

**GRAND JUNCTION CITY COUNCIL
WORKSHOP SUMMARY
October 16, 2006**

The City Council of the City of Grand Junction, Colorado met on Monday, October 16th, 2006 at 7:01 p.m. in the City Hall Auditorium to discuss workshop items. Those present were Councilmembers Bonnie Beckstein, Teresa Coons, Bruce Hill, Gregg Palmer, Doug Thomason, and Council President Jim Doody. Absent was Councilmember Jim Spehar.

Mark Relph, Public Works and Utilities Director, introduced his three new employees with the Public Works Department.

Police Chief Bill Gardner introduced his new Telecommunication Staff, Administrative Assistant to the Chief, and Police Officers.

Summaries and action on the following topics:

1. **ANNUAL WATER ISSUES UPDATE:** The City's Water Attorney Jim Lochhead will review current water issues with the City Council.

John Shaver, City Attorney, introduced Attorney Jim Lochhead and gave his background with the City and the water operations. Mr. Lochhead gave an overview of how much water Colorado has allocated and how the water is administered. He explained how Lake Powell serves as a backup in case of a drought to allocate water to the lower basin states. He described the meaning of lower basin and upper basin states and discussed water efficiency and water shortage, along with obligations and negotiations with the upper and lower basin states and how it affects Colorado. He explained the demands, what is left to develop, and the unresolved legal questions.

Council questioned if there is a way to bring everything into alignment regarding the allocation of water in case of a shortage and the technology in de-cellination and cloud seeding. Mr. Lochhead explained some different areas that were working with both of these techniques.

Action Summary: City Attorney Shaver asked Council to let him know if there are any questions in the future for Mr. Lochhead as he would address Mr. Lochhead with those questions.

Council President called a recess at 8:35 p.m.

The meeting reconvened at 8:45 p.m.

2. **STATUS/IMPACT OF CURRENT CONSTRUCTION COSTS AND BALANCING THE CITY'S CAPITAL IMPROVEMENT PROGRAM:** Administrative Services and Finance Director Ron Lappi will review, along with other Department Directors, the rebalancing for the 2006/2007 Budget Year and the Ten Year Capital Plan due to increased costs.

David Varley, Interim City Manager, gave an introduction to Council regarding the off-year and explained what the City does with minor adjustments to the budget and how to adapt with those changes.

Mark Relph, Public Works and Utilities Director, gave a brief background regarding the magnitude of the changes and suggested to bring the Capital Improvement Program (CIP) back into realistic ranges. Mr. Relph said with the cost of inflation, money is just worth less right now and said twenty-one projects were moved or moved out of the CIP 10 year plan.

Ron Lappi, Administrative Services and Finance Director, gave an overview of the proposed capital changes in various funds and also reviewed the escalating costs over the next 10 years.

Trent Prall, Public Works and Utilities Engineering Manager, explained the significant revenues regarding the long and short term projects of the Traffic Capacity Payments (TCP). He gave an overview regarding additions and monies that were increased for the projects that were shifted in the 10 year plan.

Council agreed that the City needs to look at the big picture in the near future regarding the entire infrastructure due to all the cost increases and lack of funding from the state level.

Mr. Varley thanked Lanny Paulson, Budget and Accounting Manager, and Trent Prall, Public Works and Utilities Engineering Manager, for all of their hard work on these projections.

Action Summary: Council asked for more information at the Council Workshop on October 30th regarding the figures of where the City is now and where the City is projected to be regarding the increase and escalating costs for the budget over the next 10 years.

ADJOURN

The meeting adjourned at 10:14 p.m.