug Thomason and President of the Council Jim Doody. Also present were City Manager David Varley, City Attorney John Shaver, and City Clerk Stephanie Tuin.

Council President Doody called the meeting to order. Councilmember Spehar led in the pledge of allegiance. The audience remained standing for the invocation by David Eisner, Congregation Ohr Shalom.

Appointments

To the Visitor and Convention Bureau Board of Directors

Councilmember Palmer moved to reappoint Steven Meyer, appoint Brian Berry, Paul Petersen, and Richard Martindale to the Visitor and Convention Bureau Board of Directors for three year terms expiring December, 2009. Councilmember Coons seconded the motion. Motion carried.

To the Public Finance Corporation

Councilmember Hill moved to reappoint Lynn James and appoint David Varley to the Public Finance Corporation for three year terms expiring January, 2010. Councilmember Spehar seconded the motion. Motion carried.

Certificate of Appointment

To the Parks and Recreation Advisory Board

Nick Adams was present to receive his certificate for the Parks and Recreation Advisory Board.

Citizen Comments

There were none.

CONSENT CALENDAR

Councilmember Beckstein read the list of items on the Consent Calendar noting that Item 7 has been postponed (the Rescinding of the Annexation Request for Bookcliff Veterinary Hospital).

It was moved by Councilmember Hill, seconded by Councilmember Palmer and carried by roll call vote to approve Consent Calendar Items #1 through #10 with Item #7 being continued to January 17, 2007.

1. **Minutes of Previous Meetings**

Action: Approve the Minutes of the November 30, 2006 Special Session, the December 1, 2006 Special Session, the Summary of the December 4, 2006 Workshop, and the Minutes of the December 6, 2006 Regular Meeting

2. **Acquisition of City Owned Right-of-Way in Whitewater**

TKAR Properties, LLC ("TKAR") has applied to Mesa County for a Concept Plan pending for a development to be known as Gunnison Ranch. The project is located in the Whitewater area. As part of the Concept Plan approval TKAR must show proof that access is available over the City owned property adjacent to or near the development. As was previously discussed with City Council at its January 16, 2006 work session, TKAR is interested in obtaining street access to the development across City owned property.

Resolution No. 160-06 – A Resolution Approving Designation of City Owned Land in Whitewater as Right-of-Way

Action: Adopt Resolution No. 160-06

3. **Purchase of Property Located at 549 Noland Avenue**

City staff has been negotiating with Dave Murphy for the sale of his property located at 549 Noland Avenue. (The purpose of this acquisition is to continue the revitalization efforts of the south downtown area.) The parties have reached a tentative agreement and a contract has been prepared for the City Manager to sign.

Action: Authorize the City Manager to Sign the Contract to Purchase 549 Noland Avenue

4. **Conduct of the Regular Municipal Election on April 3, 2007**

The City has adopted the Municipal Election Code. In order to conduct the election by mail ballot, the Council must authorize it pursuant to 1-7.5-104 C.R.S. and the City Clerk must submit a Written Plan outlining the details and responsibilities to the Secretary of State. It is recommended that the City again contract with Mesa County to conduct this election by mail ballot. They have the equipment on site and are able to prepare, mail out and process the ballots more efficiently than the City.

Resolution No. 161-06 – A Resolution Authorizing a Mail Ballot Election in the City of Grand Junction Regular Municipal Election on April 3, 2007, Authorizing the City Clerk to Sign the Intergovernmental Agreement with Mesa County Clerk and Recorder and Approving the Written Plan for the Conduct of a Mail Ballot Election

Action: Adopt Resolution No. 161-06

5. **Conduct of the DDA TIF Bond Election on April 3, 2007**

In order for additional bonds to be issued under Tax Increment Financing (TIF), a question must be presented to the qualified electors of the DDA for approval. The City Council has the option of conducting the DDA TIF election by mail ballot in-house, apart from the regular spring election.

Resolution No. 162-06 – A Resolution Authorizing a Mail Ballot Election in the Grand Junction Downtown Development Authority for the April 3, 2007 Special Election, Authorizing the City Clerk to Sign the Intergovernmental Agreement with Mesa County Clerk and Recorder and Approving the Written Plan for the Conduct of a Mail Ballot Election

Action: Adopt Resolution No. 162-06

6. **Annual Hazardous Materials Agreement with Mesa County**

The Fire Department is requesting renewal of the City of Grand Junction/Mesa County Intergovernmental Agreement for the Grand Junction Fire Department to provide Superfund Amendment Reauthorization Act (SARA) and Designated Emergency Response Authority (DERA) services to Mesa County outside the City of Grand Junction. 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 Annual SARA/DERA Agreement with Mesa County

7. **Rescinding the Annexation Request for the Bookcliff Veterinary Hospital Annexation Located at 564 29 Road** [File #ANX-2005-076]

A request to rescind the annexation request for the 2.93 acre Bookcliff Veterinary Hospital property located at 564 29 Road.

Action: Continued to January 17, 2007

8. **Revocable Permit for Canyon View Car Wash LLC for Retaining Wall and Landscaping Located at 2258 Broadway** [File #CUP-2003-024]

A request to install a retaining wall for a driveway entrance in the Kansas Avenue right-of-way and also required landscaping in the Kansas Avenue, Broadway and Redlands Parkway rights-of-way, located adjacent to 2258 Broadway.

Resolution No. 164-06 – A Resolution Concerning the Issuance of a Revocable Permit to Canyon View Car Wash LLC, Located at 2258 Broadway

Action: Adopt Resolution No. 164-06

9. **Construction Contract for Somerville Supply Waterline**

The Somerville Supply Waterline is a supplemental raw water supply for the City of Grand Junction. The project will install approximately 4 ½ miles of 12" PVC pipe and deliver it to the existing Kannah Creek Supply line.

Action: Authorize the City Manager to Sign a Construction Contract for the Somerville Supply Waterline to Downey Excavation, Inc., Montrose, in the Amount of \$711,025.00

10. **Purchase of Stormwater Easement from Mervyn's for the Ranchmen's Ditch Project**

The City has entered into a contract to purchase a perpetual stormwater easement, temporary construction easements and a longitudinal temporary easement across a portion of the Mervyn's property at Mesa Mall for the Independent Ranchman's Ditch Project. The City's obligation to purchase this property is contingent upon Council's ratification of the purchase contract.

Resolution No. 165-06 – A Resolution Authorizing the Purchase of a Perpetual Storm Water Easement, Temporary Construction Easements and a Longitudinal Temporary Easement at 2424 Hwy 6 & 50 from Mervyn's Department Store (MDS Realty, LLC)

Action: Adopt Resolution No. 165-06

ITEMS NEEDING INDIVIDUAL CONSIDERATION

Public Hearing – Create The Bluffs Sanitary Sewer Improvement District No. SS-48-06 and Award the Contract for Construction

A majority of the owners of real estate located in the area east of 23 Road and between Terry Court and the Colorado River have submitted a petition requesting an improvement district be created to provide sanitary sewer service to their respective properties, utilizing the septic sewer elimination program to help reduce assessments levied against the affected properties. This is the final step in the formal process required to create the proposed Improvement District.

The public hearing was opened at 7:10 p.m.

Mark Relph, Public Works and Utilities Director, reviewed this item. He explained the process to form a sewer improvement district and the estimated cost for each of the property owners on this particular district is \$10,341. He said if Council were to approve the project, Staff requests that Council also award the contract for the construction.

Council President Doody asked Mr. Relph to elaborate on the City/County contribution for the cost through the Septic Elimination Fund. Mr. Relph deferred to Utilities Engineer Bret Guillory to elaborate on the requirement to connect.

Mr. Guillory advised that typically about 30% of the owners will connect right away after the construction. He said the rest of the property owners will only have to connect if their septic fails and those sewer lines will be stubbed up to each property line.

Jack Warren, 2304 Terry Court, said he and other owners on Terry Court are concerned about the formation of the district. He said they thought there were some engineering obstacles for the installation of the sewer line along E ½ Road. He does not feel the bid identifies those challenges and he said he and his neighbors on Terry Court are being charged disproportionately. Mr. Warren said he and his neighbors had a discussion about considering the withdrawal of their request.

There were no other public comments.

The public hearing was closed at 7:22 p.m.

Councilmember Coons questioned how the boundaries were determined and asked for Staff to describe the difficulties for the construction. Mr. Guillory said there are several criteria in setting up a district whether it flows to a central point or is one basin. He said they look at the economies of the scale standpoint and try to keep the districts as large as possible for purposes of bidding. He said the lots sizes at Terry Court are smaller and the assessment for a separate district for just the Terry Court properties came out over \$12,000 per lot, so the amount would be higher because of the smaller lot sizes. Mr. Guillory said regarding the engineering challenges, it was difficult to figure out how to get sewer to each of those properties. He said the project engineer that did the work did an excellent job and the easement and other work was done up front which is reflected in the contract price.

Councilmember Coons clarified, if the boundaries were drawn differently, would it cost those property owners more. Mr. Guillory concurred; and said about \$2,000 more per lot.

Councilmember Hill questioned if these are hard costs and bids have already been received. Mr. Guillory said yes. Councilmember Hill asked how this compares to a similar project that was completed in the last year and asked if it was more costly. Mr. Guillory said this is one of the most expensive sewer districts to be constructed. He would compare it to the Appleton district. Mr. Guillory said the City will probably see more in this price range due to increase in construction costs. He said the goal is to have sewer available for around the same cost as replacing a septic system.

Mr. Relph said based on the City's economy, the City has to have these larger districts to get competitive bids.

Councilmember Palmer confirmed that the current residents are not obligated to hook on unless their septic fails. Mr. Guillory said that is correct. Councilmember Palmer asked, if the property is not in that sewer district and their septic fails will they have to hook on at their own expense. Mr. Guillory said that is correct and that will be much more costly.

Councilmember Coons questioned if the City has done a Sewer Improvement District where there was differential pricing. Mr. Guillory said no.

Council President Doody questioned the different ways homeowners can make their payments. Mr. Guillory said the owners can pay in full within 30 days after completion or have an 8% loan through Persigo for ten years. Some property owners take out a home equity loan and claim the interest as a tax deduction.

Councilmember Spehar said he is reluctant to change boundaries and start over. He is comfortable with the explanation of the economies of scale and would support going forward.

Councilmember Coons supports going forward.

Councilmember Palmer also supports moving forward.

Councilmember Beckstein said she supports the program and likes the fact that the costs are comparable to the cost of replacing a septic system.

Councilmember Hill supports Staff's recommendation. He said the process was clear and the residents were well informed. He said with this program helped to reduce the cost for 21 residents by over \$90,000 through the SSEP program.

Councilmember Thomason supports the program.

Resolution No. 166-06 – A Resolution Creating and Establishing Sanitary Sewer Improvement District No. SS-48-06, Within the Corporate Limits of the City of Grand Junction, Colorado, Authorizing the Installation of Sanitary Sewer Facilities and Adopting Details, Plans and Specifications for the Same

Councilmember Thomason moved to adopt Resolution No. 166-06 and authorize the City Manager to enter into a construction contract with Sorter Construction, Inc., in the amount of \$273,206.00. Councilmember Spehar seconded the motion. Motion carried by roll call vote.

Public Hearing – Mahan Manor Annexation and Zoning Located at 2855 UnawEEP Avenue [File #ANX-2006-277]

Request to annex and zone 10.34 acres, located at 2855 UnawEEP Avenue, to RSF-4 (Residential Single Family, 4du/ac). The Mahan Manor Annexation consists of one parcel.

The public hearing was opened at 7:40 p.m.

Kathy Portner, Assistant Community Development Director, reviewed this item. She described the site, the surrounding zoning and uses, the Future Land Use Designation and the requested zoning. She advised that Staff finds the request meets the criteria of the Growth Plan and the Zoning and Development Code and said the Planning Commission recommended approval.

Mike Marcus, with Development Construction Services located at 2350 G Road, was present to represent the applicant. He said they are in agreement with the staff report and can answer any questions.

There were no public comments.

The public hearing was closed at 7:41 p.m.

a. Accepting Petition

Resolution No. 167-06 – A Resolution Accepting a Petition for Annexation, Making Certain Findings, Determining that Property Known as the Mahan Manor Annexation, Located at 2855 Unawep Avenue, Including a Portion of Unawep Avenue Right-of-Way is Eligible for Annexation

b. Annexation Ordinance

Ordinance No. 4008 – An Ordinance Annexing Territory to the City of Grand Junction, Colorado, Mahan Manor Annexation, Approximately 10.34 acres, Located at 2855 Unawep Avenue, Including a Portion of Unawep Avenue Right of Way

c. Zoning Ordinance

Ordinance No. 4009 – An Ordinance Zoning the Mahan Manor Annexation to RSF-4, Residential Single Family with a Density Not to Exceed Four Units per Acre, Located at 2855 Unawep Avenue

Councilmember Spehar moved to adopt Resolution No. 167-06 and Ordinance Nos. 4008 and 4009 on Second Reading and ordered them published. Councilmember Coons seconded the motion. Motion carried by roll call vote.

Public Hearing – Calfrac Annexation and Zoning Located at 489 30 Road [File #ANX-2006-283]

Request to annex and zone 32.92 acres, located at 489 30 Road, to I-1 (Light Industrial) and RMF-8 (Residential Multi Family 8 du/ac). The Calfrac Annexation consists of three parcels.

The public hearing was opened at 7:43 p.m.

Kathy Portner, Assistant Community Development Director, reviewed this item. She described the site, the surrounding zoning and uses, the Future Land Use Designation

and the requested zoning. She explained the reason for the annexation and the planned development. She advised that Staff finds that the request meets the criteria for annexation and the Zoning and Development Code and both Staff and the Planning Commission recommend approval.

Councilmember Coons asked where the buffering will be between land uses. Ms. Portner said between the I-1 and the residential zone districts.

It was noted that this annexation creates an enclave. Ms. Portner advised that letters have gone out to those property owners affected because the City can annex the enclave within three years, but under the Persigo Agreement it must be annexed within five years.

Councilmember Hill asked about how this fits into the Pear Park Plan. Ms. Portner said the Plan encourages industrial traffic to go through these areas, but does allow for limited interconnection.

The applicant was not present.

There were no public comments.

The public hearing was closed at 7:49 p.m.

Councilmember Hill voiced some observations on adjacent zonings and said this is a unique property and the zoning is appropriate and makes for a nice transition.

a. Accepting Petition

Resolution No. 168-06 – A Resolution Accepting a Petition for Annexation, Making Certain Findings, Determining that Property Known as the Calfrac Annexation, Located at 489 30 Road is Eligible for Annexation

b. Annexation Ordinance

Ordinance No. 4010 – An Ordinance Annexing Territory to the City of Grand Junction, Colorado, Calfrac Annexation, Approximately 32.92 acres, Located at 489 30 Road

c. Zoning Ordinance

Ordinance No. 4011 – An Ordinance Zoning the Calfrac Annexation to I-1 and RMF-8, Located at 489 30 Road

Councilmember Palmer moved to adopt Resolution No. 168-06 and Ordinance Nos. 4010 and 4011 on Second Reading and ordered them published. Councilmember Thomason seconded the motion. Motion carried by roll call vote.

Infill and Redevelopment Request for Killian, Guthro and Jenson Building, 202 North Seventh Street – Continued from November 15, 2006

This is a revision to the original request for Infill and Redevelopment Program incentives. The request as approved by the City Council in August of 2005 allocated \$75,000 to the under grounding of power lines in the alley. The request is to reallocate that amount to one of three areas: geothermal heating system, limestone exterior, and/or cost of permits.

Tim Moore, Assistant Public Works and Utilities Director, reviewed this item. He noted this is a request to modify a previously approved request. He said an incentive request was approved for various items in conjunction with the construction of their new building. He deferred the current request to be explained by the applicant. Mr. Moore said regarding the undergrounding, negotiations have taken place with Xcel Energy to underground a span that will cost \$156,000. He said the incentive request that was previously approved was considered to partially fund the undergrounding. The property owners to the north have strong feelings that they want the lines to be placed underground. Mr. Moore said if some of that money is reallocated, Public Works would then place conduit during the 7th Street project for future undergrounding as the actual undergrounding would likely be delayed.

Councilmember Palmer questioned if the landscaping piece is still in place. Mr. Moore said yes, that the only issue is the \$75,000 for undergrounding utilities.

Council President Doody asked Mr. Moore to clarify the financing. Mr. Moore said the estimate for the undergrounding was \$75,000, but to bring it under 7th Street and over to 8th Street is what brought the amount up to \$156,000. Xcel Energy prefers a longer span, hence the extension.

Keith Killian, 202 N. 7th Street and the applicant, said the \$75,000 for undergrounding was granted with the understanding that the alley would be vacated for their use, but the adjacent property owners did not want the alley vacated. He said his firm then asked for a revocable permit, but again the neighbors did not like that either. He said they spoke with Xcel Energy and they said the undergrounding would need to go more than a block or it would not be feasible. He said since then the City has spoke with Xcel Energy and got the approval to move forward. He asked that the \$75,000 to be reallocated as the undergrounding was primarily to allow for use of the alley.

Councilmember Coons asked if there was any way to do the undergrounding if the \$75,000 was reallocated and what would happen with the cost overruns. Mr. Killian said they have already cut back and are taking some painful cuts by not finishing some of the rooms.

Councilmember Hill said he supported this previously because of the public visual improvement. He said the spirit was allocated dollars for the area to maximize the length of the undergrounding.

Councilmember Spehar said the infill/redevelopment program was to help developers develop locations that are difficult or hard to develop. He said the City should reserve the \$75,000 and put it toward the undergrounding.

Mr. Killian said if the \$75,000 is not allocated to them, the City would have used those funds to underground anyway.

Councilmember Spehar said he recalls a discussion with Xcel Energy that \$100,000 worth of work is about the minimum threshold. Mr. Moore said Xcel Energy likes the undergrounding to be 600 to 700 feet. Councilmember Spehar said it was mentioned to at least lay conduit and asked what it takes to get that footage. Mr. Moore said this project is \$156,000 at 640 feet. Councilmember Spehar said he would rather apply the \$75,000 to that improvement rather than to apply it to a façade or heating system for the applicant's building.

Councilmember Hill stated that the \$75,000 to underground was only because it was a on their list of things to do, if not it would come from other funding or be delayed. He said this incentive program has been developed to help undevelopable or difficult properties to be more developable.

Councilmember Hill moved to reallocate the \$75,000 infill/redevelopment incentive originally allocated for undergrounding at 202 N. 7th Street to be used in other areas. Council President Doody seconded the motion. When the vagueness of "other areas" was objected to, Councilmember Hill clarified that if the motion passes then Council can make a motion as to what those other areas would be.

A voice vote was taken. Councilmember Hill asked Council President Doody to ask for a roll call for clarification. A roll call vote was unanimously against. The motion failed.

Public Hearing – Rezoning Property Owned by St. Mary’s Hospital Located at 2440 N. 11th Street [File #RZ-2006-232]

Request to rezone Lot 3R, Wellington Business Park Replat (1.80 acres), located at 2440 N. 11th Street from B-1, Neighborhood Business to PD, Planned Development.

Councilmember Coons recused herself due to her employment with the applicant. She left the meeting.

The public hearing was opened at 8:26 p.m.

Scott D. Peterson, Senior Planner, reviewed this item. He explained the request to rezone the property. The Planning Commission reviewed the request and recommended approval. He said the current use on the adjacent property is a medical office. Mr. Peterson said the applicant is asking for the rezone to be consistent with the zoning in the area. It is a vacant lot that will be used for staging during construction of the Century Project. After that project is complete, it will most likely be used for medial offices. There were no objections at the Planning Commission hearing and the request meets the rezone criteria of the Zoning and Development Code.

Ron Jenkins, representing St Mary’s, had nothing to add.

Councilmember Thomason questioned what kind of staging. Mr. Jenkins said it would be used for the layout of steel and materials.

Councilmember Beckstein questioned how St Mary’s will prepare the site. Mr. Jenkins said the site will be graded so there will be no erosion and a fence around the site which will eliminate parking. He said the site will also be cleaned up when the project is completed.

Councilmember Beckstein questioned how the steel beams will be brought to the site. Mr. Jenkins said off of Wellington. Councilmember Beckstein questioned if that road will be able to handle that kind of weight load. Mr. Peterson said the road currently handles semi traffic and he is not aware of any concerns.

There were no public comments.

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

Ordinance No. 4007 – An Ordinance Rezoning Lot 3R, Wellington Business Park Replat to PD, Planned Development, and Establishing Standards for the Planned Development

(PD) Zone District for Property Owned by St. Mary's Hospital, Located at 2440 N. 11th Street

Councilmember Spehar moved to adopt Ordinance No. 4007 on Second Reading and ordered it published. Councilmember Hill seconded the motion. Motion carried by roll call vote.

Non-Scheduled Citizens & Visitors

There were none.

Other Business

There was none.

Adjournment

The meeting adjourned at 8:35 p.m.

Stephanie Tuin, MMC
City Clerk