

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

August 17, 2016

The City Council of the City of Grand Junction convened into regular session on the 17th day of August, 2016 at 7:01 p.m. Those present were Councilmembers ~~Bennett Boeschenstein~~¹, Chris Kennedy, Duncan McArthur, Rick Taggart, Barbara Traylor Smith, Martin Chazen, and Council President Phyllis Norris. Also present were City Manager Greg Caton, City Attorney John Shaver, and City Clerk Stephanie Tuin.

Council President Norris called the meeting to order. Councilmember Chazen introduced his granddaughters Marley and Erika Govea who led the Pledge of Allegiance which was followed by an invocation by Bishop Mark Rogers, Church of Jesus Christ of Latter Day Saints, Orchard Mesa Ward.

Presentation

2015 Auditors Report – Ty Holman, Haynie & Company

Ty Holman of Haynie & Company, introduced himself and noted this was the first year Haynie & Company performed the City's audit. Mr. Holman stated that the City had a very clean audit and went on to explain an auditor's responsibility during an audit. He said a risk based audit was performed and reviewed the 2015 City of Grand Junction Auditors Report saying Haynie & Company tries to stay unpredictable when looking at internal controls when implementing a risk-based approach. No issues were found. He said GASB (Government Accounting Standards Board) 68 was the most significant change in 2015 which required a statement of pension liabilities. He explained some numbers are based on estimates and all those estimates were found to be reasonable, however most were based on hard numbers from bank statements. There were no audit adjustments, which is rare and very commendable. He reviewed high level items such as sales tax collections, long term debt, investments, fund balances, and listed new GASB accounting pronouncements. He said GASB is staying very active and 72-73 and 76-79 will have little impact on the City, but 74 and 75, which relate to post-employment benefits, will have a similar impact to the City as that of GASB 68. Instead of being footnoted, the City's position will have to be recorded, most likely as a liability, within the statement of net position. This will take effect in 2017 and the additional disclosures will be included in the Comprehensive Annual Financial Report.

Mr. Holman concluded there were no audit adjustments and the transition went extremely well particularly because they were able to review papers from prior years,

¹ Minutes were approved before correction was made.

even though it was a learning process for both sides. He commended Financial Operations Director Jodi Romero and her Staff. The audit was filed within the deadline (June 30th), in spite of a personnel change during the audit. He asked if there were any questions and stated there is always an open line of communication with the Council.

Council President Norris thanked Ms. Romero for the good job.

Councilmember Traylor Smith stated that with new accounting pronouncements (GASB 72, 73, 76, and 79) and that Mr. Holman did not expect any significant impact on the City, she asked for clarification on GASB 74 and 75, if they will require notes and disclosures. Mr. Holman stated most likely an additional liability will be recorded on the statement of net position which will require a restatement of the beginning net position recorded retroactively.

Councilmember Chazen thanked the Finance Department especially in light of the personnel change. He stated when the City changed auditors, concerns were raised about Haynie & Company being based in Denver, he asked Mr. Holman if there were difficulties performing the audit due to the company's location. Mr. Holman stated no, not at all. The team came over for a few days initially and performed interim procedures and then again toward the end of the audit. There were no issues thanks to available technology. Councilmember Chazen said pension liabilities get expensive for the City since they are based on assumptions built by actuaries and asked if they are reasonable. Mr. Holman stated that his firm audits over 60 governmental entities and gets a broad view to compare the assumptions formed by different actuaries. They also compare for over-all reasonableness. The rate of return may seem aggressive but it is a similar range for return with other actuaries.

That concluded the audit report.

Proclamation

Proclaiming August 22-29, 2016 as “Up With People Week” in the City of Grand Junction

Councilmember Taggart described his experience as a member of the Up With People cast in 1968. He then read the proclamation. Ran Hu from Up With People, along with Convention and Visitor Services Director Debbie Kovalik, were present to receive the proclamation. Ms. Hu thanked Council for recognizing Up With People and described the program. She said they are very excited to be in Grand Junction, which is their first stop on this tour. Ms. Kovalik provided information about her experience with Up With People in 1974 and said the performance will be on Friday August 26, 2016 at 7:00 p.m., at Grand Junction High School.

Appointment – To the Downtown Development Authority/Downtown Grand Junction Business Improvement District

Councilmember Chazen moved to appoint Vance Wagner to the Downtown Development Authority/Downtown Grand Junction Business Improvement District for a four-year term expiring June 2020. Councilmember Kennedy seconded the motion. Motion carried by roll call vote.

Certificate of Appointment – To the Commission on Arts and Culture

Introduced by Councilmember Kennedy, Roseann Lyle was present to accept her certificate of appointment to the Commission on Arts and Culture for the remainder of a three-year term expiring in February 2019. She thanked Council for the opportunity to serve and saying she considers her appointment a responsibility and honor.

Citizen Comments

Adam Cochran, 2663 Paradise Way, said he is a new board member to SuperRad Art Jam, which provides art activities to children (primarily K-12) throughout the community. He listed some of the activities SuperRad Art Jam provides and thanked the Council for past funding and encouraged future arts funding.

Council Comments

Councilmember McArthur said that he went to the grand opening of Pathways Village on August 4th. It was an impressive event and he described how the building was built and that it had reduced homelessness by 18%. On August 9th he went to the grand opening of the new R-5 High School where he spoke with the architect, Robert Blythe, about the thought process and considerations made for the design. R-5 will serve approximately 300 students.

Councilmember Chazen also went to the Pathways Village dedication and wished them luck on Phase II which will focus on single mothers with children. On August 25th Associated Governments of Northwest Colorado (AGNC) will have an Economic Development Summit in Grand Junction. He invited anyone wanting to attend to register on-line at AGNC.org.

Councilmember Kennedy was out of state over the last two weeks and was unable to attend any meetings.

Councilmember Traylor Smith said she looks forward to touring the Pathways Project soon. That morning she went to the Grand Junction Economic Partnership (GJEP) monthly meeting and is proud of the contacts they have made. She commended the partners for working together. GJEP requested that the Council hear information about the Foreign Trade Zone (FTZ) and she is looking forward to that meeting.

Councilmember Taggart said he went to many of the same events.

Council President Norris said she went to the Parks and Recreation Advisory Board meeting and they reviewed the budget. She lauded the Pathways Project and hopes there will be more projects like it.

Consent Agenda

Councilmember Kennedy moved to adopt the Consent Calendar (items #1 through #3). Councilmember McArthur seconded the motion. Motion carried by roll call vote.

1. Approval of Minutes

- a. Summary of the August 1, 2016 Workshop
- b. Minutes of the August 3, 2016 Special Session
- c. Minutes of the August 3, 2016 Regular Meeting

2. Resolution

- a. Resolution No. 37-16 – A Resolution Concerning the Issuance of a Revocable Permit to Mesa County Valley School District No. 51 to Allow Construction of a 6' Metal Fence in an Unimproved Alley Right-of-Way, Located at 2150 Grand Avenue

3. Continue Public Hearing

- a. Quasi-Judicial
 - i. A Proposed Ordinance Amending the Outline Development Plan and Planned Development Ordinance for Highlands Apartments, Located at 805 and 825 Bookcliff Avenue, to Increase the Number of Units within the Same Building Footprint (To be Continued to September 7, 2016)

Federal Aviation Administration Airport Improvement Program Grant

The Grand Junction Regional Airport Authority (GJRAA) has received an Airport Improvement Program (AIP) Grant from the Federal Aviation Administration (FAA) for the reconstruction of the Eastern half of the Terminal Air Carrier Apron. Mesa County and the City of Grand Junction are required as Co-Sponsors to the Grant Offer.

Kip Turner, GJRAA Director, reviewed the grant offers that have been approved by the FAA and said the draft language will not be changed nor will the numbers. They are still waiting for the actual grant offers.

Councilmember McArthur asked how the grants will be used. Mr. Turner explained it is for the pavement on the east terminal that is in the poorest condition. It received a 33 rating out of 100.

Councilmember Chazen asked if this has been passed by the Airport Authority. Mr. Turner replied that it was approved August 16th. Councilmember Chazen asked if the Mesa County Commissioners will also need to sign the Co-Sponsorship Agreement. Mr. Turner said both grants need to have a Co-Sponsorship Agreement signed by the Council and the Commissioners. He is scheduled to attend the Commissioners meeting on August 22nd to seek their approval.

Councilmember Kennedy moved to approve the grant offer for FAA AIP Project 3-08-0027-054-2016 and authorize its appropriate agents to execute the grant offer and co-sponsorship agreement. Councilmember Traylor Smith seconded. Motion carried by roll call vote.

An Ordinance Zoning the Proposed Redlands Hollow Rezone to R-4 (Residential – 4 du/ac), Located at 508 22 ¼ Road

A request to rezone 2.88 acres from R-2 (Residential - 2 du/ac) to R-4 (Residential - 4 du/ac) zone district in anticipation of developing a residential subdivision. The R-4 zoning is consistent with the Comprehensive Plan and the surrounding County zoned properties.

The public hearing was opened at 7:54 p.m.

Scott D. Peterson, Senior Planner, presented this item. He described the site, the location, and the request. He said eleven citizens attended the neighborhood meeting (held in April) and expressed various concerns about the development. The Planning Commission (PC) recommended approval of the request at their July 12, 2016 meeting. He noted adequate facilities and utilities are available to serve the property, many amenities are within walking distance of the property, the fire station is less than a mile away, and the property owner will be dedicating a trail easement along the property. He described the designation on the Future Land Use Map and the allowed zoning in that land use designation. Mr. Peterson described the surrounding zoning and uses and noted that the requested zoning is compatible with the surrounding zoning. Mr. Peterson then had Project Development Engineer Rick Dorris address the City Council to speak on traffic issues.

Mr. Dorris displayed a traffic map and explained how traffic is calculated. He estimated the proposed development will increase traffic by 16% and said the streets can handle the additional traffic that would be generated. Concerns had been raised regarding “cut through” traffic, but when he monitored the area between 8:30 a.m. and 9:00 a.m. that day, he only saw two cars “cut through”.

Mr. Peterson then described the findings of fact and conclusions and said Staff recommended the rezone. He referred to the letters, emails, and petitions that were received opposing the development. He then said the applicant would like to address the Council before public testimony.

Ted Ciavonne, Ciavonne, Roberts, & Associates, 222 N. 7th Street, is representing the applicant and noted that Rich Livingston, the attorney representing the Redlands Investment Properties, LLC, said the applicants apologized for not being present and explained there are seven lots across the street and the owner will improve their drainage, but will not upgrade the road.

Councilmember Kennedy asked if there are any caveats that can be put into place to limit the number of lots to 6 and if the developer could change the lot sizes after the zoning change was approved.

Mr. Peterson said this is only a request for rezone; there are no restraints the City could place on the property.

Mr. Livingston said he spoke to the City Attorney about this developer being dedicated to this development and that he is willing to self-limit the number of lots to six with a deed restriction.

Councilmember Chazen said he personally knows Cliff and Teresa Hanson, but was not aware they were the owners of Redlands Investment Properties, LLC.

Councilmember Traylor Smith also said she knows the Hanson’s, but they have not discussed this request.

Councilmember Chazen stated he had no prior contact or discussion with the Hanson’s regarding this request and that their relationship would not affect his decision.

Councilmember Traylor Smith also stated that her relationship with the Hanson’s will not influence her decision.

City Attorney Shaver stated there was nothing to preclude either councilmember from participating, but the issue was up to Council.

Councilmember Kennedy stated that “people know people” and he felt they could make the separation. He did not see any reason for either councilmember to recuse themselves.

Council President Norris stated she has confidence that both councilmembers will make a decision based on what is good for the City.

Councilmember McArthur asked if any restrictions could be put in place to restrict the number of lots to six.

City Attorney Shaver stated a condition could be added to the subdivision plat. It would not be part of the zoning, but a part of the plat. Staff can act on this going forward and only move forward if the covenant was in place.

Councilmember Taggart asked if the condition on the plat would remain if the Hanson's sold the property.

City Attorney Shaver stated that once the lots are created and the plat is recorded, the lot sizes could not be subdivided.

Councilmember Taggart said concerns were expressed in several letters that this could be used as a “cut through”. He asked Mr. Peterson to explain why.

Mr. Peterson, using an aerial map of the neighborhood and surrounding areas, showed the path of the “cut-through”.

Councilmember Chazen asked how the Planning Commission voted on the rezone.

Mr. Peterson stated it was passed with a 5 to 2 vote in favor of the rezone.

Naomi Renital, 515 22 ¼ Road, lives at the corner of 22 ¼ Road and Mudgett Street. She said this is area where people cut through. Her husband, Garrett Williams, wrote one of the letters regarding this rezone and said she is not anti-development, but wants the growth to be conservative and in-line with the existing neighborhood. The deficiencies with R-2 zoning were never brought up and there is a potential for negative impacts on the neighborhood’s character. Across from the larger property, most lots average .7 acres with mostly smaller one story homes. Obstructed views are a neighborhood concern. Although R-4 zoning is common in the area, it has been used for standalone neighborhoods, not as infill. She said 22 ¼ Road is narrow and informally paved and people turn around in her driveway. To protect the rural setting they are asking to limit the height and number of houses built in the neighborhood.

Sharon Segars, 2215 Dixon Avenue, thanked the developer for limiting the development to six lots. There are 122 homes with only two entrances and exits. In the Planning Commission meeting on April 19th, Mr. Dorris said the traffic basin has 39 homes. She

disagreed, stating that there are 122 homes that use the entrances and said a minimum count should be 1,220 trips. That number doesn't include any other trips, just those going to and from work. She then showed all the vacant land around the area expressing concern about creating a precedent for high density development potential in the future. She asked why special privileges were given and requested the development stay within the R-2 boundaries to retain the rural feel.

Aaron Livingston, 517 22 ¼ Road, appreciated the time Staff spent on the request. He lives at the end of 22 ¼ Road just before the ditch. He stated on a daily basis, two to four cars use his driveway to turn around since there is no turnaround at the end of the street. The houses across the street are on over ½ acre lots and the streets are narrow. He is concerned the six lot limit is not a formal agreement.

There were no other public comments.

The public hearing was closed at 8:30 p.m.

Councilmember Kennedy asked Mr. Peterson what the housing height restrictions are for R-4 zoning and what the drainage and street width requirements are. Mr. Peterson said the R-2 zone has a maximum house height of 35 feet and the R-4 zone has a maximum house height of 40 feet. He deferred to Mr. Dorris in regard to the street width requirements.

Mr. Dorris said a typical City street has curb, gutter, and sidewalk and is 28 feet across. This road does not have curb or gutter and is approximately 22 feet across. The developer has to show the road will meet the needs of the neighborhood and proposed the alternate street section which the City approved.

Councilmember Kennedy asked if traffic counts had been calculated for the area. Mr. Dorris said no. Councilmember Kennedy asked that a count be done.

Mr. Ciavonne stated that the property is 872 square feet short of being able to plat six lots without the zoning change. Redlands Investment Properties, LLC, asked to develop seven lots. Considering the existing house and the definition of R-4 zoning, eight lots are the maximum. In 2010 the Growth Plan that was put in place discouraged sprawl development and encouraged infill. This request will only create a slight increase in density with twenty more trips.

Mr. Livingston said the neighborhood needs to "trust but verify" that the owner is willing to put a restrictive covenant against the title to limit the number of lots. That will be recorded and any successive owner would take title with that restriction. He said that everyone has concerns about the neighborhood but he assured that they can accommodate a reasonable development that brings economic benefit to the

community. He listed all the documents that say they can comply across the board with the six new houses.

Councilmember Taggart asked Mr. Livingston to explain the difference between the City's projected road use and Ms. Segars' estimated traffic count. Mr. Livingston said the City's count was based on a smaller area than Ms. Segars' estimate.

City Attorney Shaver expressed a need to get disclosure on Mr. Dorris's statement regarding his relationship with Paul and Sharon Segars who are longtime friends, but stating they have not spoken about this. He questioned Mr. Dorris and concluded the relationship did not influence the traffic study.

Councilmember Chazen restated that the owner is willing to record a deed restriction on the property limiting the lots. He expressed a desire to include a requirement in the ordinance that the limitation and development is contingent upon the recording of that deed restriction.

City Attorney Shaver stated the property is 2.88 acres, if it was 3 acres, the discussion would be different, the zoning does not approve the project. Based on that approval, they will bring forward a plat with only six lots; the covenants are recorded at the time of the plat being recorded.

Councilmember Taggart asked City Attorney Shaver if a motion was made on this request, could the motion include that Council is approving the ordinance including the developer's representation for lot limits. City Attorney Shaver answered there is no way for the City to enforce lot limits until development takes place. The zoning would have to be approved first, then a restriction could be put in place limiting the number of lots.

Mr. Ciavonne stated that the project requires a simple subdivision in order to break off the house from the vacant property. At that point and concurrently, the subdivision will follow relatively soon afterwards.

Councilmember McArthur clarified that there would be six additional lots in addition to the existing house structure, with a gross 2.4 units per acre, he does not see this as high density.

Councilmember McArthur moved to approve Ordinance No. 4715, an ordinance zoning the proposed Redlands Hollow Rezone to R-4 (Residential – 4 du/ac), located at 508 22 ¼ Road on final passage and ordered final publication in pamphlet form. Councilmember Kennedy seconded the motion.

A discussion took place and Councilmember Chazen asked if a separate motion was needed to be made for direction that six lots be the limit. City Attorney Shaver said direction could be given to the City Manager to make sure the platting of the subdivision

will reflect no more than six lots and that a covenant is in place to prevent further subdivision.

Councilmember Kennedy stated six lots are acceptable to the neighborhood; a balance point that fits both needs. He appreciates those who voiced their concerns.

Councilmember Kennedy moved to approve the rezone and Ordinance No. 4715 and directed City Staff and the City Manager to ensure the six lot limit was carried out. Councilmember Chazen seconded the motion. Motion carried by roll call vote.

An Ordinance Making Supplemental Appropriations to the 2016 Budget of the City of Grand Junction, Colorado

This request is to appropriate certain sums of money to defray the necessary expenses and liabilities of the accounting funds of the City of Grand Junction based on the 2016 budget amendments. Appropriations are made on a fund level and represent the authorization by City Council to spend according to the adopted or amended budget.

The public hearing opened at 8:58 p.m.

Financial Operations Director Jodi Romero described need for the supplemental appropriation ordinance and described the budget amendments. She advised that the majority of the amendments to the General Fund are the carryforward of the Economic Development budget for the various contract services, capital equipment, and the mid-year authorizations that Council made for the CMU campus expansion and development fees for HomewardBound and Grand Junction Housing Authority. There was also a carry forward for 911 communications. There was an amendment to purchase the Matchett Park property. An amendment was made for the Sales Tax CIP for the carry forward of capital projects such as the Horizon Drive Interchange. The remaining amendments are for carryforwards for various capital projects that began but were not completed in 2015.

There were no public comments.

The public hearing closed at 9:00 p.m.

Councilmember Chazen asked if the proposed changes are properly funded and the \$18.5 million of reserves are still maintained. Ms. Romero replied affirmatively.

Councilmember Chazen moved to adopt Ordinance No. 4716, an ordinance making supplemental appropriations to the 2016 budget of the City of Grand Junction, Colorado, on final passage and order final publication in pamphlet form. Councilmember Traylor Smith seconded the motion. Motion carried by roll call vote.

Non-Scheduled Citizens & Visitors

David Mattson, 360 Plateau Drive, spoke regarding the appropriations for the Arts, especially the Grand Junction Senior Theater which he has been a board member of for three years. He gave examples of some of the performances that were given the past year. He said that is just one example of what funding the Arts could benefit.

Betty Dolan, 2852 ½ Elm Avenue, said that arts and culture funding is needed. Plays have been a wonderful part of her life. It gives her a chance to get out in the community, to enjoy beautiful art work and art galleries. Having art around makes for a better community. She encouraged everyone to get involved with the Arts and plays. She asked City Council to appropriate money for the Arts.

Other Business

There was none.

Adjournment

The meeting was adjourned at 9:08 p.m.

Stephanie Tuin, MMC
City Clerk