

**GRAND JUNCTION CITY COUNCIL
MINUTES OF SPECIAL MEETING**

October 12, 2016

The City Council of the City of Grand Junction convened into special session on the 12th day of October, 2016 at 7:00 p.m. Those present were Councilmembers Bennett Boeschstein, 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 Kennedy led the Pledge of Allegiance followed by a moment of silence.

Regular Agenda

Contracts - Three contracts for the construction of the Las Colonias Amphitheater to include: slough excavation, trail work and access, and site, building, and civil work

Rob Schoeber, Parks and Recreation (P&R) Director, introduced the item and explained each contract and the grant funding. Mr. Schoeber said the item is divided into three contracts for slough excavation, Riverfront Trail access, and amphitheater construction which gave contractors the ability to bid on one or more of these elements. Mr. Schoeber then deferred to Traci Wieland, Las Colonias Amphitheater Project Coordinator.

Ms. Wieland explained the process of how the Las Colonias Amphitheater Project had been value-engineered in anticipation of possible funding shortfalls and provided a list of cost saving alternatives that will be implemented to offset deficits. Ms. Wieland said this will allow construction of a functional facility with additions that can be made in the future.

Mr. Schoeber stated the proposed contracts total \$3.3 million and noted items that could be added later and/or installed by City Staff for a total projected cost of \$3.6 million. The timeline, if approved, is to complete the slough this fall and total completion of the project within one year.

Councilmember Kennedy expressed appreciation to the community organizations for their support, to staff for keeping the Las Colonias Project close to the estimated amount, and the flexibility of the contractors. He noted that over a period of time, it is

not unusual for bids to come in higher and to have value-engineering implemented. He asked if there is a contingency built into each contract and if contractors have confidence in their bids. Councilmember Kennedy asked if the Las Colonias Project has the potential to use less materials. He said, in a slowing economy, the Council still needs to move forward with the Las Colonias Project for the betterment of the community.

Ms. Wieland said the contract for the trail portion has a \$12,000 contingency, the amphitheater portion has a \$50,000 contingency, but the slough excavation does not have any contingency however, the contractor is confident in their bid. Ms. Wieland stated that there is potential for the Las Colonias Project to come in under budget regarding items and materials.

Councilmember Taggart stated that in July 2016, the estimated Las Colonias Project budget was \$3.892 million but was reduced to \$3.796 before value-engineering options were implemented. Councilmember Taggart asked for clarification regarding the compliance with the Americans with Disability Act (ADA) for the front stage platform lift, the stage scissor lift, and basic Audio-Visual (AV) equipment being taken out of the budget and the East Wing phasing.

Ms. Wieland addressed each of Councilmember Taggart's concerns: there is an ADA accessible ramp in the backstage area; P&R has a scissor lift that could be shared with this facility; basic AV equipment could be rented as needed (she noted most big acts will have their own equipment); and the East Wing phasing is for a restroom which was added back into the Project at Council's request.

Councilmember Boeschstein asked if the mill tailings have been removed from the site and if the Department of Energy (DOE) and the Department of Public Health and Environment (DOPHE) have certified that the project site is clean and suitable for park development.

Ms. Wieland said it was decided to treat the entire site as contaminated and above the acceptable limit, which provides a framework for the project to move forward by adding clean fill to the level required by the DOE and DOPHE. Ms. Wieland said the DOE and DOPHE have been informed of all changes and improvements to the project for the past 3 years and a letter has been received from the DOE stating the fill level proposed is acceptable.

City Attorney Shaver added that the project is not an enclosed space so contamination and radon are not an issue.

Councilmember McArthur asked Mr. Wieland to indicate on the project diagram where the restrooms will be located and asked for clarification under the fiscal impact and sources section of the budget regarding the line item for the figure of \$116,750.

Ms. Wieland showed the diagram, indicated the restrooms, and stated that the restrooms will be utilized at all times since they will also have trail access.

Mr. Schoeber said the \$116,750 are the additional Conservation Trust Fund (CTF) and Park Improvement funds which are included in the budget and itemized under sources of CTF and Park Land Expansion Fund.

Councilmember Chazen stated the cost of the Las Colonias Project has varied and asked if these are fixed price contracts and if there is any potential to go over budget.

Mr. Schoeber said the budget would not be increased unless approved by staff for unforeseen circumstances but he feels confident in all the material prices. Mr. Schoeber said that staff worked closely with contractors for the Lincoln Sports Complex and will approach this in the same fashion.

Councilmember Chazen noted that the November 2015 estimate was \$3.5 million and increased to almost \$3.9 within six months. He asked what the reason was for this budget increase.

Ms. Wieland said that budgets and cost estimating can change throughout a project however, the changes in the Las Colonias Project budget are most likely due to material costs; this is why value-engineering has been implemented throughout the project.

Councilmember Taggart noted that Council requested bathrooms be added to the project, which would account for some of the cost increase.

Mr. Schoeber said the bathroom addition was part of the increase along with changes to the traffic flow configuration.

Councilmember Chazen asked how much the financial request was to the Department of Local Affairs (DOLA) for this project and, within that budget, what was total project cost was at that time. He asked for confirmation of the total project request and recalled that the total DOLA budget amount was actually \$4.2 million, not \$3.8 million.

Councilmember Chazen also inquired about the payment of the Lions Club financial pledge of \$280,000 asking when this amount would be paid in full. He also asked how much additional expense the City is projected to absorb in the future due to cuts that

have been implemented in the current budget, and if the projected \$146,000 in operating expense has been accounted for in the 2017 budget.

Mr. Schoeber said that the total request for the project was for \$3.8 and the DOLA request was for half that amount, however, DOLA funding came in at \$1.6 which was \$300,000 short of the request. The original project included two wings on the Amphitheater however, the wings were removed due to the DOLA funding shortage. Mr. Schoeber said the Lions Club will complete their financial pledge in 2018. He said the value-engineering included suggestions made by the contractors to reduce costs but will still produce a fully functional facility. Mr. Schoeber said operating expenses for the amphitheater have not been budgeted for 2017; it will be absorbed into the P&R operating budget.

Councilmember Traylor Smith asked why the contract for the slough section of the project came in at about half of the other bids. Mr. Schoeber said that contractor is reputable and has done outstanding work on a past City project.

Councilmember Traylor Smith expressed concern about the operating budget being absorbed by the Grand Junction Parks and Recreation Department, the scaling back of the amphitheater equipment, and the City's overall budget in regards to Las Colonias. Mr. Schoeber responded to each of her concerns.

Council President Norris said she is glad to see local companies submitting bids for this project and asked for verification that the bathroom and sod were the items added back into the budget for \$117,000 and any items that have currently been removed from the project could be added at a future time. Mr. Schoeber confirmed.

Council President Norris said everything that Council asked for in the Spring has been completed and she supports this project.

Councilmember Taggart suggested that CTF be utilized on future purchases of chairs, roll carts, fixtures and that Las Colonias operating be expensed.

Councilmember Traylor Smith asked if the \$117,000 has been accounted for within the 2017 budget or if the amount was taken away from somewhere else within the budget. City Manager Caton stated originally some funds were used to purchase additional property for Mattchett Park. Due to stronger than anticipated development, more contributions to CTF and Open Space funds were received, and made available for this project.

Mr. Schoeber said within the budget, nothing was sacrificed or taken away for this \$117,000 to be added to the Las Colonias Project. Mr. Schoeber stated, if the contracts are approved, the anticipated CTF balance will be \$52,000 in 2017.

Councilmember McArthur stated that the original design for the Las Colonias Project was pared down due to budget constraints, however, the City can request additional grant monies for future upgrades. Mr. Schoeber agreed.

Councilmember Boeschstein asked what percent is funded by grants and other non-city sources. Councilmember Boeschstein thanked the Lion's Cub and several other contributors for their support of the Riverfront area development and quoted a goal from the Economic Development Plans, "to move forward aggressively with Las Colonias Project to stimulate development along the river". Councilmember Boeschstein then commented on research regarding development of river walks and parks which improve the quality of life, and said he supports this project.

Mr. Schoeber said, for the funding of the Las Colonias Project, grants and donations totaled 74% and internal sources totaled 26%.

Councilmember Chazen asked if there was a change in the operating plan for the Las Colonias Project and asked what will be the annual net revenue figure for the Las Colonias Amphitheater. Councilmember Chazen stated that the total investment is \$3.89 million and asked if the City is going to recognize net revenue at the end of 2017. He said he would not support the Las Colonias Project and recommended the process for future park projects provide complete information and complete options from the beginning proposal with total transparency.

Mr. Schoeber used a projection on the economic impact for revenue projections for Las Colonias Project and stated there is no change in the operating plan. Mr. Schoeber said \$75,000 was the projected gross annual income starting in 2018.

Slough Excavation

Councilmember Boeschstein moved to authorize the Purchasing Division to enter into a contract with Con-Sy, Inc. for the excavation of the Slough Channel as part of the Las Colonias Amphitheater Project in the amount of \$214,767.20. Councilmember Kennedy seconded the motion. Motion carried by roll call vote with Councilmember Chazen voting NO.

Trail Work and Access

Councilmember Kennedy moved to authorize the Purchasing Division to enter into a contract with Mountain Valley Contracting for the construction of the trail and median access for the Las Colonias Amphitheater Project in the amount of \$181,025.75.

Councilmember Boeschstein seconded the motion. Motion carried by roll call vote with Councilmember Chazen voting NO.

Amphitheater

Councilmember McArthur moved to authorize the Purchasing Division to enter into a contract with Asset Engineering Limited for the construction of the Las Colonias Amphitheater to include site, building, and civil work in the amount of \$2,957,599.96.

Councilmember Kennedy seconded the motion. Motion carried by roll call vote with Councilmember Chazen voting NO.

Municipal Court Resolution

Council President Norris proposed that the Council address the Municipal Court Resolution at a future meeting.

Councilmember Kennedy stated if the Municipal Court resolution is not complete, he would strongly recommend the resolution be on the Council meeting agenda on October 19, 2016.

Council President Norris said, even if only minor changes need to be made, she wants to see a complete Municipal Court Resolution before the next Council meeting.

Councilmember Taggart agreed with putting the Municipal Court Resolution on the October 19th agenda.

Councilmember Chazen asked if the Municipal Court Resolution can be completed within a week and be ready for the October 19th agenda.

City Attorney Shaver said he could present a variation to Judge McInnis's Municipal Court Resolution or it could be presented as Judge McInnis has presented it.

Council President Norris stated she saw notes from Judge McInnis and would like to have that version of the Municipal Court Resolution before the next meeting.

City Attorney Shaver said he would provide his version to Council if requested.

Council President Norris said she wants one version of the Municipal Court Resolution that is agreeable with both City Attorney Shaver and Judge McInnis.

Municipal Judge Care' McInnis said the Municipal Court Resolution was submitted on September 19th and she is prepared to proceed when Council puts it on the agenda. Judge McInnis said she would make a minor change to City Attorney Shaver's version of the Municipal Court Resolution.

Councilmember Chazen said he would like just one resolution that everyone is comfortable with, and asked if Council can see the current version from Judge McInnis.

Councilmember McArthur said it is critical that it be resolved before it comes before Council.

Council President Norris said it will go on the next Council meeting's agenda.

Other Business

There was none.

Adjournment

The meeting was adjourned at 8:25 p.m.

Stephanie Tuin, MMC
City Clerk