

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

November 14, 2011

The City Council of the City of Grand Junction convened into regular session on the 14th day of November, 2011 at 7:00 p.m. in the City Auditorium. Those present were Councilmembers Bennett Boeschstein, Teresa Coons, Jim Doody, Laura Luke, Bill Pitts, Sam Susuras, and Council President Tom Kenyon. Also present were City Manager Laurie Kadrich, City Attorney John Shaver, and City Clerk Stephanie Tuin.

Council President Kenyon called the meeting to order. Councilmember Luke led the Pledge of Allegiance, followed by a moment of silence.

Proclamation

Proclaiming November 2011 as “Blue Star Mothers Month” in the City of Grand Junction

Appointment

Councilmember Coons moved to appoint Scott Aker for a five year term expiring October 2016 to the Grand Junction Housing Authority. Councilmember Susuras seconded the motion. The motion carried.

Council President Kenyon recognized students from John Marshall’s American Government class at Colorado Mesa University in attendance. He asked them to stand and introduce themselves.

Council Comments

Councilmember Luke advised she went to the Veterans’ Celebration in Fruita on Veterans’ Day.

Councilmember Doody echoed that he too attended, noting it was a great weekend for Veterans.

Councilmember Coons spent time at the Visitor and Convention Bureau’s end of year celebration with a number of member agencies in the tourism industry and heard good things about tourism this year. Optimism was expressed for the upcoming year.

Councilmember Pitts was busy in Phoenix with the National League of Cities Conference.

Councilmember Susuras said he went to the Military Ball. He complimented Councilmember Doody’s participation in organizing the event noting it was a great event.

Councilmember Boeschstein went to the Airport Authority Luncheon last week and he learned a lot about the airport and their plans.

Council President Kenyon also went to the Airport Luncheon and has been to several Airport meetings lately and will attend another one the following night.

Citizen Comments

There were none.

City Manager's Report

Laurie Kadrach, City Manager, presented this item. The information she presented was to introduce a refinancing option for the Riverside Parkway bonds. The item is on the Consent Calendar to set the public hearing. She reviewed the history of the Riverside Parkway bonds. Bonds were issued at two different times to take advantage of interest rates. The largest was in 2004. The total debt authorized was \$80 million. The average interest rate is 4.78%. The Council then went back to the voters to ask if the City could keep the excess TABOR revenue and hold that money in reserve to retire the Riverside Parkway debt early. The financial picture has changed since then. \$19.3 million has been saved to pay off the debt which will not be enough to pay off the debt early in 2015 as originally anticipated. The recession has affected the amount that could be reserved in both sales tax and property tax. Also, the interest rates went way down so the amount saved has not grown as forecasted. The paperwork for the bonds does allow for a refinance one time. The current market for bonds is much more favorable and the City could save as much as two percent on interest if the bonds were to be refinanced.

This information was presented previously to the City Council and the Council asked that an open house be held, which it was. A survey was also sent out. That resulted in six options being developed. The City Council also asked Staff to look at underwriting quotes. The six options were then reviewed at a workshop. The Council gave direction for one option to pursue. 85% of those surveyed were in favor of the refinancing.

Councilmember Susuras asked if the City Manager will be presenting options for the use of the money saved. City Manager Kadrach said she can speak to that, but perhaps the refinance should occur and then options should be explored.

Councilmember Coons asked City Manager Kadrach to explain who was surveyed. City Manager Kadrach explained how the survey group was developed; it is a set survey group that represents all the Council districts and all the demographics of the community.

The City Manager said the Council then directed Staff to place the item on the agenda to set a public hearing.

City Manager Kadrich advised that the competitive process for the underwriter looks like it will save the City around \$200,000 on the issuance. It is recommended that another agency be the financial advisor for the issuance and have a separate contract for that purpose.

City Manager Kadrich then reviewed the options which were three “no refinancing” options and three refinancing options. The Council will be asked to set the public hearing for December 7, 2011. Anyone can come and speak on the item then. If adopted, the financial advisor will begin the process of refinancing.

Councilmember Doody thanked the City Manager for presenting this item. He said he hopes this will bring more comments forward. City Manager Kadrich said she shared the information with the Chamber Executive Board and the lower interest rate made sense to them and they said they would support it.

Councilmember Coons thanked the City Manager for presenting the various options so clearly.

Councilmember Boeschstein thanked the Staff for competitively bidding the underwriting, noting it will save the City money. He also appreciated the different options.

Council President Kenyon noted that saving money in interest makes a lot of sense but the second question is when the bonds will be paid off. Refinancing will save millions of dollars.

That concluded the report.

CONSENT CALENDAR

Councilmember Susuras moved to adopt the Consent Calendar and then read Items #1 through #4 including an amendment to the printed action for Item #3 to delete the authorization for the contract. Councilmember Coons seconded. Motion carried by roll call vote.

1. **Minutes of Previous Meeting**

Action: Approve the Minutes of the November 2, 2011 Regular Meeting

2. **Setting a Hearing Zoning the Banner Enclave Annexation, Located at 2977 and 2979 Gunnison Avenue** [File # ANX-2011-1124]

A request to zone the Banner Enclave Annexation, located at 2977 and 2979 Gunnison Avenue, which consists of two (2) parcels, to an I-1 (Light Industrial) zone district.

Proposed Ordinance Zoning the Banner Enclave Annexation to I-1 (Light Industrial) Located at 2977 and 2979 Gunnison Avenue

Action: Introduce a Proposed Ordinance and Set a Public Hearing for December 7, 2011

3. **Setting a Hearing on an Ordinance Authorizing the Refunding of a Portion of the General Fund Revenue Bonds, Series 2004, and Issuing Series 2011 Refunding Bonds**

In an effort to maximize the use of existing resources and capitalize on the current municipal bond market, with historically low interest rates, staff has worked with financial advisors and legal counsel to bring forth to City Council a potential refinancing of the 2004 Riverside Parkway Bonds ("2004 bonds"). After initial discussions with Council and at their request additional options were considered and brought back for further evaluation including three non-refinancing options. At the October 31st budget workshop, after reviewing six options, the City Council directed staff to move forward with refinancing the 2004 bonds using the proceeds from lower interest 2012 bonds as well as the \$19 million in TABOR dollars that have been saved since the voters' authorization in 2007. This refinancing transaction, which includes using the TABOR early debt retirement reserve, is estimated to save the City a total of \$7.3 million dollars in interest costs, as well as make another \$14 million in existing dollars available between 2012 and 2021 because the annual debt service payment would be lower.

Proposed Ordinance Authorizing the Issuance of City of Grand Junction, Colorado, General Fund Revenue Funding Bonds, Series 2012, for the Purpose of Refunding all or Any Portion of the City's General Fund Revenue Bonds, Series 2004, and Pledging Certain Revenues of the City for the Payment of the Bonds

Action: Introduce a Proposed Ordinance and Set a Hearing for December 7, 2011

4. **Amending Council Assignments for 2011 – 2012**

At their October 31, 2011 workshop, the City Council directed Staff to prepare a resolution amending the assigned Council member to the Grand Junction Regional Airport Authority and the 5-2-1 Drainage Authority.

Resolution No. 52-11—A Resolution Amending Resolution No. 24-11 Appointing and Assigning City Councilmembers to Represent the City on Various Boards, Committees, Commissions and Organizations

Action: Adopt Resolution No. 52-11

ITEMS NEEDING INDIVIDUAL CONSIDERATION

23 Road and G Road Intersection Reconstruction

This is the contract award for the construction of a roundabout to replace an existing four-way intersection at 23 Road and G Road. The majority of this project is funded by the Federal Highway Administration's (FHWA) Surface Transportation Improvement Program and partially funded by the City of Grand Junction's Capital Improvement Project (CIP) Fund. This program is administered by the Colorado Department of Transportation (CDOT).

Tim Moore, Public Works and Planning Director presented this item. He reviewed the history of this project. There were two fatalities at this intersection in 2006, so the City began working on obtaining grants for improvements to the intersection. The design is such to be able to handle large trucks due to the location of this roundabout being in an industrial area. A number of solutions were considered with a roundabout being the preferred alternative.

Councilmember Susuras asked how this will differ in size in order to accommodate the larger trucks. Mr. Moore said it will be similar in size to the roundabouts at the I-70 on/off ramps at 24 Road.

Council President Kenyon asked how much is paid with grants and how much is the City's responsibility. Mr. Moore said it is an 80-20 split with the State paying an estimated \$807,309 for the entire project.

Council President Kenyon asked for confirmation that all the appropriate studies on loads, etc. have been done. Mr. Moore assured him that has been done.

Councilmember Pitts asked about right-of-way acquisitions. Mr. Moore said some of the right-of-way was acquired through development but some had to be purchased.

Councilmember Doody noted that in the bidding process there was a big difference between M.A. Concrete who was awarded the contract and Sorter Construction who came in second for this project. Mr. Moore agreed and said that the recommended contractor is very close to the site so their bid was very competitive.

Councilmember Boeschstein asked about pedestrians and bicyclists in a roundabout. He then added that roundabouts are much safer intersections. Mr. Moore agreed. Councilmember Boeschstein said he is glad to see Grand Junction doing more roundabouts. According to statistics, roundabouts are much more effective than any other system for handling four-way stops.

Councilmember Susuras asked about statistics on roundabouts. Mr. Moore said that data has been collected. He can provide that to the Council if they would like it. Councilmember Susuras said he would be interested in seeing the statistics.

Councilmember Doody moved to authorize the Purchasing Division to enter into a contract with M.A. Concrete Construction, Inc. of Grand Junction, Colorado for the Construction of a Roundabout at the Intersection of 23 Road and G Road in the Amount of \$722,761.75. Councilmember Pitts seconded the motion. Motion carried.

Councilmember Pitts asked about the guardrail at G Road and the canal as it was down today and has been multiple times this year. He asked if the road is too narrow. Mr. Moore said he would look into it and get back to Councilmember Pitts.

Non-Scheduled Citizens & Visitors

There were none.

Other Business

There was none.

Adjournment

The meeting was adjourned at 7:47 p.m.

Stephanie Tuin, MMC
City Clerk